



GENERAL TERMS AND CONDITIONS PURCHASE ORDER

1. Acceptance of Entire Agreement: These Purchase Order General Terms and Conditions (hereinafter defined as the “GTC”), including the terms and conditions on the face of the Purchase Order delivered by Stornoway Diamonds (Canada) Inc. (“Stornoway”) and all proposals, designs, plans and other documents specified by Stornoway in such Purchase Order (hereinafter collectively defined as the “Contract”) shall govern all purchases made by Stornoway from Supplier (as these parties are defined or otherwise identified on the Purchase Order) of goods, products, or other equipment, including any software imbedded therein (the “Products”) and/or services (the “Services”) as such are more further described in the Contract. (Stornoway and Supplier are together the “Parties,” and each a “Party” hereto.)

Unless governed by a separate and specific agreement mutually agreed to in writing, executed by an authorized representative of both Parties, this Contract shall constitute the complete and final written agreement between Stornoway and Supplier and supersedes all other agreements and understandings between the Parties regarding the supply of the Products and the performance of the Services pursuant to the Contract. No other terms, whether consistent or conflicting with the Contract, are a part of the Contract, even if such terms are provided on Supplier’s forms.

Supplier’s terms and conditions, whether included by reference in this Contract or in any other document delivered or issued by Supplier and whether or not accepted in writing by Stornoway, shall not be binding on Stornoway unless Stornoway expressly agrees that its acceptance of such terms and conditions constitutes an amendment to this specific Contract, which acceptance shall be clearly referenced on the face of the Purchase Order.

The Parties acknowledge that no amendments may be made to the Contract, including the GTC, unless agreed to between the Parties and confirmed to such effect in writing by the Parties.

Documents designated by Stornoway as part of the Contract in accordance with this Section 1, including supplemental terms and conditions, if any, are incorporated by reference the same as if set out in full herein and, in the event of a conflict between the GTC and any other documents or supplemental terms and conditions, the GTC shall have precedence, unless Stornoway expressly agrees in writing that such other documents or supplemental terms and conditions shall have precedence over the GTC.

2. Price: The Products supplied or to be supplied and the Services performed or to be performed pursuant to this Contract shall not be invoiced at a higher price than set out in the Purchase Order without the prior written consent of Stornoway. The price set out in the Purchase Order is all

inclusive and, subject to this Section 2, Supplier is not entitled to receive any additional payment unless expressly set out and agreed to in writing by Stornoway. Unless expressly stated in the Contract, no charges will be allowed for packing, crating, freight surcharges, expedited delivery or cartage.

For greater certainty, the price set out in the Purchase Order includes all taxes and all fees, royalties, commissions and other accessory disbursements, if any, for the Products or Services being provided, and Supplier shall be responsible for any such taxes, fees, royalties, commissions and other accessory disbursements, other than applicable sales taxes, which shall be paid by Stornoway. If Stornoway is required to pay any taxes, fees, royalties, commissions and other accessory disbursements for which Supplier is responsible hereunder, Stornoway shall be entitled to deduct such amounts from any amount payable to Supplier under the Contract. Supplier shall, at Stornoway’s request, cooperate with Stornoway and the appropriate tax authorities in obtaining any tax refunds for the account of Stornoway.

3. Packing, Shipping and Routing: All Products to be delivered to Stornoway shall be packed and packaged in accordance with applicable laws and with instructions or specifications in this Contract or referred to in drawings or specifications for the Products. In the absence of any such instructions or specifications on packing and packaging, Supplier shall (i) comply with the best commercial practice for shipment adequate for safe arrival of the Products at Stornoway’s specified destination, storage against weather and the mode of selected transportation, (ii) comply with carrier regulations and (iii) secure the lowest possible transportation rates (including motor truck, express and parcel post, or in accordance with such special shipping instructions as issued by Stornoway). Where Stornoway is responsible for transportation, any extra transportation cost resulting from failure to comply with this section shall be charged to Supplier’s account.

Stornoway’s Purchase Order number can be found on the face of the Purchase Order. It must be plainly marked on all shipments and packing slips and on any other documents related to this Contract.

A packing slip must be included with each package and show the Purchase Order Number and an itemized description of contents, including the Purchase Order line number. All deliveries to the Renard Site (as defined below) shall be approved by Stornoway at least 48 hours before the scheduled time of delivery. Direct-from-manufacturer shipments shall comply with this section.

Products arriving without the required notice will be held without acceptance until the required information is received. All costs incidental thereto will be charged to Supplier.

4. Warranties, Guarantees, Inspection, and Right of Rejection: Products Warranty: Supplier hereby guarantees that all Products (i) are produced in accordance with the terms of this Contract and adequate for the purposes for which they are intended; (ii) comply with all then existing applicable federal, provincial, municipal and local laws, ordinances and governmental rules, regulations and requirements; (iii) strictly conform to the specifications, drawings, samples, or other descriptions furnished; (iv) are new, unless otherwise provided for in the Purchase Order, of merchantable quality, and free from all defects whether apparent or latent; and that the workmanship of the Products is of the highest standard and, where the materials to be used are not specified, the materials used must meet the highest standard of quality.

Services Warranty: Supplier hereby guarantees that (i) all Services shall comply with all then existing applicable federal, provincial, municipal and local laws, ordinances and governmental rules, regulations and requirements; (ii) Supplier shall perform its obligations for the benefit of Stornoway in a professional, workmanlike, and timely manner, consistent with industry standards in effect with respect to suppliers providing similar Services in the geographic location where the Services are being performed and in compliance with any subject matter of the Contract or similar document included in the Contract; and (iii) in carrying out its obligations under this Contract, Supplier shall exercise the degree of care, skill and diligence exercised by prudent and experienced suppliers that provide similar Services.

All Products will be subject to inspection and approval by Stornoway. Final inspection will be made after the Products are delivered to Stornoway's specified destination. If the Products are rejected, they will be held for disposition at Supplier's risk and expense and any payment on account thereof shall be promptly refunded by Supplier. Any inspection or approval performed at Supplier's location or elsewhere during or after manufacture, whether or not such inspection or approval be provided for by the terms of this Contract, shall be provisional only and shall not constitute final acceptance or be construed as a waiver of the foregoing right of inspection and approval or rejection after receipt of the Products by Stornoway at Stornoway's location. Supplier may be given a reasonable opportunity to correct defects after the receipt of such Products by Stornoway, but only in the case correction can be made within a reasonable period of time. Supplier guarantees that any Products, Services, or any part thereof found defective or that do not meet any of these warranties within one (1) year after such Products or part thereof are put into use by Stornoway, or within one (1) year after such Services or part thereof are performed by Supplier, will be promptly repaired, replaced or re-performed without charge. Such repair, replacement or re-performance shall also be warranted for one (1) additional year after the date the repair, replacement or re-performance is completed, including delivery and installation where applicable. If such repair, replacement or re-performance is insufficient in Stornoway's sole discretion, the full original cost of such Product or Service shall be refunded to Stornoway.

Such remedies are without prejudice to any other remedy of Stornoway under this Contract or applicable laws.

5. Delivery Schedule: Regardless of delivery or performance in installments, Supplier's obligation is not severable. Stornoway will not accept shipments sent cash on delivery (C.O.D.) without Stornoway's prior written consent and will return the Products at Supplier's risk.

In the event Supplier that reasonably believes that the delivery of Products or performance of Services pursuant to this Contract may be delayed, Supplier shall immediately inform Stornoway of any such delay and shall submit recovery plans to meet Stornoway's requirements. Notwithstanding the foregoing, Supplier shall not be relieved of its liability as a result of the late delivery of such Products or late performance of such Services, unless the delay is caused by an event of force majeure referred to in Section 18.

6. Title and Risk of Loss: Title and risk of loss of all Products shall pass to Stornoway in compliance with the incoterms specified in the Purchase Order.

7. Changes to Quantity or Scope: The quantity of Products delivered or the scope of Services provided by Supplier pursuant to this Contract shall not exceed nor be less than the quantity of Products or scope of Service specified in the Contract without Stornoway's prior written permission.

Stornoway reserves the right at any time to change, by written notice to Supplier or through a modified or revised purchase order, any of the following: specifications (including the scope of Services to be provided), drawings and data incorporated in this Contract where the Products to be furnished are to be specially manufactured for Stornoway, quantity desired, methods of shipment or requirements for packaging, place of delivery of the Products or performance of the Services, date of delivery of the Products or performance of the Services, or any other matters affecting this Contract.

If any changes by Stornoway cause an increase or decrease in the cost of, or the delivery schedule or performance schedule for the Products or the Services covered by this Contract, Supplier shall advise Stornoway, in writing, within three (3) days following receipt of such change request from Stornoway, of any equitable adjustment in the invoice, any modification of the delivery or performance schedule, or both, that Supplier intends to make. Supplier waives any claims for adjustment under this clause following such three-day period.

8. Transportation, Lodging and Meals at the Renard Site: To the extent that Supplier must provide the Services, in whole or in part, from the site of the Renard mine held by Stornoway and located near the Otish Mountains in north-central Québec (the "Renard Site"), Stornoway shall pay the transportation fees of Supplier's employees to the Renard Site from the closest point to Supplier's place of business, between Montreal/Saint-Hubert (Qc) and Chibougamau (Qc), and such employees shall use the means of transportation made available to them by Stornoway. For greater clarity, Supplier shall not be authorized under any circumstances to transport its employees using its own means of transportation to the Renard Site. Stornoway shall also assume the lodging and meals of Supplier's employees at the Renard Site work camp.

Notwithstanding the foregoing, Supplier shall assume, and reimburse Stornoway for, the costs incurred by Stornoway due to any emergency evacuation of any of Supplier's employees or of Supplier's approved subcontractor's employees, including for any health reasons following a work accident or other incident.

Supplier, its authorised subcontractors and their respective employees shall not be granted access to the Renard Site, unless they obtain Stornoway's prior authorisation.

9. Supplier Personnel and Subcontracting:

Supplier may not subcontract its obligations or responsibilities under this Contract without Stornoway's prior written authorisation. Supplier shall not be relieved from any of its obligations or responsibilities under this Contract because of the conclusion of a subcontracting contract. Supplier shall ensure that all authorised subcontractors fulfill their obligations in the same manner as Supplier and in compliance with all the provisions to which Supplier is subject pursuant to this Contract.

When one or several staff members of Supplier or of a subcontractor approved by Supplier are at the Renard Site, Supplier shall, at all times, maintain discipline and good order among its personnel and any authorised subcontractor's personnel and shall not allocate the performance of the Services to any incapable person or person lacking the necessary skills to perform the Services. Workers must have the union certification necessary for them to carry out the applicable work. They shall provide a valid certificate and/or qualification card issued by the applicable governmental authority, failing which they shall not be granted access to the worksite.

At all times and in its sole discretion, Stornoway shall have the right to force Supplier to remove and replace any staff member of Supplier, or of a subcontractor approved by Supplier, performing any work in connection with the Contract, either within the Renard Site or outside of the Renard Site, by a person which Stornoway deems appropriate. Supplier must withdraw such staff member from the performance of any work in connection with the Contract upon receipt of a notice to this effect from Stornoway and may not thereafter reassign this person to the performance of the Contract without Stornoway's prior written consent. Furthermore, Supplier shall replace, at its own cost, any staff members so withdrawn by qualified, skilled and experienced persons approved by Stornoway, and no extension of the time limit for the performance of the Contract shall be granted on the grounds that Supplier needed to withdraw or replace a staff member.

10. Payment Terms: Stornoway must be invoiced monthly by Supplier, unless the Parties agree on different invoicing arrangements, in which case such terms shall be indicated on the Purchase Order. Stornoway shall pay the amounts due to Supplier within 30 days following receipt of an invoice acceptable to Stornoway.

Supplier shall submit to Stornoway detailed invoices in accordance with Stornoway's invoicing procedure. Supplier is responsible for requesting that Stornoway provide it with such invoicing procedure. Any invoice which does not comply with Stornoway's requirements will be returned and shall not be paid by Stornoway.

The price and payment terms on all invoices shall be in accordance with the price and payment terms specified in this Contract and specifically on the face of the Purchase Order, and this Contract shall govern over any terms contained in any invoice. Payments shall be made subject to applicable tax deductions.

Where Products are purchased by Stornoway, only Products received by Stornoway in apparent good condition and containing the documentation required pursuant to this Contract may be invoiced.

Payment of invoices does not constitute acceptance of the applicable Products or Services (and payment thereof is without prejudice to any and all claims Stornoway may have against Supplier under this Contract).

Fees and taxes payable by Stornoway pursuant to this Contract shall be indicated in detail as separate items, at Supplier's actual cost, on each invoice. Cash discounts shall be calculated from the date on which Stornoway approves an invoice, in its sole discretion, or from the date on which the Products are received or the Services are rendered, accompanied by all relevant documents that must be given at the moment of delivery of the Products or of performance of the Services under this Contract, whichever is later.

11. Contractual Holdback: Stornoway may hold back on each payment made hereunder an amount equal to 10% of the applicable invoice in order to guarantee that Supplier will effectively fulfill its responsibilities hereunder (the "Contractual Holdback"). The Contractual Holdback becomes due and payable by Stornoway 30 days after its receipt of a final invoice, acceptable to Stornoway under this Contract, to the extent that there is no claim or unresolved dispute between the Parties on the date on which the Contractual Holdback becomes due and payable. Stornoway has the right to retain from the Contractual Holdback any amount that is due and payable by Supplier to Stornoway under this Contract which was not paid in a timely manner.

12. Audit and Verification: Stornoway reserves the right, directly or through its designated representatives, to audit Supplier, Supplier's subcontractors, and their respective books and records and the Supplier and its subcontractors' facilities to ensure compliance with the terms of this Contract and any applicable laws or regulations, and as a prerequisite to Stornoway's obligation to make payments under this Contract, namely under Sections 10 and 29. Supplier shall make available all data reasonably requested by Stornoway. Supplier shall obtain similar audit and verification rights in respect of any subcontractor.

13. Intellectual Property: "Intellectual Property" means the following: information, knowledge and thought processes that are protected by patents, trademarks, copyrights, license agreements and any other exclusive right on processes, knowledge or information that is protected by an international, federal or state law. All intellectual property rights, including trade secrets and other unregistered intellectual property rights, in the Products delivered or Services performed will become the property of Stornoway upon delivery, subject only to full and final payment of the undisputed amounts owed in accordance with the terms of this Contract. Notwithstanding the

foregoing, this shall not extend to include any Pre-Existing IP as defined below.

To the extent that the performance of the obligations by Supplier under this Contract requires the use of or reliance on: (i) concepts, know-how, ideas, knowledge, methodologies, pro forma documents, templates and techniques developed by Supplier, other than the Products or other deliverables relating to the performance of the Services; or (ii) the intellectual property rights of Supplier in products, equipment, software, and documentation used by Supplier to perform its obligations hereunder (collectively, the "Pre-Existing IP"), then as part of the consideration payable under this Contract to Supplier, Supplier hereby provides Stornoway with a royalty-free, perpetual, non-exclusive, assignable license to use Supplier's Pre-Existing IP for the purpose of Stornoway's use, amendment, improvement, upgrade or maintenance of the Products or of the deliverables relating to the performance of the Services.

14. Intellectual Property Indemnity: Supplier shall notify Stornoway if Supplier has or acquires knowledge of any Intellectual Property rights pursuant to which a suit for alleged infringement thereof can reasonably be brought in connection with the Services rendered or the Products delivered pursuant to this Contract.

Supplier shall defend, indemnify and hold Stornoway harmless, at Supplier's expense, from and against any third party claims threatened or filed with the courts arising out of or related to the Products or Services which may be brought against Stornoway, its affiliates, successors and assigns, at any time for infringement of any third party Intellectual Property rights. Supplier shall pay the costs and expenses of any such action or suit, including reasonable fees and expenses of experts and legal counsel of Stornoway's choice and selection, and Supplier shall also pay and save Stornoway free and harmless from damages or other sums awarded or assessed in any such action or suit. No compromise or settlement directly or indirectly affecting Stornoway's operations may be agreed to without Stornoway's consent, which will not be unreasonably withheld.

If the Products, or any component part furnished hereunder, are held to infringe, or their use is enjoined, Supplier shall, promptly at Supplier's expense: procure for the benefit of Stornoway and its successors and assigns, the right to continue using the Products; replace the Products with a substantially equivalent non-infringing product; or modify the Products so they become non-infringing with substantially equivalent performance. Supplier's obligations must be performed in such a manner so as not to interfere with Stornoway's operations as determined in Stornoway's sole discretion. Should Supplier fail to comply with the above within the time period set out by Stornoway, Stornoway reserves its right to return the infringing Products to Supplier at Supplier's expense, in which case Supplier shall refund the purchase price to Stornoway within ten (10) days from the delivery of the infringing Products.

15. Indemnity and Limitation of Liability: To the fullest extent permitted by law, Supplier shall indemnify, defend and hold harmless Stornoway, its subsidiaries, affiliates and joint ventures, and their respective employees, officers, directors and agents (each an "Indemnitee"), from and against all claims, demands, damages, liabilities, losses and expenses (including

legal fees and court costs and including penalties and interest) incurred or suffered by any Indemnitee and arising out of or resulting from, directly or indirectly, (i) the Products delivered or Services performed pursuant to this Contract, (ii) any act or omission of Supplier or Supplier's authorised subcontractors in the performance of its obligations under this Contract, (iii) any breach of Supplier's representations or warranties, or (iv) any breach by Supplier of any of its obligations under this Contract. The foregoing indemnity shall be in addition to any other indemnification obligations of Supplier set forth in this Contract or any applicable laws. Any insurance recoveries or policies shall not limit any obligation of Supplier hereunder.

16. Property Furnished to Supplier by Stornoway: All dies, molds, patterns, jigs, fixtures, and any other property of any type which Stornoway has furnished to Supplier (the "Property") for use, maintenance or repair in the performance of this Contract, shall remain Stornoway's property and shall be subject to retrieval upon Stornoway's request. The Property shall be exclusively used for Stornoway's Products and Services under this Contract, shall be held by Supplier at its own risk, and must be adequately insured by Supplier at all times at its expense while in Supplier's custody or control. Supplier must name Stornoway as an additional insured and as loss payee under such insurance policies. All insurance policies obtained by Supplier that insure any Property described herein must be written by insurance companies which are subject to approval by Stornoway. Supplier will promptly furnish certificates of insurance upon Stornoway's request.

17. Business Ethics; Anti-Corruption; Fair Treatment: Supplier covenants and agrees that neither Supplier nor any of Supplier's subcontractors shall pay any undisclosed or improper commission or fees, rebates, gratuity or other remuneration to Stornoway, Stornoway's affiliates, or to any of their respective employees, officers, directors and agents, and that neither Supplier nor any of Supplier's subcontractors shall pay any undisclosed or improper commission or fees, rebates, gratuity or other remuneration to one another or to the employees, officers, directors or agents of the other in connection with this Contract.

In accordance with all applicable anti-corruption laws, Supplier represents and warrants the following: (i) Supplier will not make and has not made, directly or indirectly, any payments or given anything of value to any government official, employee of any government agency or department, employee of any state-owned or state-controlled entity, political party, or party candidate, or anyone else in connection with or in any way related to the business or operations that is the subject of the Contract in violation of any applicable anti-corruption law; (ii) Supplier will abide by all applicable anti-corruption laws, both foreign and domestic and governing both public official and commercial anti-bribery; (iii) Supplier will not utilize any undisclosed agents, subagents, subcontractors, or other third parties in connection with the performance of the Contract and will not authorize any agents, subagents, subcontractors, or other third parties to violate any applicable anti-corruption law in connection with performance of the Contract; and (iv) Supplier will provide reasonable detail in invoices submitted for payment in connection with the Contract, in accordance with Section 10 hereof.

In accordance with the code of conduct for Stornoway's suppliers, Supplier further agrees: (a) to respect the basic human rights of its employees, including to respect the personal dignity, privacy and rights of each individual; to refuse to employ or make anyone work against his or her will; to provide fair remuneration and to comply with the applicable minimum wage and maximum working hours laws, and prohibitions against child labour; to refuse to tolerate discriminatory practices or unacceptable treatment of employees; (b) to take health and safety precautions for its employees, including to control hazards, provide a safe working environment, take the best reasonably possible precautionary measures against accidents and occupational diseases, and comply with applicable environmental protection standards and laws; and (c) in regards to its supply chain, to use reasonable efforts to promote among its suppliers compliance with this code of conduct; and to comply with the principles of non-discrimination with regard to supplier selection and treatment.

Stornoway may immediately terminate this Contract, without any further payment obligations, for Supplier's failure to abide by these representations and warranties.

18. Force Majeure: Neither Stornoway nor Supplier shall be liable to the other for any loss or damage whatsoever resulting from a delay of performance or from the non-performance of any contractual obligation set forth in this Contract caused by a natural disaster, war, uprising, rebellion, revolution, usurped power, terrorist activities, nationalization, government sanctions, blockages, embargos, intervention or order of the relevant civil or military authorities, a fire or any other event that cannot be avoided and is beyond the reasonable control of either Party which prevents performance of such Party's obligations under this Contract. Both parties shall be prompt in restoring normal conditions, re-establishing schedules and resuming operations as soon as the interruptions have ceased. In the case of an event of force majeure, the Party claiming the benefit of the event of force majeure shall, within 48 hours of the occurrence of such event, give the other Party written notice thereof, and a description of the full particulars of the event and the cause or causes of the event. The notice shall describe with particularity the actions that the Party giving the notice intends to take to resolve the event of force majeure as soon as reasonably possible. In no event shall Supplier be entitled to any increase in the price as a result of any event of force majeure.

During the duration of force majeure, each Party shall bear its own costs resulting from the delay. Force majeure shall not include financial distress, insolvency, bankruptcy, or other similar conditions affecting one of the parties and/or its affiliates and/or subcontractors. Should the affected Party be unable to resume performance within 30 days, the non-affected Party shall be entitled to terminate this Contract by giving a written notice to the other Party confirming its election to terminate this Contract, which termination shall take effect on the date of the delivery of such notice or later on as specified in such notice.

19. Independent Contractor and Non-Exclusivity: Supplier is an independent contractor, and Supplier's employees and any approved subcontractors shall at all times be under Supplier's supervision, direction, and control. Supplier, and Supplier's supervisors, may receive instructions

from Stornoway and Stornoway's representative as to the end results to be accomplished, and Supplier shall be responsible for directing Supplier's employees as to the means, manner, and methods of performing its obligations hereunder. Compliance by Supplier or Supplier's employees with engineering instructions, safety practices, maintenance instructions, or change orders issued by Stornoway or Stornoway's representative shall not affect Supplier's status as an independent contractor, and shall not relieve Supplier of Supplier's obligations under this Contract. Supplier's employees are not entitled to workers' compensation benefits from Stornoway. Supplier is obligated to remit, pay and withhold all applicable federal, provincial, municipal or local income or other taxes and statutory deductions and withholdings on all amounts payable to its employees and subcontractors.

This is a non-exclusive relationship and Stornoway has the right to purchase similar Products or Services from other suppliers.

20. Insurance: Without limiting Supplier's commitment to indemnify, defend and hold harmless Stornoway of any liability, as provided hereunder, Supplier shall procure and maintain appropriate insurance coverage meeting or exceeding the following requirements: (a) General Liability: General liability insurance shall be in the name of Supplier, shall include Stornoway as an additional insured and shall be in an amount not less than \$5,000,000 per occurrence for bodily injury, death and property damage, including liability for goods and deprivation of use of such goods, with regard to Supplier, its subcontractors and their respective employees and agents. The policy shall be endorsed to include the delivery of 30 days' prior written notice to Stornoway in case of cancellation, of any change in the policy or of any modification restricting its scope; (b) Automobile Insurance: This is automobile liability insurance prescribed by law and covering every vehicle owned or leased by Supplier or its subcontractors, or of which they have the care, custody or control, with a minimum amount of, for all types of damages, \$5,000,000 per occurrence, and any other automobile insurance coverage required by law; (c) Property Insurance and Boilers and Machinery Insurance: This insurance shall be in the name of Supplier and include Stornoway as an additional insured. The policy shall provide for protection against any risk of loss or direct material damage in respect of the insured property, including a warranty for property during transportation. The limit of this insurance shall be equivalent to at least the price of the Contract and the full value, as indicated in the Contract, of the Products that must be provided by Stornoway, if any, with a \$10,000 deductible. Boilers and machinery insurance shall be in the name of Supplier, shall include Stornoway as an additional insured and shall be in an amount of at least the replacement value of the boilers, permanent pressure vessels and other insurable items. The insurance provided shall not be lesser than that indicated in a complete boilers and machinery insurance policy. The insurance coverage for property and boilers and machinery shall be kept in force for 10 days following the final date of payment under the Contract. The policies shall provide that, in case of loss or damage, any payment shall be made to Supplier or Stornoway, according to their respective interests. The policies shall include a waiver of subrogation (by all insurers) in favour of Stornoway; (d) Professional Liability Insurance:

When Supplier provides design, engineering and other professional services and its professional errors or omissions may result in a loss or damages to Stornoway or be the origin of claims against Stornoway, Supplier shall be insured against errors and omissions with a coverage in an amount of \$2,000,000 per claim and total, for the duration of the Contract and at least three (3) years thereafter, underwritten by insurers approved by Stornoway; Supplier shall ensure that such insurance policy or policies do not exclude any civil liability that may result from its professional errors or omissions in connection with the Products or Services. Without limiting the foregoing, the policy shall not include an exclusion clause for defaults of design or construction. Notwithstanding any provision to the contrary, this professional liability insurance shall not, under any circumstances, cover the liability of Stornoway and its employees and, consequently, Stornoway shall not be identified as an additional insured; (e) Off-Site All-Risks Insurance: Supplier shall ensure that any secondary work subcontractor to which materials and goods are delivered, for the completion of work or to be treated, is all-risks insured for material damage that such materials and goods could incur while they are at the subcontractor's premises; (f) Workplace Safety Insurance: Supplier shall register with Québec's occupational health and safety commission or other relevant governmental entities, maintain its registrations in accordance with applicable laws (whether such laws apply due to the location of the Renard Site, of the employees' home, or any other reason) in order to cover all employees assigned to the performance of the Contract and fully pay the premiums or other costs, of any nature whatsoever, relating to such registrations and to its employees' coverage. Supplier shall ensure that all its subcontractors comply with these requirements before entering the Renard Site. If Supplier retains the services of a subcontractor outside of Québec or if Supplier or its subcontractors retain the services of employees or other individuals for which the coverage of Québec's occupational health and safety commission does not apply, Supplier shall purchase and maintain insurance against workplace accidents (including for foreign employees) for the greater of the coverage provided in the laws applicable at the Renard Site and the following coverage, namely \$250,000 per accident for any bodily injury and \$250,000 per disease for any disease, for a global minimum coverage of \$500,000 per employee; (g) Other Insurance: If Supplier or any of its subcontractors anticipates the use of airplanes or other aircraft in connection with the Products or Services, it shall procure and maintain for the duration of such use liability insurance of a combined minimum amount of \$5,000,000 per occurrence for bodily injury and property damage, whether or not it is the owner of the aircraft.

In the event of a claim, responsibility for any deductible is assumed by Supplier. The Contractor shall take note of and comply with the terms and conditions of Stornoway's insurance policies disclosed to Supplier from time to time. In particular, for the purposes of allowing higher insurance coverage for Stornoway, Supplier undertakes (i) to provide the detailed information on all aspects covered by the COPE acronym (Construction, Occupancy, Protection and Exposure) regarding any important equipment which is produced or assembled by Supplier or one of its subcontractors and (ii) to allow Stornoway's insurer or its representatives to have access to and examine any important equipment and materials as they are

loaded and unloaded on or by any means of transportation, in accordance with Stornoway's instructions, and, in this respect, to notify Stornoway at least 14 business days prior to any such loading or unloading and state the equipment and materials affected and the exact location of such loading or unloading. Supplier shall give Stornoway all insurance certificates satisfactory to Stornoway for all insurance coverage provided for in this section prior to beginning performance of its obligations under the Contract. All certificates shall indicate that all insurers must provide Stornoway with 30 days' prior written notice before cancelling, terminating or modifying any protection described above and prior to reducing any coverage amount below the aforementioned limits. In addition to the remedies granted to Stornoway under the Contract or applicable laws, Stornoway shall have the right, in its discretion, to terminate the Contract or withhold the payments due to Supplier until Supplier provides the required insurance certificates in accordance with this Contract. Supplier shall indemnify Stornoway for any loss or other injury that may arise from the non-compliance with the provisions of this section, including the increase of insurance premiums, the increase of the deductible and the reduction of the insurance coverage. *These insurance provisions are intended to be a separate and distinct obligation of Supplier. The insurance provisions shall be enforceable and Supplier shall be bound thereby regardless of whether or not indemnity provisions are determined to be enforceable in the jurisdiction in which the work is performed. The obligation of Supplier to provide insurance shall not limit in any way the liability or obligations assumed by Supplier. If the total value of the Contract exceeds the limits described above, the limits for each of the individual lines of insurance shall be automatically increased to meet or exceed that total value.*

21. Compliance with Applicable Laws and Stornoway's Policies: Supplier warrants that the Products sold or Services furnished hereunder have been and will be produced and furnished in full and complete compliance with all applicable laws and regulations, including but not limited to, environmental, mining, and health and safety laws and regulations, as well as requirements that chemical substances furnished hereunder be reported. Supplier will furnish to Stornoway, upon Stornoway's request, all certificates and forms necessary in Stornoway's judgment to certify compliance with all such applicable environmental laws and regulations.

Supplier shall provide a Material Safety Data Sheet ("MSDS"), or another similar document prescribed by applicable laws, to Stornoway for Products sold to Stornoway hereunder. Where such information is required due to the nature of the Product, a MSDS will be provided prior to such Products being delivered to Stornoway's facility.

Supplier shall also, when it provides Services at the Renard Site, comply with all applicable policies, procedures, rules and other conditions of Stornoway, including those relating to health and safety and those relating to the prohibition against illegal drugs or alcohol. In the event of non-compliance with any provision of this section, Stornoway may, at its discretion, immediately terminate this Contract without any further payment obligation.

22. Drug and Alcohol Policy: Supplier and all subcontractors or agents providing Products or Services under

this Contract at any of Stornoway's premises must have a written drug and alcohol policy meeting the same requirements (or higher requirements) than those of Stornoway. Supplier and each of its subcontractors, agents or their management representative must be able to provide a copy of such a policy to Stornoway's representative upon request and describe the procedures used for effective administration of the policy. The policy must prohibit the distribution, use, possession, sale, solicitation for, or being under the influence of illegal drugs or alcohol at the Renard Site and provide for appropriate testing for such substances. The Renard Site must remain an illegal drug and alcohol-free zone.

23. Governing Law: This Contract shall be construed, interpreted and governed by the laws of the Province of Québec and the laws of Canada applicable therein. Any dispute arising in connection with this Contract will be subject to the exclusive jurisdiction of the courts located in Québec. The United Nations Convention on Contracts for the International Sale of Goods shall not apply to this Contract.

24. Liens: All Products delivered and Services performed under this Contract shall be free of all liens, hypothecs, security interests, rights of third parties and other charges and encumbrances and, upon request from Stornoway, a proper release of all liens or satisfactory evidence of freedom from liens will be promptly delivered to Stornoway.

25. Confidentiality and Nondisclosure: "Confidential Information" shall mean the following: the Contract and any information, action, process, drawing, idea, concept, experience, knowledge, supporting document (whether in print form or electronic), material, file, electronic file regardless of format, including but not limited to documents suffixed with: .pdf, .tiff, .jpg, .mp3, .wav, .doc, .exe, .wpd, .xls, .ppt, or any other suffix used in the creation of electronic data, recordings, business records, business concerns, unpublished corporate records, internal memos, e-mails, personnel files, personal information, computer systems, websites, software applications, firewalls, login, passwords, computer codes regardless of language, and any and all documents and information, whether written, electronic or verbal, which Stornoway has deemed to be confidential or which any reasonable professional should know to be confidential.

Supplier shall protect any and all Confidential Information and other information it receives from Stornoway as though it were its own. Confidential Information shall not be disclosed to third parties even after termination or completion of the Contract. Supplier shall protect all forwarded Confidential Information, or any other information it receives from Stornoway, and will return all copies of the Confidential Information to Stornoway upon the termination of the Contract, or will destroy all copies and provide an affidavit attesting to their destruction.

The preceding paragraph does not apply to information that meets the following requirements:

- (i) is in the public domain when Supplier receives such information or becomes cognizant thereof or which later enters the public domain other than through the fault of Supplier;
- (ii) is already known to Supplier when it is communicated by Stornoway and, to the knowledge of Supplier, is

not subject to any obligation of confidentiality of any nature whatsoever;

- (iii) is discovered in an independent manner by Supplier without using Stornoway's Confidential Information and without reference to such Confidential Information; such independent discovery may be demonstrated by evidence deemed acceptable by a competent court;
- (iv) is received in good faith by Supplier, without any confidentiality obligation, from a third party and Supplier has no reason to think that such party was not lawfully in possession of this information or was under any obligation to preserve its confidentiality; or
- (v) is relieved in writing of its confidential nature by Stornoway.

Stornoway, in addition to its other rights and remedies, reserves the right to terminate the Contract or any applicable order or service request immediately, without further payment obligations, if, in the discretion of Stornoway, Supplier has failed to protect the Confidential Information. If Stornoway deems that Supplier has not properly protected the Confidential Information, it may seek compensatory and punitive damages in addition to any other claims it may have in equity or at law and without limitation with respect to the insurance coverage.

If the Services rendered or the Products provided by Supplier include the storage and processing of Confidential Information on a third party server or by means of a software application provided through the Internet ("Cloud Services"), Supplier agrees to minimally deliver to Stornoway, each year, a detailed report prepared by an independent auditor in accordance with the *Canadian Standard on Assurance Engagements (CSAE) 3416*, or an equivalent document, certifying that the security of the data of the Cloud Services complies with industry standards ("CSAE 3416 Report"), if Supplier does not give such CSAE 3416 Report or if Stornoway is not satisfied by such report, Stornoway has the right to audit the Cloud Services and, if it is not satisfied with such audit, to immediately terminate this Contract, without penalty. Supplier shall also obtain Stornoway's prior written consent before transferring this Confidential Information to servers located in a country other than where Stornoway is located.

26. Notice: Notice given under this Contract shall be effective three business days after posting, postage prepaid, if by mail; the business day after sending if by facsimile (fax), or electronic (e-mail); or at the time of delivery if personally delivered.

27. Waiver: Stornoway's failure to insist on Supplier's strict performance of the terms and conditions of this Contract at any time shall not be construed as Stornoway's waiver of Supplier's future performance.

28. Severability/Order of Precedence: If any provision in this Contract or any related document is held to be invalid or unenforceable, such invalidity shall be limited to the provision affected and shall not impair the validity and enforceability of the remainder of the subject provision or the remaining provisions of this Contract.

It is Supplier's responsibility to comply with this and all documents referenced specifically on or in the Contract or related to its performance thereof, and to seek clarification of any potential inconsistencies or conflicts therein with Stornoway. Should Supplier fail to contact Stornoway to resolve any conflicts or inconsistencies, Supplier shall be solely responsible for errors resulting from conflicts or inconsistencies. Where documents are referenced, the version, including any amendments, in effect at the time of order placement shall apply. Acknowledgement of this Contract in writing, or by accepting and fulfilling the Contract, by Supplier shall be deemed an acceptance of the terms and conditions herein. No release from this Contract shall be binding on Stornoway unless agreed to in writing by Stornoway and specifically labeled as a release.

29. Term and Termination: This Contract shall continue for the time period stated on the Purchase Order, and if no term is stated, the Contract shall continue until the Products are delivered and accepted, or the Services are performed.

Stornoway shall have the right to terminate the Contract or any part thereof at any time for any reason following a prior written notice to Supplier to that effect. On the effective date of the termination indicated in the termination notice, Supplier shall:

- (i) unless otherwise specified in the termination notice, immediately cease performance of the Contract with respect to any part that is the subject of the notice;
- (ii) immediately take every measure possible to minimize the liabilities it may incur following termination;
- (iii) promptly remit to Stornoway any goods, tools, materials and equipment belonging to Stornoway, if any, including the ones supplied to Supplier under Section 16 hereof; and
- (iv) draw up an inventory of the costs incurred since the issuance of the last invoice and promptly inform Stornoway thereof.

If Stornoway exercises this right, Stornoway shall pay Supplier: (i) the amount corresponding to the Products delivered and Services rendered until the termination date and (ii) any reasonable and necessary fees incurred by Supplier as a direct result of the termination, including demobilisation costs, which Supplier must minimize by using all commercially reasonable efforts. Any amount payable by Stornoway to Supplier upon unilateral termination of this Contract or following such termination, as the case may be, is subject to the same conditions as those provided in Section 10 hereof and shall only be payable when Supplier provides the relevant documentation and information that Stornoway may reasonably request to determine the amounts payable pursuant to this section.

Within 30 days of the delivery of the termination notice, Supplier shall reimburse Stornoway any amount received in excess of the amount payable by Stornoway pursuant to this section.

Payments by Stornoway to Supplier pursuant to this Section 29 shall be the sole and exclusive remedy available to Supplier hereunder or at law in the event of a unilateral termination, in whole or in part, of this Contract by Stornoway and relieve Stornoway of its obligations under this Contract with respect to

the part of the Contract which is the subject of the termination notice.

Termination or expiry of this Contract shall terminate Supplier's obligation to deliver Products and render Services after the date of termination or expiry and Stornoway's obligation to pay for such Products and Services, but does not affect the other provisions of this Contract, including with respect to the Products delivered and Services rendered before such termination or expiry date, which shall remain in full force and effect.

Stornoway's rights and remedies under this section shall not be exclusive and are in addition to any other rights and remedies provided by law or this Contract.

30. Time of the Essence: Time is of the essence in the performance of Supplier's obligations hereunder and Stornoway is relying upon timely performance by Supplier. Stornoway's acceptance of Supplier's late performance shall not be deemed a waiver of this provision.

31. Publicity: Without Stornoway's prior written consent, Supplier shall not: advertise, promote, or publish the fact that Stornoway has contracted to purchase, or requested the performance of Services, from Supplier; disclose information relating to the Contract (including the existence thereof); or use the name or mark(s) of Stornoway or any of its affiliates in advertising, press releases or any other publications or media.

32. Assignment: This Contract shall enure to the benefit of, and be binding upon, the Parties hereto and their respective heirs, successors and permitted assigns. Supplier shall not assign this Contract without Stornoway's prior written consent, which shall not be unreasonably withheld.

33. Language: The Parties hereto acknowledge and confirm that they have requested that this Contract and all notices and communications contemplated hereby be drafted in the English language. *Les parties aux présentes reconnaissent et confirment qu'elles ont exigé que la présente convention ainsi que tout avis et communications aux termes des présentes soient rédigés dans la langue anglaise.*

REVISION DATE: February 6, 2015