



Purchase Order Terms and Conditions

1. Definitions

- a. "Agreement" means the agreement between Supplier and Buyer for the purchase and sale of Goods and/or Services, and all documentation referenced in the Purchase Order.
- b. "Acceptance" means Buyer's acceptance of the specified Goods and/or Services.
- c. "Buyer" means Tlich Investment Corporation, or the subsidiary of Tlich Investment Corporation noted in this Purchase Order.
- d. "Damages" means losses, liens, damages and, liability incurred by Buyer arising from Supplier's breach of its obligations or warranties under this Agreement.
- e. "Delivery Date" means the date of delivery for Goods or performance of Services as specified in a Purchase Order.
- f. "Delivery Point" means the location identified by Buyer in the Purchase Order to which the Supplier is to deliver Goods and/or perform the services, or such other delivery area or point which is specified in writing by Buyer.
- g. "INCO Terms" means the latest version of the International Commercial Terms, published by the International Chamber of Commerce.
- h. "Inspection Period" means ninety (90) days after delivery of Goods and Services to the Delivery Point.
- i. "Intellectual Property Rights" means all intellectual and industrial property rights and rights of a similar nature including all rights in and to, patents including all issued patents and pending applications therefore and patents which may be issued therefrom (including divisions, reissues, re-examinations, continuations and continuations-in-part); trademarks; copyrights; industrial design rights; rights pertaining to trade secrets and confidential information; publicity rights; personality rights; moral rights; and other intellectual property rights whether registered or not and all applications, registrations, renewals and extensions pertaining to the foregoing.
- j. "Force Majeure" delay or non-performance caused by any of the following circumstances when beyond a Party's control: acts of God, explosions, riots, extreme natural disasters, wars, sabotage or terrorism.
- k. "Goods" means the goods, materials, components, supplies, products, equipment or other tangible items to be fabricated, constructed and procured that are required to be delivered by Supplier pursuant to a Purchase Order, and including packaging and labelling of such goods.
- l. "loss" or "losses" means any loss, cost, claim, demand, prosecution, interest, fine, penalty, assessment, damages available at law or in equity, expenses (including reasonable costs, fees and expenses of legal counsel on a full indemnity basis, without reduction for tariff rates or similar reductions and reasonable costs, fees and expenses of investigation) or diminution in value.
- m. "MSDS" means Material Data Safety Sheet for any Good that is controlled by Workplace Hazardous Material Information System (WHMIS).
- n. "Party" means any group bound by the Agreement, either Buyer or the Supplier.
- o. "Payment Period" means sixty (60) calendar days after confirmed receipt of an invoice, that such invoice is to be paid by Buyer to Supplier.
- p. "Purchase Order" means the purchase order between Buyer and Supplier for the purchase and sale of Goods and/or Services, to which these terms and conditions are attached or are incorporated by reference.
- q. "Rejection" means Buyer's rejection of the specified Goods and/or Services.
- r. "Services" means any services to be provided by Supplier to Buyer pursuant to a Purchase Order.
- s. "Specifications" means the requirements, attributes and specifications for the Goods or Services that are set out in the applicable Purchase Order. Specifications also include: (a) documentation published by Supplier relating to the Goods or Services; (b) operational and technical features and functionality of the Goods or Services; (c) standards or levels of service in performance for Services; and (d) Buyer business requirements that are expressly set out in a Purchase Order or referenced document.
- t. "Supplier" means the party indicated on the face page of the Purchase Order that is contracting with Buyer for the purchase and sale of Goods and/or Services.
- u. "Standard Purchase Terms" means the terms and conditions set out in this Purchase Order.
- v. "Warranty Period" means in respect of any Goods or Services, the longer of: (i) the express written warranty period provided by Supplier for the Goods or Services; and (ii) the period commencing on the date of Acceptance of such Goods or Services and ending on the date that is one (1) year from that date.



Purchase Order Terms and Conditions

2. Agreement

- a. The Agreement consists only of: (a) these Standard Purchase Terms; (b) the applicable Purchase Order; and (c) any Specifications, master agreements or other documents expressly referenced in the Purchase Order.
- b. Any reference in the Purchase Order to any Supplier proposal is solely for the purpose of incorporating the descriptions and Specifications of the Goods and/or Services contained in the Proposal, and only to the extent that the terms of the Supplier proposal do not conflict with the descriptions and Specifications set out in the Purchase Order.
- c. Buyer's Acceptance of, or payment for, Goods and/or Services will not constitute Buyer's acceptance of any additional or different terms in any Supplier proposal, unless otherwise accepted in writing by Buyer.
- d. If there is any conflict or inconsistency between the documents constituting the Agreement, then unless otherwise expressly provided, the documents will rank in the order of precedence in accordance with the order in which they are listed.

3. Supplier Acceptance

- a. Each Purchase Order placed for Goods and/or Services is subject to these standard Purchase Order terms and the terms of the any referenced master Goods and Services agreement, and is conditional upon Supplier's agreement to such terms.
- b. Supplier shall be deemed to have agreed to be bound by such terms by accepting the Purchase Order, delivering the goods, and/or performing the services.

4. Delivery of Goods and/or Services

- a. Supplier shall supply the Goods or Services identified in the Purchase Order pursuant to the terms and conditions contained herein, and referenced Specifications.
- b. Supplier shall, at its own expense, pack, load, and deliver Goods to the Delivery Point and in accordance with the INCO Terms, shipping, packing, and other instructions printed on the face of the Purchase Order or otherwise provided to Supplier by Buyer in writing.
- c. No charges will be allowed for freight, transportation, insurance, shipping, storage, handling, demurrage, cartage, packaging or similar charges unless provided

for in the applicable Purchase Order or otherwise agreed to in writing by Buyer.

- d. Title and risk of loss or damage shall pass to Buyer based on the latest published INCO Terms stated on the face of this Purchase Order.
- e. Time is of the essence with respect to delivery of the Goods and performance of Services. Goods shall be delivered and Services performed by the applicable Delivery Date.
- f. Supplier must immediately notify Buyer if Supplier is likely to be unable to meet a Delivery Date.

5. MSDS Information / Hazardous Materials

- a. Supplier shall provide to Buyer with the Delivery of all Goods relevant MSDS sheets, and MSDS sheets of materials used in any Service, prior to use of such materials.
- b. Supplier agrees to provide, upon and as requested by Buyer, to satisfy any applicable laws governing the use of any hazardous substances either of the following: (a) all reasonably necessary documentation to verify the material composition, on a substance by substance basis, including quantity used of each substance, of any Goods, and/or of any process used to make, assemble, use, maintain or repair any Goods; or (b) all reasonably necessary documentation to verify that any Goods and/or any process used to make, assemble, use, maintain or repair any Goods, do not contain, and the Services do not require the use of, any particular hazardous substances specified by Buyer.

6. Inspection; Acceptance and Rejection

- a. All shipments of Goods and performance of Services shall be subject to Buyer's right of inspection. Buyer shall have the duration of the Inspection Period following the delivery of the Goods at the Delivery Point or performance of the Services to undertake such inspection, and upon such inspection Buyer shall either accept the Goods or Services or reject them.
- b. Buyer shall have the right to reject any Goods that are delivered in excess of the quantity ordered or are damaged or defective. In addition, Buyer shall have the right to reject any Goods or Services that are not in conformance with the Specifications or any term of this Agreement.
- c. Transfer of title to Buyer of Goods shall not constitute Buyer's Acceptance of those Goods. Buyer shall provide Supplier within the Inspection Period notice



Purchase Order Terms and Conditions

of any Goods or Services that are rejected, together with the reasons for such rejection.

- d. If Buyer does not provide Supplier with any notice of rejection within the Inspection Period, then Buyer will be deemed to have provided Acceptance of such Goods or Services.
- e. Buyer's inspection, testing, or Acceptance or use of the Goods or Services hereunder shall not limit or otherwise affect Supplier's warranty obligations hereunder with respect to the Goods or Services, and such warranties shall survive inspection, test, Acceptance and use of the Goods or Services
- f. Buyer shall be entitled to return rejected Goods to Supplier at Supplier's expense and risk of loss for, at Buyer's option, either: (i) full refund of all amounts paid by Buyer to Supplier for the rejected Goods; or (ii) replacement Goods to be received within the time period specified by Buyer.
- g. Upon notification from Buyer of a Rejection of Services, the Supplier shall promptly remedy the defects found and notify Buyer for further Inspection.
- h. Title to rejected Goods that are returned to Supplier shall transfer to Supplier upon such delivery, and such Goods shall not be replaced by Supplier except upon written instructions from Buyer.
- i. Supplier shall not deliver Goods that were previously rejected on grounds of non-compliance with this Agreement, unless delivery of such Goods is approved in advance by Buyer, and is accompanied by a written disclosure of Buyer's prior rejection(s).

7. Payment

- a. Supplier shall issue all invoices on a timely basis, where all invoices delivered by Supplier must meet Buyer's requirements, and at a minimum shall reference the applicable Purchase Order.
- b. Buyer shall pay Supplier for the undisputed portion of the Purchase Order for Goods and/or Services at the agreed Price set forth in the Purchase Order pursuant to the submission of a valid, detailed invoice presented in the currency set forth in the Purchase Order, subject to the terms and conditions of this Agreement.
- c. Buyer shall pay Supplier for the undisputed portion of the Goods and Services within the Agreement Payment Period.
- d. Buyer shall have the right to withhold payment of any invoiced amounts that are disputed in good faith until the parties reach an agreement with respect to such disputed amounts and such withholding of disputed

amounts shall not be deemed a breach of this Agreement nor shall any interest be charged on such amounts.

- e. Payment of the invoice shall not constitute inspection and Acceptance of the Goods and Services. Inspection and Acceptance by Buyer does not relieve Supplier of its Warranty Period obligations.

8. Taxes

- a. Unless otherwise stated in a Purchase Order, all prices or other payments stated in the Purchase Order are exclusive of any taxes.
- b. Supplier shall separately itemize all applicable taxes each on each invoice and indicate on each invoice its applicable tax registration number(s).
- c. Buyer shall pay all applicable taxes to Supplier when the applicable invoice is due. Supplier will remit all applicable taxes to the applicable government authority as required by applicable laws.
- d. Notwithstanding any other provision of this Agreement, Buyer may withhold from all amounts payable to Supplier all applicable withholding taxes and to remit those taxes to the applicable governmental authorities as required by applicable laws

9. Effective Date, Term and Termination

- a. Supplier's delivery of Goods and Services under the Agreement shall constitute acceptance of these Terms and Conditions, which are incorporated by reference in the Agreement.
- b. The Agreement shall be formed in Yellowknife, NT as of the date set forth on the Purchase Order and shall remain in full force and effect for the earlier of the period set out in the Agreement, or fulfillment of the Purchase Order, unless terminated earlier as per the below.
- c. Either Party shall have the right to terminate this Purchase Order for default if a Party does not perform a material obligation including without limitation meeting any service levels or Specifications, and fails to correct such non-performance within fifteen (15) days from the date of notice.
- d. At any time prior to the Delivery Date, Buyer may, upon notice to Supplier, cancel or change a Purchase Order, or any portion thereof, for any reason.



Purchase Order Terms and Conditions

- e. The bankruptcy or insolvency of either Party shall entitle the other to terminate this Agreement, to the extent permitted by law.
- f. In the event of termination Supplier will return all physical or intellectual property and Confidential Information to Buyer and shall reasonably cooperate with Buyer in the termination and transition of Goods and Services including the transfer of all data regarding the supply of Goods and Services over the term.

10. Representations

- a. Supplier represents and warrants that: (i) it is duly organized or incorporated in the relevant jurisdictions and has full capacity to enter into this Agreement and perform its obligations hereunder; (ii) no hardware or software or other material used in the supply of the Goods and Services infringes any Intellectual Property Rights or liens of any third party; (iii) Supplier holds all right, title and interest in the Goods and Services; and (iv) that it operates in compliance with all laws and regulations; and (v) this Agreement does not violate any other agreement binding on Supplier.
- b. Supplier represents and warrants that the Goods and Services (i) will perform in accordance with the service levels and/or Specifications; (ii) are free from latent or manifest defects in materials, workmanship and design; and (iii) will be performed by well-qualified personnel in accordance with best established industry standards. These warranties are continuous and extend to new or additional Goods and Services that may be supplied.

11. Warranties

- a. Supplier warrants to Buyer that during the Goods Warranty Period all Goods provided hereunder shall be: (i) of merchantable quality; (ii) fit for the purposes intended; (iii) unless otherwise agreed to by Buyer, new; (iv) free from defects in design, material and workmanship; (v) in strict compliance with the Specifications; (vi) free from any liens or encumbrances on title whatsoever; (vii) in conformance with any samples provided to Buyer; and (viii) compliant with all applicable federal, provincial, and municipal laws, regulations, standards, and codes.
- b. Supplier shall perform all Services: (i) exercising that degree of professionalism, skill, diligence, care,

prudence, judgment, and integrity which would reasonably be expected from a skilled and experienced service provider providing services under the same or similar circumstances as the Services under this Agreement; (ii) in accordance with all Specifications and all Buyer policies, guidelines, by-laws and codes of conduct applicable to Supplier; and (iii) using only personnel with the skills, training, expertise, and qualifications necessary to carry out the Services.

- c. Buyer may object to any of the Supplier's personnel engaged in the performance of Services who, in the reasonable opinion of Buyer, are lacking in appropriate skills or qualifications, engage in misconduct, constitute a safety risk or hazard or are incompetent or negligent, and the Supplier shall promptly remove such personnel from the performance of any Services upon receipt of such notice, and shall not re-employ the removed person in connection with the Services without the prior written consent of Buyer.
- d. Supplier further warrants to Buyer that at all times all Goods and or Services (including any Deliverables) will not be in violation of or infringe any Intellectual Property Rights.
- e. Supplier shall assign to Buyer all manufacturer's warranties for Goods not manufactured by or for Supplier, and shall take all necessary steps as required by such third-party manufacturers to effect assignment of such warranties to Buyer.

12. Warranty Remedies

- a. In the event of breach of any of the warranties in Section 11 a. or b., and without prejudice to any other right or remedy available to Buyer (including Buyer's indemnification rights hereunder), Supplier shall, at Buyer's option and Supplier's expense, refund the purchase price for, or correct or replace the affected Goods, or re-perform the affected Services, within 10 day(s) after notice by Buyer to Supplier of warranty breach. All associated costs, including costs of re-performance, costs to inspect the Goods and/or Services, transport the Goods from Buyer to Supplier, and return shipment to Buyer, and costs resulting from supply chain interruptions, will be borne by Supplier.
- b. If Goods are corrected or replaced or Services are re-performed, the warranties in Section 11. will continue as to the corrected or replaced Goods for a further Goods Warranty Period commencing on the



Purchase Order Terms and Conditions

date of Acceptance of the corrected or replaced Goods by Buyer.

- c. If Supplier fails to repair or replace the Product within the time periods required above, Buyer may repair or replace the Goods at Supplier's expense.
- d. In the event that any Goods provided by Supplier to Buyer are subject to a claim or allegation of infringement of Intellectual Property Rights of a third party, Supplier shall, at its own option and expense, without prejudice to any other right or remedy of Buyer (including Buyer's indemnification rights hereunder), promptly provide Buyer with a commercially reasonable alternative, including the procurement for Buyer of the right to continue using the Goods in question, the replacement of such Goods with a non-infringing alternative satisfactory to Buyer, or the modification of such Goods (without affecting functionality) to render them non-infringing.

13. Intellectual Property Rights

- a. All Intellectual Property Rights in and to each Deliverable shall vest in Buyer free and clear of all liens and encumbrances on receipt of payment by Supplier for each Deliverable. To the extent that any Deliverables contain any intellectual property of Supplier, Supplier hereby grants to Buyer a worldwide, royalty-free, non-exclusive, perpetual license to use, copy, modify and distribute such intellectual property as part of the Deliverables. Supplier agrees to provide to Buyer all assistance reasonably requested by Buyer to perfect the rights described herein, including obtaining all assignments and waivers of moral rights necessary or appropriate to vest the entire right, title and interest in such materials in Buyer and its successors and assigns.

14. Indemnification

- a. Supplier shall indemnify and hold harmless Buyer from any Damages incurred by Buyer arising from Supplier's breach of its obligations or warranties under this Agreement; any third-party claims; or Supplier's access to Buyer's or Buyer's affiliates' premises. If Buyer has incurred Damages, Buyer shall notify Supplier and Supplier shall indemnify Buyer for the Damages and hold harmless Buyer against any third party legal claims associated with the Damages. No third-party claim may be settled without the

consent of Buyer, which consent shall not be unreasonably withheld.

15. Limitation of Liability

- a. Except for Supplier's Obligations under Section 14, and except for Damages that are the result of negligence or willful misconduct of a Party, in no event will either Party be liable to the other Party or any other person for any indirect, incidental, consequential, or punitive damages, including any lost profits, data, goodwill, or business opportunity for any matter relating to this Agreement.

16. Independent Contractors

- a. Supplier will perform its obligations under the Agreement as an independent contractor and in no way will Supplier or its employees be considered employees, agents, partners, fiduciaries, or joint ventures of Buyer. Supplier and its employees will have no authority to represent Buyer or its Affiliates or bind Buyer or its Affiliates in any way, and neither Supplier nor its employees will hold themselves out as having authority to act for Buyer or its Affiliates.

17. Further Assurances

- a. The parties shall sign such further and other documents, cause such meetings to be held, resolutions passed and do and perform and cause to be done and performed such further and other acts and things as may be necessary or desirable in order to give full effect to this Agreement and every part thereof.

18. Severability

- a. If any provision, or part of a provision in this Agreement is found to be invalid, or unenforceable, that provision or partial provision, shall be considered severed, and the all remaining provisions shall remain in effect.

19. Waiver

- a. No waiver of any provision of this Agreement shall be enforceable against that Party unless it is in writing and signed by that Party.



Purchase Order Terms and Conditions

20. Assignment

- a. Supplier may not assign or subcontract this Agreement, in whole or in part, without Buyer's prior written consent. Supplier's permitted assignment or subcontracting of this Agreement or any part thereof will not release Supplier of its obligations under this Agreement, and it will remain jointly and severally liable with the assignee or subcontractor for any obligations assigned or subcontracted. The acts of omissions of any subcontractors of Supplier will be deemed to be the acts and omissions of the Supplier. Buyer may assign this Agreement, in whole or in part, to any Affiliate of Buyer, without the consent of Supplier. This Agreement shall enure to the benefit of and be binding upon the parties and their respective legal personal representatives, heirs, executors, administrators, assigns or successors.

21. Insurance

- a. Supplier shall maintain Comprehensive General Liability with an insurer acceptable to Buyer, in an amount (in the currency set forth in the Purchase Order) of no less than \$2,000,000 per occurrence, for damage to or destruction of property (including loss of use), including products and completed operations coverage and contractual liability, or a combined single limit of \$2,000,000 for bodily injury including death.
- b. If the supply of Goods and Services includes the provision, lease or hire of licensed vehicles on behalf of Supplier, or accessing Buyer sites by vehicle, Supplier shall have Automobile Liability insurance in an amount of no less than \$2,000,000 per occurrence.
- c. Supplier shall provide Workers Compensation coverage (or its equivalent) for its personnel and subcontractors in accordance with the statutory limits in the relevant jurisdiction and reimburse Buyer for any claims that Buyer must pay for which Supplier is responsible. Supplier shall name Buyer as an additional insured and provide a certificate of insurance upon request. Buyer shall be notified of any cancellation or material change to coverage.

22. Force Majeure

- a. Notwithstanding anything to the contrary in this Agreement, neither Party shall be liable for events of Force Majeure.
- b. Should an event of Force Majeure make it impossible for a Party to perform its obligations hereunder, the affected Party shall try to reduce or mitigate the adverse impact of the event.
- c. The affected Party shall notify the other Party that it considers an event of Force Majeure has occurred.
- d. If the adverse impact cannot be eliminated completely, such non-performance shall be excused for the duration of the event of Force Majeure. If, however, the event of Force Majeure lasts more than fifteen (15) days from the original notification, this Agreement may be terminated in whole or in part by the non-affected Party.

23. Remedy

- a. Subject to Section 15, the rights and remedies of the Buyer in this Agreement are cumulative and in addition to any other rights and remedies at law or in equity.

24. Survival

- a. Any provision of this Agreement which expressly or by implication from its nature is intended to survive the termination or completion of the Agreement will continue in full force and effect after any termination, expiry or completion of this Agreement, including without limitation the Confidentiality, Limitation of Liability, Indemnification and Warranty clauses.

25. Interpretation

- a. The headings used in this Agreement and its division into articles, sections, schedules, exhibits, appendices, and other subdivisions do not affect its interpretation. Unless the context requires otherwise, words importing the singular number include the plural and vice versa; words importing gender include all genders. References in this Agreement to articles, sections, schedules, exhibits, appendices, and other subdivisions are to those parts of this Agreement. Where this Agreement uses the word "including," it means "including without



Purchase Order Terms and Conditions

limitation,” and where it uses the word “includes,” it means “includes without limitation.

26. Confidentiality

- a. Supplier shall safeguard and keep confidential any and all information relating to Buyer obtained by it or provided to it by Buyer in connection with this Agreement, and shall use such information only for the purposes of carrying out its obligations under this Agreement.

27. Governing Law, Dispute Resolution

- a. This Purchase Order will be governed by the laws of the Northwest Territories and the laws of Canada applicable therein. Any dispute that cannot be resolved between the Parties shall be resolved by litigation before the Courts of the Northwest Territories, in Yellowknife, NT.

28. Notice

- a. Legal Notices shall be sent to Buyer at:
Tlich Investment Corporation
P.O. Box 1567, 100 Borden Drive Bay 25
Yellowknife, Northwest Territories, Canada, X1A 2P2
Attention : Geoffrey Wiest
Fax: (867) 920-4252

29. Language

- a. It is the express wish of the parties that this Agreement and any related documentation be drawn up in English. Il est de la volonté expresse des parties que cette convention ainsi que tout document connexe soient rédigés en langue anglaise.

30. Exclusivity

- a. Nothing herein shall be interpreted to create exclusivity in favour of Supplier unless otherwise set out in the Purchase Order.

31. Advertising and Solicitation

- a. Supplier shall not use Buyer’s name for the purposes of advertising, press releases, promotion or

solicitation without the prior written consent of Buyer.

32. Entire Agreement

- a. The Purchase Order, these terms and conditions, the Buyer Policies, and any specifications, service levels, or other explicitly referenced documentation constitute the entire Agreement between the Parties and take precedence over any other understandings or communications, oral or written, and over any Supplier terms and conditions or purchase orders.

33. Counterparts

- a. This Agreement may be executed in any number of original counterparts, with the same effect as if all the parties had signed the same document, and will become effective when one or more counterparts have been signed by all of the parties and delivered to each of the other parties. All counterparts will be construed together and evidence only one agreement, which, notwithstanding the dates of execution of any counterparts, will be deemed to be dated the reference date set out above.

34. Execution by Facsimile or Email

- a. This Agreement may be executed by the parties and transmitted by facsimile or e-mail and if so executed and transmitted this Agreement will be for all purposes as effective as if the parties had delivered an executed original Agreement.