

**QUADRANT ENERGY AUSTRALIA LIMITED**  
**SHORT-FORM PURCHASE ORDER - TERMS AND CONDITIONS**

These terms and conditions govern the performance of the contract between the party identified as "Supplier" (**Contractor**) in the purchase order in which these terms and conditions are incorporated by reference (**Purchase Order**) and Quadrant Energy Australia Limited (**Company**) for the provision by Contractor to Company of materials, supplies or goods (**Goods**) or services (**Services**), as applicable, described in the Purchase Order

- 1.1 Acceptance of the Purchase Order by Contractor may be evidenced by means including the following: (a) in writing (including by email from Contractor to Company), (b) by shipment of Goods to Company or (c) commencement of performance of Services hereunder, whereupon a contract shall be established between Contractor and Company for the supply of the Goods or Services on these terms and conditions, and on no other terms, unless expressly agreed in writing.
- 1.2 No waiver of any of these terms or conditions, no course of dealing between Company and Contractor, nor consent to any departure therefrom by Company, is effective unless in writing and then such waiver shall be effective only in that specific instance and for the purpose for which it was given.
- 1.3 The Purchase Order shall be governed and will be interpreted in accordance with and in all respects by the laws of the State of Western Australia and the parties agree to submit to the jurisdiction of the courts of that State.
- 2.1 Schedule of rates and lump sum price items included in the Purchase Order are fixed and firm amounts and not subject to escalation.
- 2.2 Company may vary quantities of items or specifications for items in the Purchase Order or include additional or remove items by issuing a written variation. Company shall determine value of variations using any applicable rates and prices included in the Purchase Order, or, if none are applicable, using fair and reasonable evaluation methodologies; including consideration of any submission received from Contractor. Variations shall only have effect when they have been executed by both Company and Contractor in writing.
- 2.3 Contractor shall commence performance immediately unless otherwise specified by Company. If Contractor is unable to deliver on the date specified in the Purchase Order, Company reserves the right to cancel all or any part of the Purchase Order.
- 2.4 Goods shall be shipped F.O.B. (Incoterms 2010) unless otherwise specified in the Purchase Order. Company will arrange transport based on completion dates stated in the Purchase Order. Any additional amounts payable by Company due to Contractor's failure to comply with completion dates shall be to Contractor's account. This includes any additional amounts payable by Company in respect of Company-provided transport that are incurred due to Contractor's failure to achieve completion dates.
- 2.5 Unless otherwise stated in the Purchase Order, payment terms shall be 100% net 30 days from receipt of invoice following delivery of Goods or provision of Services.
- 2.6 Contractor is only entitled to submit invoices for rate and price line items included in the Purchase Order and for any additional rate and price line items that are included in executed variations. Contractor agrees Company shall be entitled to reject all non-compliant invoices.
- 2.7 Any progress or milestone payments made by Company during the course of performance of the Purchase Order are payments on account and subject to review and amendment. Company has the right to backcharge Contractor or to reduce any payment to Contractor under these terms by any amount Contractor is liable to Company for, including prior overpayment, costs, charges, damages and expenses. This does not limit Company's right to recover such amounts by other means.
3. All Goods are subject to Company's inspection on delivery, and all Services are subject to inspection on completion, as the case may be, notwithstanding prior payment. Goods rejected for just cause will be held for Contractor's disposition, with transportation and handling charges to be for Contractor's account.
4. Contractor warrants that all Goods supplied or Services provided hereunder shall, for a period of one (1) year from the date of supply of the Goods, or completion date of the Services, be free

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from defect in design, workmanship, or departure from specification and fit for the purpose specified in the Purchase Order (if any), and that the performance thereof shall be in accordance with designs or specifications respectively.

5. If, in the opinion of Company, Contractor is in breach of any term hereof or if Contractor fails to supply the Goods or provide the Services because of causes other than those beyond Contractor's reasonable control, or if Contractor becomes bankrupt or insolvent, Company may in addition to any other remedy, on 3 days' written notice to Contractor, terminate this Purchase Order and recover from Contractor any losses sustained by reason of such termination. Contractor shall be excused from delivery of Goods or provision of the Services by reason of any cause beyond its reasonable control but only for the duration of such cause, provided that Company may on 7 days' written notice terminate this Purchase Order if such circumstances continue for more than 7 days.
6. If, during the currency of the Purchase Order, Company is unable to accept delivery of Goods due to any cause whatsoever beyond Company's reasonable control, then such delivery shall be partially or wholly suspended during continuance of such cause and the time for such delivery shall be correspondingly extended. Company necessarily reserves the right in such event to cancel this Purchase Order but Company shall pay Contractor all actual direct costs and expenses incurred by Contractor with respect to this Purchase Order prior to the date of cancellation. Lack of funds shall not be considered a cause beyond the control of either party.
7. In this Clause 7, **Consequential Loss** means indirect, remote or unforeseeable loss, including without limitation deferment of income, loss of profit, loss or denial of opportunity, loss of access to markets, loss of goodwill, loss of business reputation, future reputation or publicity, damage to credit rating, punitive, consequential or special damages whether or not in the reasonable contemplation of the parties at the time of entering into this Purchase Order, **Claims** means claims, liens, judgments, fines, penalties, awards, remedies, debts, liabilities, damages, demands, costs, losses, expenses or causes of action, of whatever nature, including those made or enjoyed by dependants, heirs, claimants, executors, administrators or survivors, **Contractor Group** means Contractor, its subcontractors (of any tier) furnishing services in connection with the Goods supplied or Services provided and its and their respective employees, directors, officers, consultants, agents and invitees, **Company Group** means Company, the Participants (as defined in clause 13), its and their affiliates, its other contractors and subcontractors (of any tier) furnishing services in connection with or in the vicinity of the Goods or Services and its and their respective employees, directors, officers, consultants, agents and invitees but does not include any member of Contractor Group, and **Third Parties** means anyone other than a member of Contractor Group or Company Group.
  - 7.1 Contractor shall be responsible for and shall indemnify, defend and hold Company Group harmless from and against all Claims in respect of any alleged infringement of any patent, design, trade mark, trade name, copyright, proprietary or other protected right arising out of or in connection with the performance of the obligations of Contractor under the Purchase Order or the furnishing or use of Contractor's items.
  - 7.2 Contractor shall be responsible for and shall indemnify, defend and hold Company Group harmless from and against all Claims in respect of illness, injury to or death of any of Contractor Group, or loss of or damage to any property of any of Contractor Group.
  - 7.3 Company shall be responsible for and shall indemnify, defend and hold Contractor Group harmless from and against all Claims in respect of illness, injury to or death of any of Company Group or loss of or damage to any property of any of Company Group.
  - 7.4 Except as otherwise provided in this Clause 7, each party shall be responsible for and shall indemnify, defend and hold the other party's group harmless from and against all Claims by Third Parties arising out of or in connection with any act or failure to act by any member of such first-mentioned party's group.
  - 7.5 Notwithstanding any other provision of this Purchase Order and except to the extent of any agreed liquidated damages, Company shall be responsible for, indemnify, defend and hold Contractor Group harmless from and against Company's, its affiliates and the Participants own

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Consequential Loss and Contractor shall be responsible for, indemnify, defend and hold Company Group harmless from and against Contractor Group's own Consequential Loss.

- 7.6 The parties agree to expressly exclude the application of Part 1F of the Civil Liability Act 2002 (WA) from all Claims in respect of the Purchase Order.
8. Should any Claim be made against Company as a result of any action or omission of Contractor, Company may withhold the unpaid balance of money due to Contractor hereunder until Company is satisfied that the Claim has been released or provision has been adequately made therefor.
9. Ownership of all drawings and specifications furnished by Company or Contractor vests in Company and such documents shall not be disclosed by Contractor to any Third Party (except in connection with performance of this Purchase Order) or used by Contractor in connection with the supply of goods or materials for Third Parties without prior written consent of Company.
10. Contractor shall maintain a true and correct set of records pertaining to the Goods or Services and shall allow Company to audit such records upon reasonable request; provided, however, that Contractor shall have the right to exclude any trade secrets, formulas, or processes from such audit.
11. Contractor shall comply with all applicable laws, rules, orders and regulations promulgated by government bodies having jurisdiction over Contractor, the Goods supplied and the Services performed.
12. Company shall be entitled to access to Contractor's premises during production manufacture, assembly or testing to inspect all parts of the Goods where Company deems such inspection is necessary to ensure the completed Goods are in all respects in accordance with the requirements of this Purchase Order.
13. Where applicable, Company enters into this Purchase Order on behalf of the joint venture of the participants (**Participants**). The Participants shall be entitled to the benefits and subject to the obligations created by this Purchase Order severally in proportion to their respective interests. Contractor shall look solely to Company for the enforcement of any rights and remedies under this Purchase Order but this restriction shall not prejudice any Claim Contractor may have under this Purchase Order against the Participants once Contractor has exhausted all remedies against Company.
14. All information so obtained by Contractor in relation to Company's operations shall be confidential and Contractor shall ensure that neither its personnel nor their families divulge any such information to Third Parties.
15. Company may withhold payment of any portion of any invoice or statement presented by Contractor for any of the reasons referred to below. Company shall advise Contractor of the reasons for the withholding within 30 days of receipt of the invoice for:
  - (a) reasonable verification thereof until Contractor has provided verification to the satisfaction of Company;
  - (b) withholding income tax or other taxes as required by law, provided Company promptly pays the withheld amount to the respective government authority; and
  - (c) amounts owing by Contractor to Company pursuant to the provisions of this Purchase Order.

Interest will not be payable on the amount withheld by Company. Contractor shall not be entitled to discontinue the Services or withhold or delay delivery of the Goods by reason only of non-payment of a disputed invoice where the dispute has not been resolved

16. Notwithstanding anything to the contrary, if GST is or becomes payable on any Supply made under this Purchase Order, the Consideration for that Supply is to be considered exclusive of GST and the person making the Supply may recover from the Recipient the amount of the GST at the same time and in the same manner as the Consideration for that Supply is payable, provided that the person making the Supply issues a Tax Invoice or Adjustment Note (if applicable) enabling the Recipient to claim all applicable Input Tax Credits. In addition:

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- (a) to the extent that a party is required to reimburse or indemnify another party for costs incurred or losses suffered by another party, those costs and losses do not include any amount in respect of GST for which the other party, or the representative member of any GST Group of which that party is a member, is entitled to claim an Input Tax Credit; and
- (b) if Company is entitled to withhold a portion of an amount due to the Supplier on which GST is payable, Company is not required to pay the non-withheld portion until the Supplier issues a replacement Tax Invoice or Adjustment Note permitting Company to claim all applicable Input Tax Credits for the amount not withheld. Once the dispute regarding the withheld amount is resolved, Company will make payment of the applicable amount upon receipt of a further Tax Invoice or Adjustment Note issued by the Supplier.

Capitalised terms in this clause 16 have the meaning given to them in the GST Law as defined in A New Tax System (Goods and Services Tax) Act 1999 (Cth).

17. Unless otherwise expressly provided for herein, all fees, rates and charges are inclusive of any income, withholding, import, excise, sales or use taxes, and of taxes or duties of a similar nature, which lawfully may be imposed on the furnishing of Contractor's personnel, equipment, services and other items. Contractor shall indemnify Company against any and all liabilities or claims for any taxes, duties, penalties or interest assessable against Contractor which may be levied against Company or Contractor by any relevant authorities, provided that this Clause shall not affect Company's liability to Contractor for any reimbursements specifically provided for herein.
- 18.1 Without limiting Contractor's liabilities or obligations contained herein, Contractor must effect and maintain at all times during the term of the Purchase Order the following minimum policies of insurance for the specified amounts or their equivalent in another currency acceptable by Company:
- (a) workers' compensation/employer's liability insurance in the form and amounts as required by law, including common law liability for an amount not less than A\$50,000,000 per occurrence and for any number of persons. The common law section of the policy or equivalent which applies in any country other than Australia must be for an amount of not less than the greater amount required by any applicable law or A\$10,000,000;
  - (b) general public and products liability insurance for an amount of not less than A\$20,000,000 for any one occurrence, however in the aggregate during any one 12 month period in respect to products liability. The insurance must cover liability for loss of or damage to property and the death of or injury to any person in connection with the provision of the Goods or Services; and
  - (c) property insurance to cover loss of or damage to Contractor's items (for their full replacement value) on an "all risks" basis with industry standard exclusions accepted.
- 18.2 All deductibles, excesses and premiums required by insurance effected by Contractor shall be paid by Contractor without recourse therefor against Company Group under any circumstances.
- 18.3 Contractor shall provide certificates of insurance to Company prior to the date of the Purchase Order and within fourteen (14) days of any renewal. Failure by Company to review and request amendments to certificates of insurance does not relieve Contractor of its obligations under the Purchase Order. If Contractor fails to provide evidence of insurance, then Company may at its option either itself arrange the insurance and recover the premiums payable in respect thereof from Contractor or deduct same from any amount due or becoming due to Contractor, or may refuse to make any payments otherwise due to Contractor until such evidence is produced.
- 18.4 The provision of insurance certificates does not constitute approval by Company of the suitability of Contractor's insurances and is not a defence to any claim by Company against Contractor.
- 18.5 Any insurance policy to be effected and maintained under Clause 18.1 must be in a form and on terms to the reasonable satisfaction of the Company with a reputable insurer, with a Standard & Poor's rating of A- or above, or equivalent.
- 18.6 Contractor shall not commit any act or make any omission which may provide grounds for an insurer to refuse payment of any claim or which may otherwise prejudice the interests of Company under any such policy.

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- 18.7 Contractor shall in the event of any loss, injury, damage or claim do all things necessary to obtain the full benefit of its insurances, including but without limitation the giving of prompt notice of any accident, incident, loss or claim.
- 18.8 Insurance policies under Clause 18.1(b) shall be endorsed to provide that Company Group is named as an additional insured to the extent of the indemnity obligations and liabilities assumed by Contractor under this Purchase Order and that Contractor's insurers waive all rights of subrogation and recourse against Company Group to the extent of Contractor's indemnity obligations hereunder.
- 18.9 Any workers' compensation insurance policy issued under Australian law, must, where allowable under such law, recognise Company Group as principal and contain a principal's indemnity extension for statutory benefits and at common law in favour of Company Group. Such extension must provide a waiver of subrogation from the insurer to Company Group, including statutory benefits and common law.
- 19.1 Contractor shall ensure that Goods being transported to a Company site meet the Company's quarantine requirements in accordance with the Company's Quarantine Management System. Company acknowledges its understanding of requirements for loading and packaging when transporting Goods to a Company site by road and sea. Contractor shall ensure that all dangerous goods being used have met the requirements of Australian Dangerous Goods Code 7.3 and relevant State road road traffic legislation for transportation by road, and International Maritime Dangerous Goods Codes for transportation by sea.
- 19.2 Contractor shall provide all documentation relating to the Goods, including packaging list which must be included in the delivery package.
- 19.3 Goods that require shrink-wrapping shall be so wrapped.
- 19.4 Contractor shall ensure that all chemicals being transported to a Company site have been assessed in accordance with Company procedures and approved prior to transportation. Contractor shall advise Company of any hazardous Goods supplied and provide information with respect to the safety, health and environmental hazards associated with such Goods. The material safety data sheet (MSDS) for such Goods must accompany the Goods in the delivery. Failure to supply the required MSDS shall result in Goods not being accepted by Company.
- 20.1 Contractor shall utilise capable, competent and adequately trained personnel for the performance of the Services under this Purchase Order. Suitable qualified personnel must be utilised to perform any specialist work, or if so required by scope of work. Contractor shall provide written evidence of all personnel qualifications, training, and verification of competency within 7 days of any request to do so by Company.
- 20.2 Company is not obliged to pay for work performed or Services provided by personnel that do not comply with requirements of Clause 20.1.
- 20.3 Access to Company sites is restricted. Contractor personnel wishing to access any Company site must complete required induction courses prior to entry. Contractor personnel that require access to Company sites must obtain prior written consent from Company prior to seeking to obtain entry. Contractor is to submit access requests for personnel as directed by Company. Contractor personnel must comply with Company rules at all times when on Company sites. Company also requires valid CSTP and TBOSIET be provided with site access requests for those Contractor personnel wishing to access offshore facilities, marine facilities and onshore production facilities. Access to offshore and marine facilities also requires a valid MSIC.
- Contractor shall subscribe to ISNetwork and maintain subscription with an acceptable ISN grade.
- 21.1 Title to the Goods shall vest in Company upon delivery unless Company has made progress payments, in which case title shall vest in Company at the time progress payments commence and Contractor must mark and identify all Goods to clearly indicate that the Goods are vested in Company.
- 21.2 Risk of loss, damage or deterioration of or to the Goods from any cause whatsoever will remain with Contractor and will not pass to Company until delivery of the Goods to the delivery point and after acceptance by Company.

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21.3 If there are any defects in the Goods or the Goods are damaged when delivered to Company, the risk in the Goods will remain with Contractor and title shall remain with or, at such time, revert to Contractor.