

GENERAL TERMS AND CONDITIONS OF SALE

EXXARO GROUP COMPANIES

1. PRICING

- 1.1 Price lists issued by Exxaro Resources Limited, registration number: 2000/011076/06, a public company duly registered in terms of the laws of South Africa with *domicilium citandi et executandi* at The Connexion, 263B West Avenue, Die Hoewes, Centurion, or any of its subsidiaries (“Exxaro”) from time to time, are for information purposes only and do not constitute an offer for sale. Any verbal understanding or agreement transmitted to Exxaro shall have no binding effect unless confirmed in writing by Exxaro.
- 1.2 All deliveries as part of business transactions are subject strictly and solely to these General Terms and Conditions of Sale (“Terms and Conditions”). Any deviation there from, or any supplement there to, shall have no effect unless specifically confirmed in writing by Exxaro. This specifically refers to buyer’s or purchaser’s (hereinafter referred to as the “Purchaser”) own conditions of purchase.
- 1.3 In the event of these Terms and Conditions being issued with reference to an existing Exxaro written agreement and/or the parties subsequently concluding a written agreement, these Terms and Conditions shall be superseded by those of said agreement.

2. QUOTATIONS

Quotations are subject to formal confirmation in writing by Exxaro after receipt of notification that the order parameters and specifications offered by Exxaro are acceptable to the Purchaser.

3. ORDERS

Orders are accepted at prices, transport tariffs and other formally announced ruling conditions at the confirmed expected delivery date, unless otherwise specifically agreed in writing. Prices and rates are subject to Value Added Tax (if applicable) as contemplated in the Value-Added Tax Act No 89 of 1991, as amended from time to time.

4. RETURN OF PRODUCT

Purchasers shall not return product for any reason without having obtained Exxaro’s written confirmation. Where such confirmation has been obtained, Purchasers shall facilitate the return of such product in accordance with Exxaro’s arrangements not later than one week from the date of such confirmation.

5. CLAIMS

Claims in respect of shortages shall be made in writing immediately upon receipt of a consignment of product, and no claim for any shortages will be recognised unless lodged with Exxaro within 2 (two) days of receipt of the consignment in respect of which a shortage is alleged. In the event of non-delivery of any consignment, whether by rail or road, Purchasers shall notify Exxaro thereof in writing within seven days (if by rail) and within two days (if by road) of the date of when consignment of product should have been received by the Purchaser.

6. PAYMENT TERMS

- 6.1 In terms of Exxaro's standard payment terms and where a credit agreement has been arranged between the parties, payment shall be due and reflected in Exxaro's nominated bank account on the 30th (thirtieth) day from the date of either statement or invoice, which shall be deemed to be the due date. Should the last day of the month fall on a Saturday, Sunday and/or public holiday, payment should be effected on the previous business day to ensure that it will reflect in Exxaro's nominated bank account within the 30th (thirtieth) day from the date of either statement or invoice.
- 6.2 Purchasers shall not under any circumstances be entitled to deduct or set-off any amount from or against amounts due as indicated in Exxaro's invoice.
- 6.3 Failure to settle an account by the due date shall entitle Exxaro to charge the Purchaser interest at a rate three-percentage point above the ruling prime overdraft rate as determined by Absa Bank of South Africa. Furthermore, Exxaro may elect to cease deliveries of any other orders until the account has been settled in full.
- 6.4 No interest will be payable to the Purchaser because of any advance payment.

7. WEIGHT DETERMINATION

- 7.1 Where Exxaro is responsible to arrange the transport, this will be on a DAP basis, means "Delivered at Place" as defined in terms of the rules of the "Incoterms® 2020 ICC Publication 723E". As the road truck with product is delivered at the Purchaser's site, such site's weight shall be used as final and binding. Where the site does not have a calibrated assized weighbridge, Exxaro's weighbridge at point of dispatch of product shall be used as final and binding.
- 7.2 Where the Purchaser is responsible to arrange the transport, this will be on a FCA basis, means "Free Carrier" as defined in terms of the rules of the "Incoterms® 2020 ICC Publication 723E". Exxaro's weighbridge at point of dispatch of product shall be used as final and binding.
- 7.3 Any discrepancy of >3% (greater than 3 percent) between the weighbridges at point of loading road trucks at Exxaro's mine and the point of off-loading road trucks at the Purchaser's site, is to be investigated further and discussed between the parties, with an appropriate solution to be agreed.

7.4 All logistical costs is for the Purchaser's account.

8. WARRANTY AND LIMITATIONS

Exxaro undertakes to see that product supplied will conform to specifications and/or to any requirements specifically accepted by Exxaro on confirmation of each purchase order.

9. LIMITATION OF LIABILITY

9.1 Exxaro shall not be liable or responsible for any indirect, consequential, incidental or contingent damages, including but not limited to such loss of profit arising out of a breach of these Terms and Conditions.

9.2 Exxaro's liability being the sole remedy of the Purchaser shall be limited to compensating the Purchaser in its discretion either:

- by way of credit, taking into account its scrap value in cases where it was agreed that product would not be returned to the Mine, plus transport charges incurred by the Purchaser in the delivery of product; or
- replacement of the rejected product, to the required specification and delivered to the originally specified address.

9.3 Requests for either credit or for the replacement of product must be submitted together with the complaint, in all cases not later than five business days after initial delivery.

10. DELIVERY DATES

10.1 Dates or periods for delivery are approximate and are given for information only and shall under no circumstances be essential terms. A delay in delivery including delivery later than the date or dates provided in writing shall not constitute a breach and shall not entitle the Purchaser to avoid the written requirements or to any other remedy unless Exxaro has guaranteed the date of delivery in a written warranty which expressly modifies the provisions of this condition.

10.2 Delivery is further subject to undisturbed production and/or delivery at the planned rate and regular supply of any required raw materials under the existing orders from Exxaro to third party suppliers. Any major disturbance of operations and cases of Force Majeure including but not limited to strike and lockout, shall entitle Exxaro to suspend delivery and/or terminate its delivery obligation. If such contingency continues for a period of more than 1 (one) month, then the Purchaser upon giving notice reasonably in advance shall have the right to refuse to take delivery of any purchased quantity so affected unless a substitute arrangement is made.

11. DELIVERY AND OWNERSHIP

- 11.1 Exxaro retains the right to effect delivery by rail or road at the Purchaser's cost unless otherwise agreed in writing prior to placing an order.
- 11.2 Ownership of the product shall remain with Exxaro, until Exxaro has been paid in full thereof.
- 11.3 The risk of loss or damage shall pass to the Purchaser on delivery of the product at the specified address by Exxaro's transport contractor, or when control of the product is taken should the Purchaser's transport contractor be responsible for delivery.

12. OWN TRANSPORT

- 12.1 Should the Purchaser wish to appoint their own transporter to effect delivery of the product, written approval has to be obtained from Exxaro. If approved, the Purchaser assumes all risk and/or responsibility for delivery and risk in the product transfer to the Purchaser, as soon as the Purchaser takes control of the product.
- 12.2 The Purchaser shall have no claim against Exxaro who shall not be bound by any terms or conditions contained in such contract of delivery. The Purchaser indemnifies Exxaro against all and any claims of whatsoever nature arising out of such contract/s.
- 12.3 Where a Purchaser fails to take delivery of the product tendered by Exxaro within 14 (fourteen) calendar days, the Purchaser will no longer be entitled to such product and Exxaro shall be entitled to offer such product into the market. Unless the Purchaser requests in writing that the product be held for an extended period of time and Exxaro agrees to such in writing.

13. INDEMNITY

The Purchaser hereby indemnifies Exxaro its directors, managers, agents and employees harmless against all claims, demands, damages, penalties, costs and any expenses to which Exxaro may become liable by reason of the Purchaser's breach of these Terms and Conditions.

14. SUSPENSION GRANTS

Exxaro is hereby granted the right to, without notice and without prejudice to any of its rights and without the insurance of any further liabilities as a result of such suspension, suspend deliveries of its products between Exxaro and the Purchaser or deliveries of any of its other products, if the Purchaser should fail to fulfil any of its obligations in terms of these Terms and Conditions or in connection with any further order by reason of any act of God, war (whether declared or not), force majeure, governmental control, storm, fire, strikes, lockouts, riots, epidemic, pandemic, civil commotion, breakdown or partial failure of plant or machinery, inevitable accident or any other circumstances beyond its control, Exxaro is prevented wholly or in part from fulfilling its obligations under these Terms and Conditions.

15. SUSPENSION OF DELIVERIES

If the Purchaser should fail to fulfil any of its obligations in terms of these Terms and Conditions (or in connection with any further order) be it by reason of any act of God, war (whether declared or not), force majeure, governmental control, storm, fire, strikes, lockouts, riots, civil commotion, epidemic, pandemic, terrorism, breakdown or partial failure of plant or machinery, inevitable accident or any other circumstances beyond its control, or Exxaro is prevented wholly or in part from fulfilling its obligations in terms of these Terms and Conditions – Exxaro is hereby granted the right to suspend deliveries of its products between Exxaro and the Purchaser, or deliveries of any of its other products, without notice and without prejudice to any of its rights and without the insurance of any further liabilities as a result of such suspension.

16. APPLICABLE LAW AND JURISDICTION

16.1 These Terms and Conditions are subject to the laws of the Republic of South Africa and excludes any UN Sales Law.

16.2 The place of jurisdiction is the Northern Gauteng Division of the High Court of South Africa.

17. GENERAL

17.1 No right, remedy, obligation or liability arising hereunder or by reason hereof shall be ceded or delegated by the Purchaser without written approval from Exxaro.

17.2 The Purchaser agrees to adhere to all laws and regulations in the performance of this agreement including the Protection of Personal information Act 4 of 2013.

17.3 These Terms and Conditions shall be effective from date of signature of the Purchaser.

PURCHASER

Signature:

Name:

Designation:

Signed at on this day of 20.....