

**TERMS AND CONDITIONS OF SUPPLY OF EQUIPMENT BY
Diamond and Boart Pty Ltd
ABN 23 147 191 017
(Version: April 2011)**

1) Credit References

Where the Customer applies for credit with Diamond and Boart the Customer agrees and authorises Diamond and Boart to make such enquires as Diamond and Boart feel necessary to assess the Customer's application for credit.

The Customer agrees that it is authorised to make this application and that the information provided to Diamond and Boart is correct. Any changes which affect the company's trading performance, ownership or other details provided in the application will be notified to Diamond and Boart immediately.

The Customer confirms that it is capable of payment for any goods within the credit terms offered.

2) Terms of Credit

2.1 Diamond and Boart may at its absolute discretion, sell or supply goods or services to the Customer as requested by the customer from time to time on credit.

2.2 Diamond and Boart may without notice set or change or limit credit in relation to the credit account and Diamond and Boart's agreement to open the credit account does not indefinitely entitle the Customer to any particular amount of credit.

2.3 Diamond and Boart may without notice refuse to open a credit account, close a credit account and/or refuse to extend any further credit to the Customer on any account.

2.4 Diamond and Boart may without notice refuse or limit further credit or suspend or terminate the supply of goods or services on granting of any rights where any amount payable on any credit account whatsoever remains unpaid after the due date.

2.5 The Customer must provide Diamond and Boart with security or credit as and when required by Diamond and Boart. Diamond and Boart will not process any orders or may suspend a credit account until the security required has been provided by the Customer in accordance with this clause.

2.6. If the Customer defaults in payment then all monies owing to Diamond and Boart shall be immediately due and payable.

3) Evidence of Contract and Precedence of Documents

3.1 Diamond and Boart may amend, update or vary the contract with existing Customers at any time and these changes will supersede any previous Terms of Business. Any changes which bring about a substantial change in the way the agreement operates will be notified to the Customer by email. A copy of current Terms of Business may be requested by the Customer at any time.

3.2 A contract for the supply of goods and/or services is made when Diamond and Boart acknowledges the order placed by the Customer.

4) Delivery and Risk

4.1 Time for delivery of goods and/or services is estimated in good faith and while every effort is made to meet an estimated delivery date Diamond and Boart will not be liable for any loss incurred as a result of delay or failure to make any supply of goods and services.

4.2 The Customer must notify Diamond and Boart in writing within seven (7) days of receipt of the goods of any damage, shortage or mis-supply of the goods. If the Customer does not notify Diamond and Boart within such time period the Customer is deemed to have accepted the goods unconditionally.

4.3 Returns – incorrect orders. If goods are ordered in error then a credit must be pre-agreed with Diamond and Boart before return. Freight will be paid for by the Customer. Returns must be made within 21 days of receipt and no credit note will be issued until the goods have been received in good order by Diamond and Boart. Goods must be returned in the same condition as they were despatched and must not have been used.

4.4. Returns – faulty goods. If the goods can be shown to be faulty then Diamond and Boart will at their discretion replace the goods or issue a credit note. The cost for the return of the goods will ultimately be covered by Diamond and Boart. Goods must be returned within 30 days, or within 14 days of first use (at the discretion of Diamond and Boart). Credit notes will not be issued by Diamond and Boart until the goods are returned and it can be shown that the goods are in fact faulty. In all circumstances faulty goods should be reported by email as soon as possible, with a clear description of the problem and the conditions that were in place at the time the goods were being used.

5) Price and Payment

5.1 Unless otherwise stated all prices are quoted ex-works and do not include freight, insurance or taxes.

5.2 Diamond and Boart will invoice the Customer upon delivery of goods and services. The Customer will pay the whole amount of any debit balance shown on an invoice on the due date without any set-off. The Customer agrees that if the amount payable is not paid by the due date Diamond and Boart shall be entitled to charge and recover interest at a rate of 1.5% per month or part thereof on the amount overdue.

5.3 The Customer agrees to indemnify and keep indemnified Diamond and Boart against any costs incurred by Diamond and Boart in connection with the Customer's failure to pay on the due date to include but not limited to legal fees on an indemnity basis and debt collection fees.

6) Retention of Title

6.1 Diamond and Boart and the Customer expressly agree that the legal and equitable title in any Goods sold and delivered by Diamond and Boart to the Customer shall not pass to the Customer until the Amount Payable for the Goods has been paid in full and the funds are cleared. Until that time the Customer may sell the Goods in the ordinary course of business as agent for Diamond and Boart and the proceeds shall be held in trust as the property of Diamond and Boart. The Customer, in the capacity of the trustee, shall not assign any property held in trust on behalf of Diamond and Boart to any third party. Prior to any sale by the Customer, the Customer shall hold possession of the Goods for and on behalf of Diamond and Boart as bailee in a fiduciary Capacity for Diamond and Boart and shall return the Goods to Diamond and Boart on demand.

Diamond and Boart will be entitled to enter the premises of the Customer at any time to recover possession of those Goods for which payment in full has not been made. It is agreed between Diamond and Boart and the Customer that where Diamond and Boart enters the premises of the Customer to take possession of the Goods and it is not possible to otherwise identify the ownership of the Goods in the possession of the Customer, the Goods will be treated as though they were sold by the Customer in the same sequences the Customer has taken delivery of the Goods. If the quantity of the Goods exceeds the amount owing Diamond and Boart will be entitled to determine which of the Goods it claims ownership of the Goods in.

The Customer must keep the Goods insured against all risks for goods of that kind from the time the risk in the Goods passes to the Customer until the time the title in the Goods passes to the Customer.

7) Liability

Notwithstanding any other provision of these Terms, Diamond and Boart is not liable to the Customer for any indirect, special or consequential loss of damage to include but not limited to economic loss, loss of opportunity, loss of production, loss of profit or revenue whether foreseeable or not, suffered or incurred by the Customer arising out of a breach by Diamond and Boart of an Order or a negligent act or omission by Diamond and Boart or a breach of a statutory duty or obligation by Diamond and Boart. At all times, Diamond and Boart's total liability shall be capped at 100% of the value of the Order.

8) Governing Law

The law of the state or territory in which Diamond and Boart delivers Goods or Services to the Customer is the proper law of these Terms. The parties irrevocably submit to the non-exclusive jurisdiction of the courts of Queensland. These Terms may be revised from time to time and will be applicable to all Customers from the date of revision, whether or not received or accepted by the Customer. A copy of the Terms is available at any time on request.

9) Acceptance

It is agreed by both Parties that the Terms contained herein are accepted once a Credit Application Form has been submitted to and accepted by Diamond and Boart. The Customer agrees to keep all dealings with Diamond and Boart confidential.

Where any terms of this agreement are ambiguous in any particular circumstance the spirit of the agreement shall apply.

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