

SELLING TERMS AND CONDITIONS

MATERIAL

1. DEFINITIONS. "Seller" means Revert Alloys & Metals Ltd. "Buyer" means the business entity that provides the Seller with a purchase order or other procurement document.

2. CONTRACT FORMATION. These terms and conditions of sale (the "Seller Terms and Conditions") apply to all quotations and offers made by and purchase orders performed by Seller. To the extent that the Seller Terms and Conditions conflict with or are different from those contained in any Buyer purchase order or other procurement document, the Seller Terms and Conditions will control and any additional or inconsistent terms are rejected by Seller unless Seller's acceptance thereof is in writing and specifically refers to each such additional or conflicting term. Buyer's acceptance of or payment for goods will conclusively confirm Buyer's assent to the Seller Terms and Conditions.

3. PRICES/PAYMENT. Unless otherwise agreed, payment terms are 30 days from the date of delivery, provided, however, that the Seller may require full or partial payment in advance whenever advance payment is advisable, as reasonably determined by Seller, based upon the financial condition of Buyer. Amounts not paid when due may be subject to a late payment charge of the lesser of 1.5% per month or the highest interest rate allowed under applicable law. All deliveries are subject to the condition that all past due invoices have been paid or resolved in full.

4. PRICE ADJUSTMENTS. Any change in price resulting from a Buyer-directed change will be agreed upon prior to any change of production equipment and prior to Seller's manufacture of modified goods.

5. DELIVERY. Delivery will be as per Inco terms 2000. Title and risk of loss pass to Buyer based on Inco terms 2000. Seller may deliver in partial shipments and Buyer will accept such shipments in accordance with applicable contractual terms. Seller will make reasonable efforts to meet estimated delivery dates. Seller will not be responsible for any failure, interruption or delay in manufacture or delivery that is related to sabotage, fire, flood, explosion, war, act of, or priorities granted by request of or for the benefit of any governmental authority, shortage of raw materials or supplies, labour disputes or strikes, acts of God or other causes beyond Seller's reasonable control. Seller will not be liable for any damages incurred by Buyer as a result of delay in shipment.

6. ORDER CANCELLATIONS OR RESCHEDULING. Unless otherwise agreed, Buyer may not cancel, modify or reschedule an order within the applicable quoted lead time or agreed frozen schedule period. If Buyer cancels an order in whole or in part, Seller will be entitled, within 30 days, to reimbursement for all unpaid invoices and the costs of settling any claims for necessary termination of related sub-contracts, as well as payment for the prorated contract price for finished product, work in progress, and raw material in inventory, firmly committed or on order provided that Seller is not able, in its judgment, to use such product, inventory or raw material for other purposes within 30 days of Buyer's cancellation. Any shipment postponed may be subject to delay penalties and/or cancellation charges.

7. REJECTION. Final acceptance or rejection of goods will be made as promptly as practicably possible after delivery thereof to Buyer. Any defect or non-conformance becoming apparent in the goods after such acceptance will be subject to the terms of Section 8 below.

8. WARRANTY. All goods delivered hereunder will, for a period of 12 months after delivery, conform to Buyer's specifications attached hereto, such conformance to be determined and demonstrated by the inspection methods and standards directed or approved by Buyer. Buyer is responsible for specifying the acceptance criteria, including criteria that will ensure that subsequent processing (e.g. melting) will yield a finished product acceptable to Buyer. If goods do not conform to the requirements set out in the preceding two sentences, Seller will, at its sole option and as Buyer's sole and exclusive remedy, either rework or replace goods that are agreed to be non-conforming. The warranty



provisions herein will not apply if (a) the goods were in conformance with Buyer's specifications (as described above) at the time of delivery, (b) the goods were rejected by the use or application of test or inspections procedures or processes not agreed to by Seller, or (c) Buyer has or has attempted to correct, repair, rework or otherwise alter the goods without Seller's prior written authorization. THIS WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES OR OBLIGATIONS, EXPRESS OR IMPLIED. SELLER EXPRESSLY DISCLAIMS ALL IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE AND SELLER DOES NOT WARRANT THE ADEQUACY OF BUYER'S DESIGN OR SPECIFICATIONS OR THE INSPECTION PROTOCOL. No person is authorized to give any other warranties on Seller's behalf.

9. LIMITATION OF LIABILITY. IN NO EVENT WILL SELLER BE LIABLE FOR INDIRECT, SPECIAL, INCIDENTAL, EXEMPLARY OR CONSEQUENTIAL DAMAGES OF ANY KIND (INCLUDING LOSS OF PROFITS OR USE AND INTERRUPTION OF BUSINESS) SUSTAINED FROM ANY CAUSE OR ARISING OUT OF ANY LEGAL THEORY, WHETHER BASED IN CONTRACT, NEGLIGENCE, STRICT TORT LIABILITY OR OTHERWISE. In no event will Seller be liable to Buyer in an aggregate amount exceeding the total purchase price of the goods giving rise to the claim or claims of liability. These limitations also apply to any liability that may arise out of third-party claims.

10. INFRINGEMENT INDEMNIFICATION. If goods are processed according to Buyer's specifications or instructions, Buyer will indemnify, hold harmless and defend Seller against any liability or claim whatsoever for patent, trademark, trade name or other intellectual property right infringement or misappropriation resulting from such specifications or instructions. Seller will indemnify, hold harmless and defend Buyer against any liability or claim whatsoever for patent, trademark, trade name or other intellectual property right infringement or misappropriation resulting from Seller's manufacturing processes and procedures. Buyer will also indemnify, hold harmless and defend Seller against any liability, loss or damage arising out of infringement or misappropriation by Buyer of intellectual property rights of Seller. The foregoing states the entire obligation of Buyer and Seller with regard to infringement of intellectual property rights.

11. INTELLECTUAL PROPERTY OWNERSHIP. The parties agree that any intellectual property rights related to the processing or manufacture of goods hereunder are owned by the Seller

12. DISPUTE RESOLUTION. The interpretation of the terms and obligations hereunder will be construed and governed by the laws enacted in the United Kingdom. The parties agree that, in any effort to enforce the terms and obligations hereunder, the complaining party will first notify the other party in writing of the alleged dispute and the parties will attempt in good faith to resolve the dispute through prompt discussion and meeting between representatives having decision-making authority regarding the dispute. If the dispute is not resolved by the 30th day after written notice of the dispute was first made, the parties agree to engage in non-binding mediation in United Kingdom, using a neutral mediator mutually agreed to and paid for by the parties. If mediation does not resolve the dispute, the parties may resolve the dispute through appropriate legal action. Legal action may be brought only in the United Kingdom and the parties consent to the jurisdiction of and venue in such courts.

13. SET-OFF. Neither party will have any rights to set-off or recoupment hereunder.

14. ASSIGNMENT/CHANGE OF CONTROL. Neither party will assign its rights or obligations hereunder without the prior written consent of the other party, which consent will not unreasonably be withheld. Buyer must notify Seller in writing prior to any transfer of 25% or more of the direct or indirect ownership or control of Buyer. Seller may immediately terminate all outstanding orders with no liability to Seller if 25% or more of the direct or indirect ownership or control of Buyer passes to a person or entity that Seller determines in its sole discretion to be a direct or indirect competitor of Seller.

15. ENTIRE AGREEMENT. These Seller Terms and Conditions (and any long term agreement under which an order is issued) constitute the entire agreement between the parties with respect to the subject matter herein and supersede all previous proposals, both oral and written, negotiations,



representations, commitments, writings and all other communications between the parties. No waiver, alteration, modification of or addition to these Seller Terms and Conditions will be binding unless expressly agreed to in writing and signed by duly authorized representatives of Buyer and Seller. A waiver of any of the terms or conditions hereof will not be deemed a continuing waiver, but will apply solely to the instance to which the waiver is directed.

