

- (c) If the parties cannot agree on a price for the next Contract Quarter before the end of the then-current Contract Quarter, the Agreement shall continue for an additional thirty (30) days, during which time any Product supplied by the Seller shall be sold at the Price used during the previous Contract Quarter. If at the end of such thirty (30) day period, no agreement has been reached by the parties as to Price, the Seller will not be obligated to supply any Product for the remainder of the applicable Contract Quarter without any penalty to the Buyer or the Seller. For the avoidance of doubt, any change in Price for Product in a subsequent Contract Quarter shall become effective with respect to a shipment, and the price and payment obligations hereunder shall be determined (in each case, absent mutual written agreement of the parties), as of the confirmed date of commencement of the laycan with respect to such shipment.

4 Limitations

4.1 Government Approvals and Compliance with Laws

- (a) The Seller shall be responsible for obtaining any export licence(s) which may be required and for compliance with all laws, rules, regulations and other requirements applicable to the Seller's sale of the Product to the Buyer.
- (b) The Buyer shall be responsible for obtaining any import licence(s) which may be required and for compliance with all laws, rules, regulations and other requirements applicable to the Buyer's purchase of the Product from the Seller.

5 Trading Terms

5.1 Orders

- (a) The Buyer must place all orders for Product with the Seller (or other person nominated by the Seller) in writing.
- (b) For the avoidance of doubt, the Seller shall have no obligation to provide the amount of Product requested in the order or to accept any proposal by the Buyer for a date or dates on which to load a specific Vessel with the Product. If the Seller accepts the order, the Seller shall email the Buyer a Confirmation of Sale Statement within ten (10) Business Days of receiving the order and the Buyer shall be obligated to purchase the Product on the terms specified in the order, unless otherwise agreed in writing by the parties.

5.2 Blending of Product

The parties acknowledge and agree that the Product may be blended in the use of fertiliser manufacture. The Seller shall not be held liable for any claims arising as a result of the blending decisions made by the Buyer in relation to blending by the Buyer of the Product with phosphate rock of other origin.

5.3 Testing and Weights

- (a) At the Shipment Port, the Seller must at its expense appoint an independent surveyor to determine and prepare a report on the bill of lading weight of the Product which the parties acknowledge will be final and binding (**Survey Report**).
- (b) The Seller must also appoint an independent surveyor to take samples and analyse the Product in accordance with the sampling procedures in Schedule 5 and prepare a certificate of the results (**Certificate of Analysis**). The Seller's Certificate of Analysis will report on the results against the Product specifications in Schedule 3 for BPL, P2O5, Moisture, Al2O3, Fe2O3, SiO2, Cd, Pb, Hg, MgO and sizing.
- (c) The Seller will submit the Survey Report and Certificate of Analysis to the Buyer as final and binding. Should the Buyer's independent laboratory results taken from the load port split sample differ materially to the results taken by the Seller's independent surveyor, the parties shall work collaboratively to agree a reasonable course of action to address concerns held by the Buyer.
- (d) The Buyer will have the option (at its expense) to appoint its own qualified independent surveyor at the Shipment Port to verify the Survey Report and sampling procedure and testing results set out in the Certificate of Analysis.

5.4 Delivery, Passage of Title, and Risk of Loss

- (a) The Seller shall sell and the Buyer shall buy the Product on the basis of FOB (Townsville).
- (b) The Product shall be considered to have been delivered at the moment when it has passed the ship's rail at the Shipment Port (the "**Delivery**").
- (c) Any risk of loss associated with, in and to the Product passes from the Seller to the Buyer upon such Delivery in accordance with Incoterms® 2020.
- (d) Notwithstanding risk in the Product passing in accordance with clause 5.4(c) above, title in the Product shall not pass to the Buyer until payment in full of the Invoiced Purchase Amount has been received by the Seller.

5.5 Payment

- (a) Within three (3) Business Days of the sailing of the relevant Vessel after loading the Product, the Seller shall issue an invoice to the Buyer for each shipment containing the Invoiced Purchase Amount.
- (b) The Buyer must pay 100% of the Invoiced Purchase Amount by electronic transfer to the Seller's Account within five (5) Business Days of obtaining the Commercial Documents but always prior to discharge at the destination port.
- (c) Any quality and quantity adjustments will be advised by the Seller in accordance with the Seller's Analysis Testing which is final and binding.
- (d) The Seller will issue a statement to the Buyer setting out the quality adjustments calculated in accordance with Schedule 4, with any adjustment to be settled by electronic bank to bank transfer by the party owing such difference to the other party within five (5) Business Days of the Buyer's receipt of the results of the Seller's Analysis Testing.

5.6 Default Interest

The Buyer shall pay interest on all overdue amounts owed under this Agreement as follows:

- (a) at a rate per annum equal to the aggregate of the rate published by the Reserve Bank of Australia as its indicator lending rate from time to time plus 2% (with such rate to be reviewed on an annual basis and varied as agreed between the parties in writing);
- (b) accrued on a daily basis from the date the amount became due and payable up to the date of actual payment; and
- (c) compounding monthly.

5.7 Letter of Credit

Notwithstanding anything to the contrary in this Agreement, the Seller may at any time require, as a condition of sale, by written notice to Buyer, an irrevocable documentary letter of credit in favour of the Seller from a bank acceptable to Seller and in a form acceptable to Seller in an initial amount specified by Seller and adjusted in amount periodically at Seller's request for the purpose of assuring payment for any or all Product to be delivered under this Agreement or for any other obligation owed by Buyer to Seller pursuant to this agreement (**Letter of Credit**). The Letter of Credit shall be initially established by the Buyer, on a date advised by the Seller to the Buyer and shall be valid for the remaining duration of each shipment.

5.8 No Offset

Neither party shall have any right to offset or deduct any amounts owed by one party under this Agreement against other amounts owed or claimed to be owed to such party, whether pursuant to this Agreement or otherwise.

6 Commercial Documents

6.1 Commercial Documents

Within three (3) Business Days of the sailing of the relevant Vessel after loading the Product, the Seller shall provide the Buyer with a full set of commercial documents by email as follows, with original copies and photocopy duplicates to follow as indicated below:

Original Bill of Lading

(3) originally executed copies;

Non negotiable Bill of Lading	(3) photocopy duplicates;
Invoice (based on B/Lading Tonnage)	(1) original copy;
Certificate of Origin	(1) original copy;
Hold cleanliness certificate	(1) original copy;
Original Certificate of Analysis issued by the independent surveyor at Shipment Port	(1) original copy;
Original weight certificate issued by the independent surveyor at Shipment Port	(1) original copy; and
Any other documents reasonably requested by the Buyer from time to time (collectively, the “ Commercial Documents ”).	

6.2 Requirement to supply the Buyer original documentation

The Seller shall forward original and photocopy Commercial Documents as indicated in clause 6.1 above to the Buyer in the next available airmail service after the required action in clause 6.1 is completed.

7 Shipping terms and conditions

7.1 Shipment

- (a) Shipment of Product shall be made in accordance with the Indicative Delivery Schedule subject to the availability of a suitable carrying vessel.
- (b) The Product supplied under this Agreement shall be shipped in bulk FOB (Townsville) by a Vessel to be nominated by the Buyer (**Nominated Vessel**) not fewer than fourteen (14) days prior to the estimated date of the Vessel's arrival at the Shipment Port (the “**Nomination**”) subject to clause 7.4. The Nomination provided by the Buyer must include:
 - (i) the name and type of the Vessel including full description;
 - (ii) 10 day spread laycan;
 - (iii) the vessel's full itinerary including requested date of its arrival at the port of Townsville;
 - (iv) stowage plan;
 - (v) demurrage/despatch rate;
 - (vi) flag, year of build (must not be a maximum age of 20 years), length overall, 2 year cargo history, beam, estimated draft on arrival, rightship approval (vessel must have 3 star rating) and number and location of hatches; and
 - (vii) the estimated quantity of the Product to be loaded on the Vessel.
- (c) The Nomination provided by the Buyer shall be passed by the Seller to the Shipment Port. Subject to the Nominated Vessel's compliance with clause 7.1(e), the Seller shall use all reasonable endeavours to secure the acceptance from the TPA of the Nominated Vessel. The Seller shall notify the Buyer or its shipping agent of the acceptance, rejection, or inaction by the TPA with respect to the Nominated Vessel within 24 hours of the Seller's receipt of the Nomination.
- (d) If the Nominated Vessel is not affirmatively accepted by the TPA, the Buyer shall arrange for another Vessel in its place and provide a substitute Nomination to the Seller pursuant to the terms specified above. If the Buyer fails to nominate another Vessel within five (5) days of its receipt of notice from the Seller that the previous Vessel was not affirmatively accepted, the relevant order shall be cancelled without penalty to the Buyer or the Seller.
- (e) Regardless of whether the TPA accepts the Nominated Vessel, the Seller shall be under no obligation to accept the Nomination. If the Nomination is accepted by the Seller, the Seller shall confirm the laycan and the Nomination not later than two (2) business days after nomination by the Buyer, unless some other advance notice period is mutually agreed between the parties. The Buyer acknowledges that the laycan shall be determined jointly by the Seller and the TPA.

- (f) The Nominated Vessel's agent shall be nominated by the Seller to the Buyer for appointed by the carrier. Once the laycan and Nomination are confirmed by the Seller pursuant to clause 7.1(c), the Buyer shall arrange for the charter of the Vessel and shall notify the Seller of the Nominated Vessel's agent of intervals of 7, 5, 3, 2 and 1 day(s) notice of the estimated arrival of the Nominated Vessel at the Port of Townsville.
- (g) The Buyer may combine on any Vessel a cargo of different origin if:
 - (i) it is stowed in such a way as to be separately carried from the Product; and
 - (ii) the weight of that other cargo is separately ascertained.

7.2 Loading

- (a) The Seller shall provide a safe port and a safe berth, reachable on arrival always accessible and of sufficient depth to permit the Vessel to proceed to, lie at and depart from always safely afloat. The Product is to be loaded on one safe berth at the Shipment Port at berth number 10.
- (b) The Product shall be loaded by the Seller free of risk and expense to the Nominated Vessel.
- (c) The Seller shall appoint and be responsible for payment to stevedores for loading.
- (d) The Product is to be loaded at a rate of 4500 MT per weather working day of twenty four (24) consecutive hours Sunday's and holidays included (**SHINC**).
- (e) Any required shifting of the Vessel to or from berth 10 will be at Buyer's risk and expense and time consumed on account of such shifting shall count as used laytime or time on demurrage.
- (f) Laytime is to commence 24 hours after the Nominated Vessel has given a valid NOR to vessel's agent and/or to the Seller that the Nominated Vessel is ready in all respects to load whether in berth or not, whether free pratiqued or not, whether in port or not and whether customs cleared or not.
- (g) The NOR must be tendered to the Vessel's agent and or the Seller at the Shipment Port upon the Nominated Vessel's arrival SHINC from 09:00hrs to 17:00hrs Monday to Friday and 08:00hrs to 12:00 noon Saturday.
- (h) It is agreed and acknowledged that time used prior to commencement of laytime is to be counted as laytime.
- (i) Should the Nominated Vessel be found to be unsuitable for loading by the independent surveyors performing hold cleanliness inspection, any time lost until vessel is approved will be for the Buyer's account. If for such reasons the Nominated Vessel needs to be shifted to anchorage or another berth for cleaning or is ordered to vacate the berth from the TPA and loses her turn, time will start counting only upon commencement of loading.
- (j) Should any damage be caused to the Vessel or its fittings, it is agreed that the parties will direct the stevedores and the Master/Vessel's owner in the first instance to engage to directly resolve any claims for the repair of the damage. In the event that there is a dispute between the stevedores and the Master/Vessel's owner regarding liability for the vessel damage, the Seller and the Buyer shall use their reasonable endeavours to work collaboratively with their service providers to assist in resolving the claim.
- (k) The valid demurrage fees for the Nominated Vessel is to be as per the Charter Party Agreement and is to be advised by the Buyer upon Vessel's nomination.
- (l) Any disputes as to the proper amount of the demurrage fee shall be subject to the dispute resolution provisions of clause 14. For disputes where the total amount claimed by either party does not exceed USD100,000, the arbitration shall be conducted in accordance with the Small Claims Procedure of the London Maritime Arbitrators Association.

7.3 Interruptions to Laytime for Force Majeure Event

- (a) Time occupied in shifting ports or berths or changing positions will not count as lay-time and demurrage will not accrue even if already on demurrage and in the event of any delay or hindrance in procuring, preparing, carrying, loading, stowing, the particular Product cargo intended for shipment or the Product cargo actually shipped by reason of