PROJECT OVERVIEW

This Statement of Work (SOW) outlines the scope, objectives, timeline, and responsibilities for the deployment of GOLGIX's AI Solution across 4 extrusion lines at Pellet Technology USA's (Pellet Tech) York, NE Production Plant, located at 2941 N. Division Ave, York, NE 68467. The project aims to empower Pellet Tech with advanced AI capabilities to predict machine and process failures, reduce production losses, and enhance overall plant performance. This SOW memorializes the Parties' commitment to deploy and deliver GOLGIX's AI Solution.

OBJECTIVE

The objective of this project is to **deploy and deliver GOLGIX's AI Solution at Pellet Tech's York, NE Plant** to empowering personnel with the tools, visibility, foresight and actionable intelligence to:

- Predict machine and process failures with ample lead time.
- Minimize unplanned downtime and production losses.
- Improve overall plant performance, efficiency, and profitability.

SCOPE

The scope of this project encompasses the following key components:

1. SOLUTION IMPLEMENTATION

- Configure and train GOLGIX's AI Models for 4 extrusion lines at Pellet Tech's York, NE Plant.
- Customize the user interface and user experience, including digital Production & Downtime Logs.
- Provide support for on-premises virtual machine provisioning and data access (IT).
- Perform functionality, performance, compatibility, and user acceptance testing.
- Launch the AI Solution.

2. ANNUAL SAAS LICENSE

- Grant Pellet Tech access to the AI Solution for an annual period (the Term).
- Manage and maintain Golgix's AI Models, including upgrades, testing, re-training, and accuracy assurance.
- Maintain and update the user interface.
- Provide ongoing solution support and services.

DEPLOYMENT & DELIVERY TIMELINE

Project deployment and delivery will follow the below schedule. It is the full intention of the Parties to commence project kickoff (Wk1) in October 2023 and enable Solution delivery (Wk8) in December 2023.

WK1: Kickoff Meeting, Confirm Project Schedule & Establish Data Access.

WK3: Deployment & Connectivity Plan.

EXISTING DATA. NO HARDWARE. NO DEVELOPMENT.

WK4: AI Model Training Complete.

WK5: Configuration & Customization.

WK7: Internal & User Acceptance Testing.

WK8-60: Solution Delivery, Ongoing Support & Maintenance.

RESPONSIBLITIES

1. GOLGIX RESPONSIBILITIES

- Configure and train the Solution's AI Models for 4 extrusion lines at Pellet Tech's York, NE plant.

- Customize the user interface in accordance with Pellet Tech's stated requirements for production and equipment failure logging.

- Provide support to Pellet Tech during it's provisioning of an on-premises virtual machine to host the AI Solution, and as Pellet Tech facilitates Solution data access and Golgix personnel VPN access.

- Conduct testing throughout the term to ensure ongoing Solution functionality and performance.

- Launch the AI Solution and provide Pellet Tech personnel access for use.

- Manage and maintain the Solution's AI Models, including upgrades, testing, re-training, and accuracy assurance.

- Maintain and update the user interface.

- Offer ongoing solution support and services.

2. PELLET TECH RESPONSIBILTIES

- Appoint a Project Lead to serve as Golgix's main point of contact throughout deployment, testing and delivery.

- Ensure the engagement and responsiveness of key Pellet Tech personnel during deployment and testing.

- Provide reasonable access to plant data and personnel throughout the term to enable effective solution deployment, testing and delivery.

- Provision a virtual, on-premises machine at Pellet Tech's York, NE plant to host the AI Solution.

- Host the AI Solution on that virtual machine, and provide the AI Solution read-only access to Pellet Tech plant data.

- Provide Golgix personnel VPN access to the AI software within Pellet Tech's network.

FEE STRUCTURE & PAYMENT SCHEDULE

Payments for this project will be made on the following schedule:

- **A One-Time Implementation Fee** of $14,000 ($3,500/line) paid upon project kickoff supports solution configuration, customization, testing, and deployment.

- **An Annual SAAS Fee** of $64,000 ($16,000/line) paid upon Solution delivery (go-live) supports solution access, ongoing model management, maintenance, updates, support, and services.

TERMINATION

Either party may terminate this SOW with 30-days' advance written notice. This SOW remains in effect until terminated.