

ENCORE METALS, A DIVISION OF RELIANCE METALS CANADA LIMITED
CONDITIONS OF CONTRACT FOR SALE OF GOODS

1) SALES TERMS/CREDIT CONDITIONS OF SALE

Terms of sale call for payment in full of all accounts thirty (30) days from date of invoice unless otherwise specified, in writing by Encore Metals, A Division of Reliance Metals Canada Limited.

2) INTEREST

Default of payment will result in a 1 ½% monthly interest charge (18% per annum) on all past due amounts.

3) MAJOR CHANGES

The enterprise promises to inform Encore Metals, A Division of Reliance Metals Canada Limited in writing of any major changes that can affect his solvency, especially, dissolution, stockholders or associates change, legal status or address modification.

4) ADMINISTRATION'S FEE

In the event of an N.S.F. Cheque, a \$25.00 fee will be charged

5) INFORMATION

The enterprise authorizes Encore Metals, A Division of Reliance Metals Canada Limited to gather information concerning his credit and solvency and authorizes his creditors to grant such information to Encore Metals, A Division of Reliance Metals Canada Limited. It is understood that the information supplied will be confidential and will be exclusively used for credit approval or internal administration thus relieving his creditors of any responsibilities for the information supplied.

6) PRIVACY POLICY AND CONSENT

By signing the credit application, the authorized person hereby consent and grant permission to Encore Metals, A Division of Reliance Metals Canada Limited and its officers, directors, employees, agents and professional advisors pursuant to the provisions of the Personal Information and Protection and Electronic Documents Act (the "act") to undertake all such searches and due diligence as they in their unfettered discretion deem necessary, appropriate and reasonable in the circumstances against the corporation and all of its principals in order to assess the grant of credit to the corporation and the terms of such extension of credit if so inclined. The corporation and principals hereby acknowledge and agree that they will execute any reasonable documents as may be required to implement and facilitate the due diligence efforts of your firm.

For valuable consideration of the extension of credit by Encore Metals ("Encore Metals"), A Division of Reliance Metals Canada Limited, the authorized signatory hereby covenant to pay and be liable for all sums, balances and accounts which may be due by the corporation to Encore Metals plus any expenses incurred by Encore Metals to enforce its rights and remedies herein, including but not limited to legal fees and expenses on a substantial indemnity basis, without any benefit of division, discussion, set-off or counterclaim that the authorized signatory may have against Encore Metals and notwithstanding any change in the form of such indebtedness, renewals or concession which may be granted by Encore Metals to the corporation.

Pursuant to the Act, it is understood that Encore Metals, A Division of Reliance Metals Canada Limited and its officers, directors, employees, agent and professional advisors will keep all information confidential at all times, save and except for sharing such information at industry credit meeting or in response to inquiries for trade references in respect of the corporation or its principals.