

SANDVIK MINING AND CONSTRUCTION STANDARD EQUIPMENT WARRANTY

(Effective for Equipment sold after 01 February 2010)

- 1 SANDVIK MINING AND CONSTRUCTION (as defined in the General Conditions of Sale) warrants new Drill Rigs, LHDs, Dump Trucks, Breaking, Crushing and Screening, Mechanical Cutting, Projects & Systems, Fire Suppression and Automation Systems (PRODUCTS) supplied by SANDVIK MINING AND CONSTRUCTION to be free from defects in material and workmanship.
- 2 The warranty periods for the equipment is the following:
 - i) Breaking, Crushing and Screening
 - a. Breakers six (6) months from the date of purchase based on a single shift use of ten (10) hours per shift, plus another six (6) months after completion of the six (6) monthly service inspection.
 - b. Crushing & Screening (both mobile and fixed plant) twelve (12) months or 2000 hours from date of commissioning acceptance by Purchaser.
 - ii) Drill Rigs
 - a. Top hammer drill rigs twelve (12) months, except hydraulic rock drills twelve (12) months or one thousand (1000) percussion hours, whichever comes first.
 - b. Down the hole drill rigs twelve (12) months or two thousand (2000) engine hours whichever comes first, except down the hole hammer three (3) months.
 - c. Rotary and waterwell drill rigs twelve (12) months or two thousand (2000) engine hours whichever comes first, except the following components carry additional warranty: Air End – 24 months unlimited hours; Rotary Head - 12 months unlimited hours; Piston Pumps and Motors – 12 months unlimited hours; Feed and Jack Cylinders – 12 months unlimited hours.
 - d. Exploration drill rigs twelve (12) months or two thousand (2000) engine hours whichever comes first.
 - iii) Load & Haul
 - a. LHDs and Trucks (12) months or two thousand (2000) engine hours (operating hours for electric equipment), whichever comes first.
 - b. Shuttle Cars and Utility Vehicles twelve (12) months or two thousand (2000) engine hours, whichever comes first.
 - c. Quick Detach System Appliances six (6) months.
 - iv) Mechanical Cutting
 - a. Twelve (12) months from date of commissioning acceptance by Purchaser.
 - v) Projects & Systems
 - a. Material handling twelve (12) months from date of commissioning acceptance by Purchaser.
 - b. Onboard automation within the machine (LHD, truck, drilling rig, etc.) follows the warranty terms of the basic machine: twelve (12) months or two thousand (2000) operating hours, whichever comes first.
 - c. Automation system excluding onboard automation: twelve (12) months after commissioning is completed (Site Acceptance Test completed and signed-off) or eighteen (18) months after shipment of components, whichever comes first.
 - d. Plants twelve (12) months from date of commissioning acceptance by Purchaser.
 - vi) Fire Suppression
 - a. Twelve (12) months from date of commissioning acceptance by Purchaser.
- 3 All the above mentioned periods are calculated from the date of start-up inspection at the first end user. Under no circumstances will the warranty period exceed eighteen (18) months from the delivery to Purchaser. Any liability whatsoever to any party, other than the first end user is expressly disclaimed. The

Purchaser agrees and acknowledges that all warranties shall immediately terminate in the event that the Purchaser expressly or impliedly purports to transfer or assign or otherwise any of its rights under this warranty to a third party. Any attempt by the Purchaser to transfer or assign the warranties provided by **SANDVIK MINING AND CONSTRUCTION** to any third party shall be void, unless Sandvik has provided its prior written consent to the Purchaser.

- 4 The unit start-up inspection form/ warranty registration card shall be filled in, signed by the end user and sent to SANDVIK MINING AND CONSTRUCTION representative within fourteen (14) days from start-up inspection. The warranty period starts from the date the end user signs the start-up inspection form.
- 5 The engine warranty registration shall be completed with local engine representative. All engine warranties shall be handled with local OEM engine representative.
- 6 The completed warranty registration form must be received by SANDVIK MINING AND CONSTRUCTION representative before any claims for warranty will be processed.
- 7 This warranty does not cover:
 - i) natural wear and tear of the equipment, normal maintenance service such as but not limited to, engine tune-ups, adjustments and inspections or normal replacement items (such as service filters), and damage resulting there from;
 - ii) consumables such as but not limited to, seals, filters, hoses, v-belts, tyres, fittings, screws, bolts, washers, rock drill connecting pieces, chucks, diaphragms, pick holders, conveyor chain, spray nozzles, idlers, trailing cable, rubber skirting, pick bushes, teeth and knives, mantles and concaves, manganese wear parts etc;
 - iii) parts which can be repaired or corrected with minimum action such as but not limited to, changing of seals, tightening or adjustment;
 - iv) damage caused by breakage of the shank adaptor (excluding material or workmanship failure in genuine SANDVIK shank adaptor);
 - v) damage caused by the Purchaser's failure to store, maintain or operate the equipment properly, or due to overloading or failure to pay proper attention to service and operating instructions or caused by accident or caused by working beyond rated capacities or exceeding or not meeting recommended power inputs;
 - vi) damage caused by negligence or failure of PURCHASER to maintain the equipment in accordance with SANDVIK MINING AND CONSTRUCTION's maintenance recommendations, documented service history is required;
 - vii) damage which is caused by but not limited to, operating conditions such as deep and/or aggressive water, poor roadways, dust, poor ventilation, where components, which are designed and manufactured according to industrial standards, fail prematurely;
 - viii) any defect or damage in materials or design provided by the PURCHASER, which are a consequence of the PURCHASER'S action or stipulation affecting quality or structure;
 - ix) any parts or components manufactured or supplied by third parties or damage caused by such parts or components to the PRODUCTS;
 - x) any costs such as labour, accommodation, meals travel and similar costs or any transportation;
 - xi) any direct or indirect consequential damage including but not limited to loss of revenue or profit, loss of production or loss of use of any equipment;
 - xii) Product improvements/ updates made available by Sandvik, unless otherwise specified.



- 8 This Equipment warranty contains the entire warranty terms and conditions between Sandvik Mining and Construction and the Purchaser. Notwithstanding anything to the contrary contained in this warranty or otherwise, the Purchaser expressly waives all claims against Sandvik Mining and Construction (and against its parent company, affiliates, contractors, subcontractors, consultants, employees, agents and vendors) for any consequential, incidental, indirect, special, exemplary or punitive damages, including, but not limited to, loss of actual or anticipated profits, revenues or product; loss by reason of shutdown or non-operation; increased expense of manufacturing, operation, borrowing or financing; loss of use, productivity or shop space; or increased cost of capital, and regardless of whether any such claim arises out of breach of contract or warranty, tort (including negligence), product liability, indemnity, contribution, strict liability or any other legal theory. All limitations in this warranty on Sandvik Mining and Construction's liability shall apply notwithstanding the fact that Sandvik Mining and Construction's warranties fail of their essential purpose or are held to be invalid or unenforceable.
- 9 Under no circumstances and in no conditions, shall SANDVIK MINING AND CONSTRUCTION's liability whether in respect of one claim or in the aggregate, arising out of any contract, exceed the purchase price payable under the contract for such part in which the liability shall arise.
- 10 On receipt of notification of a warranted defect, SANDVIK MINING AND CONSTRUCTION shall remedy the defect at its own discretion in accordance with these terms of warranty.
- 11 Warranty claims less than fifty Euros (EUR 50) or the equivalent in another currency are not considered by SANDVIK MINING AND CONSTRUCTION.
- 12 No claim will be considered, and this warranty will be considered null and void, if other than GENUINE SANDVIK MINING AND CONSTRUCTION SPARE PARTS are used in the equipment or if GENUINE SANDVIK MINING AND CONSTRUCTION SPARE PARTS are dismantled and used in another product than the PRODUCT originally supplied to the PURCHASER by SANDVIK MINING AND CONSTRUCTION.
- 13 All Warranty claims need to have a proof of purchase which may include but not limited to:
 - i) Copy of invoice or order number; or
 - ii) Job Charge out report.
- 14 Warranty claims must be sent in writing using a "SANDVIK MINING AND CONSTRUCTION Warranty Claim" form. Warranty claims concerning the failure in rock drills should also include the "Drifter Failure Report" form. Claims should include digital photographs of the failure where appropriate. The forms shall be completely filled in and delivered to SANDVIK MINING AND CONSTRUCTION representative within fourteen (14) days from the time when the PURCHASER discovers or should have discovered the alleged defect. Claims lodged after this period will be declined. Only one failure should be reported for each claim. The warranty claim form should be sent to your local SANDVIK MINING AND CONSTRUCTION representative.
- 15 The obligation of SANDVIK MINING AND CONSTRUCTION under this warranty is limited, at PURCHASER's option, to:
 - i) refund the part at its stock replenishment order price; or
 - ii) replace the part, free of charge, DDP (delivered, duty paid, Incoterms 2000) at the place of business of the SANDVIK MINING AND CONSTRUCTION representative.
- 16 The warranty of a replaced or repaired part expires at the same time as the original warranty of the supplied equipment.
- 17 The PURCHASER shall retain the claimed part for 90 days from claim settlement, for SANDVIK MINING AND CONSTRUCTION's inspection and on request the alleged defective part shall be sent as directed by SANDVIK MINING AND CONSTRUCTION and at SANDVIK MINING AND CONSTRUCTION'S cost to a destination designated by SANDVIK MINING AND CONSTRUCTION. No part may be returned to SANDVIK MINING AND CONSTRUCTION without SANDVIK MINING AND CONSTRUCTION'S prior written consent. After warranty handling, the title to the defective parts shall be transferred to SANDVIK MINING AND CONSTRUCTION.
- 18 Return parts to your local SANDVIK MINING AND CONSTRUCTION representative.

- 19 APPEAL PERIOD FOR EACH SANDVIK MINING AND CONSTRUCTION'S DECISION IN WARRANTY CLAIM IS FOURTEEN (14) DAYS AS OF THE DATE OF DECISION AFTER WHICH THE SAID DECISION IS FINAL.
- 20 This warranty is in lieu of all other warranties or conditions express, implied or statutory, including, but not limited to, warranties of merchantability and fitness for a particular purpose. No other warranties express or implied are given unless they are expressly given by SANDVIK MINING AND CONSTRUCTION in writing.
- 21 This warranty shall not be suspended on the grounds of non-use, intermittent use or for any other reason.

SANDVIK MINING AND CONSTRUCTION STANDARD SPARE PARTS WARRANTY

(Effective for Spare Parts sold after 01 February 2010)

- 1 SANDVIK MINING AND CONSTRUCTION (as defined in the General Conditions of Sale) warrants new spare parts supplied by SANDVIK MINING AND CONSTRUCTION to be free from defects in material and workmanship in accordance with industry standards current at the time of sale when the parts are used as a part of SANDVIK MINING AND CONSTRUCTION PRODUCTS.
- 2 The warranty periods are as follows:
- i) hydraulic rock drills mounted on used drill rig six (6) months or five hundred (500) percussion hours, whichever comes first;
 - ii) for other spare parts the warranty period is three (3) months from date of fitment, with a maximum of six (6) months from date of delivery;
 - iii) all major components mounted to used equipment six (6) months or five hundred (500) operating hours, whichever comes first.
- 3 **All the above mentioned periods are calculated from the date of delivery to the end user.** Any liability whatsoever to any party other than the first end user is expressly disclaimed.
- 4 The engine warranty registration shall be completed with local engine representative. All engine warranties shall be handled with local engine representative.
- 5 This warranty does not cover:
- i) natural wear and tear of the spare part and damage resulting there from;
 - ii) consumables such as seals, filters, hoses, v-belts, tyres, fittings, screws, bolts, washers and rock drill connecting pieces, chucks, diaphragms, pick holders, conveyor chain, spray nozzles, idlers, trailing cable, rubber skirting, pick bushes, teeth & knives, mantles & concaves, manganese wear parts, G.E.T., etc;
 - iii) parts which can be repaired or corrected with minimum action such as changing of seals, tightening or adjustment;

- iv) damage caused by breakage of the shank adaptor (excluding material or workmanship failure in genuine SANDVIK shank adaptor);
 - v) damage caused by the Purchaser's failure to store, maintain or operate the spare part properly, or due to overloading or failure to pay proper attention to service and operating instructions or caused by accident or caused by working beyond rated capacities or exceeding recommended power inputs or not meeting required power inputs;
 - vi) damage caused by negligence or failure of PURCHASER to maintain the equipment in accordance with SANDVIK MINING AND CONSTRUCTION's maintenance recommendations, documented service history is required;
 - vii) damages, which are caused by operating conditions such as deep and/or aggressive water, dust, poor ventilation, where components, which are designed and manufactured according to industrial standards fail prematurely;
 - viii) any defect or damage in materials or design provided by the PURCHASER, which are a consequence of PURCHASER'S action or stipulation affecting quality or structure;
 - ix) any parts or components manufactured or supplied by third parties or damage caused by such parts or components to the PRODUCTS;
 - x) any costs such as labour, accommodation, meals, travel and similar costs or any transportation;
 - xi) any indirect or consequential damage including but not limited to loss of profit, loss of production or loss of use of equipment;
 - xii) Product improvements/ updates made available by Sandvik.
- 6 Warranty claims less than fifty Euros (EUR 50) or the equivalent in another currency are not considered by SANDVIK MINING AND CONSTRUCTION.
- 7 All Warranty claims need to have a proof of purchase which may include but not limited to:
- i) Copy of invoice or order number; or
 - ii) Job Charge out report.
- 8 This Parts warranty contains the entire warranty terms and conditions between Sandvik Mining and Construction and the Purchaser. Notwithstanding anything to the contrary contained in this warranty or by way or otherwise, the Purchaser expressly waives all claims against Sandvik Mining and Construction (and against it's parent company, affiliates, contractors, subcontractors, consultants, employees, agents and vendors) for any consequential, incidental, indirect, special, exemplary or punitive damages, including, but not limited to, loss of actual or anticipated profits, revenues or product; loss by reason of shutdown or non-operation; increased expense of manufacturing, operation, borrowing or financing; loss of use, productivity or shop space; or increased cost of capital, and regardless of whether any such claim arises out of breach of contract or warranty, tort (including negligence), product liability, indemnity, contribution, strict liability or any other legal theory. All limitations in this warranty on Sandvik Mining and Construction's liability, shall apply notwithstanding the fact that Sandvik Mining and Construction's warranties fail of their essential purpose or are held to be invalid or unenforceable.
- 9 In order to be able to avail himself of the rights under this Warranty, the PURCHASER shall notify SANDVIK MINING AND CONSTRUCTION in writing without delay of any defects that have appeared and shall give SANDVIK MINING AND CONSTRUCTION every opportunity of inspecting and remedying them.
- 10 On receipt of notification of a warranted defect, SANDVIK MINING AND CONSTRUCTION shall remedy the defect at its own discretion in accordance with these terms of warranty.



Rev 0 std
2009-12-22

- 11 The purchase Order Number and or Sandvik Invoice Number must be received by SANDVIK MINING AND CONSTRUCTION representative before any claims for warranty will be processed.
- 12 Under no circumstances and in no conditions, shall SANDVIK MINING AND CONSTRUCTION's liability for any singular or aggregate claim arising under any contract or otherwise exceed the contract purchase price of the part from which the liability arises.
- 13 No claim will be considered, and this warranty will be considered null and void, if other than GENUINE SANDVIK MINING AND CONSTRUCTION SPARE PARTS and all consumables as originally installed by SANDVIK MINING AND CONSTRUCTION are used in the PRODUCT.
- 14 Warranty claims must be sent in writing using a "SANDVIK MINING AND CONSTRUCTION Warranty Claim" form. Warranty claims concerning the failure in rock drills should also include the "Drifter Failure Report" form. The forms shall be completely filled in and be delivered to SANDVIK MINING AND CONSTRUCTION within fourteen (14) days from the time when the PURCHASER discovers or should have discovered the alleged defect. The date of the Spare Part delivery to the end user must be proved in writing. Only one failure should be reported for each claim. The warranty claim form should be sent to your local SANDVIK MINING AND CONSTRUCTION representative.
- 15 The obligation of SANDVIK MINING AND CONSTRUCTION under this warranty is limited, at PURCHASER's option, to:
 - i) refund the part at its stock replenishment order price; or
 - ii) replace the part, free of charge, DDP (delivered, duty paid, Incoterms 2000) at the place of business of the SANDVIK MINING AND CONSTRUCTION representative.
- 16 The PURCHASER shall retain and appropriately store the claimed part to allow accurate assessment by SANDVIK MINING AND CONSTRUCTION until the claim is settled. On request the alleged defective part shall be sent as directed by SANDVIK MINING AND CONSTRUCTION and at SANDVIK MINING AND CONSTRUCTION'S cost, to a destination designated by SANDVIK MINING AND CONSTRUCTION. No part may be returned to SANDVIK MINING AND CONSTRUCTION without SANDVIK MINING AND CONSTRUCTION's prior written consent. After warranty handling, the title to the defective part will be transferred to SANDVIK MINING AND CONSTRUCTION.
- 17 APPEAL PERIOD FOR EACH SANDVIK MINING AND CONSTRUCTION'S DECISION IN WARRANTY CLAIM IS FOURTEEN (14) DAYS AS OF THE DATE OF DECISION AFTER WHICH THE SAID DECISION IS FINAL.
- 18 This warranty is in lieu of all other warranties or conditions express, implied or statutory, including, but not limited to warranties of merchantability and fitness for a particular purpose. No other warranties express or implied are given unless they are expressly given by SANDVIK MINING AND CONSTRUCTION in writing.
- 19 This warranty shall not be suspended on the grounds of non-use, intermittent use or for any other reason.

SANDVIK MINING AND CONSTRUCTION STANDARD FOR CONSUMABLES

(Effective for Consumables sold after 01 February 2010)

1 SANDVIK MINING AND CONSTRUCTION (as defined in the General Conditions of Sale) warrants that Sandvik Consumables delivered are free of defects, faults in workmanship, manufacture and material, free of any liens or encumbrances and will be of the standard quality and not that such Goods will accomplish any particular result.

2 The warranty periods are as follows:

- i) Sandvik Drilling Consumables three (3) months from date of delivery;
- ii) Manganese wear parts, MGT, G.E.T. three (3) months.

3 Any repair or replacement to SANDVIK Consumables provided by SANDVIK MINING AND CONSTRUCTION will be subject to the same warranty, from the date of repair or replacement.

4 All the above mentioned periods are calculated from the date of delivery to the end user. Any liability whatsoever to any party other than the first end user is expressly disclaimed.

5 This warranty does not cover:

- i) natural wear and tear of the spare part and damage resulting there from;
- ii) damage caused by breakage of the shank adaptor;
- iii) damage caused by the Purchaser's failure to store, maintain or due to overloading or failure to pay proper attention to operating instructions or caused by accident or caused by working beyond rated capacities or exceeding recommended power inputs or not meeting required power inputs;
- iv) any defect or damage in materials or design provided by the PURCHASER, which are a consequence of PURCHASER'S action or stipulation affecting quality or structure;
- v) any costs such as labour, accommodation, meals, travel and similar costs or any transportation;
- vi) any indirect or consequential damage including but not limited to loss of profit, loss of production or loss of use of equipment.

5 Warranty claims less than fifty Euros (EUR 50) or the equivalent in another currency are not considered by SANDVIK MINING AND CONSTRUCTION.

6 This Consumables warranty contains the entire warranty terms and conditions between Sandvik Mining and Construction and the Purchaser. Notwithstanding anything to the contrary contained in this warranty or by way or otherwise, the Purchaser expressly waives all claims against Sandvik Mining and Construction (and against its parent company, affiliates, contractors, subcontractors, consultants, employees, agents and vendors) for any consequential, incidental, indirect, special, exemplary or punitive damages, including, but not limited to, loss of actual or anticipated profits, revenues or product; loss by reason of shutdown or non-operation; increased expense of manufacturing, operation, borrowing or financing; loss of use, productivity or shop space; or increased cost of capital, and regardless of whether any such claim arises out of breach of contract or warranty, tort (including negligence), product liability, indemnity, contribution, strict liability or any other legal theory. All limitations in this warranty on Sandvik Mining and Construction's liability, shall apply



Rev 0 std
2009-12-22

notwithstanding the fact that Sandvik Mining and Construction's warranties fail of their essential purpose or are held to be invalid or unenforceable.

7 In order to be able to avail himself of the rights under this Warranty, the PURCHASER shall notify SANDVIK MINING AND CONSTRUCTION in writing without delay of any defects that have appeared and shall give SANDVIK MINING AND CONSTRUCTION every opportunity of inspecting and remedying them.

8 On receipt of notification of a warranted defect, SANDVIK MINING AND CONSTRUCTION shall remedy the defect at its own discretion in accordance with these terms of warranty.

9 The purchase Order Number and or Sandvik Invoice Number must be received by SANDVIK MINING AND CONSTRUCTION representative before any claims for warranty will be processed.

10 Under no circumstances and in no conditions, shall SANDVIK MINING AND CONSTRUCTION's liability for any singular or aggregate claim arising under any contract or otherwise exceed the contract purchase price of the part from which the liability arises.

11 No claim will be considered, and this warranty will be considered null and void, if other than GENUINE SANDVIK MINING AND CONSTRUCTION CONSUMABLES are used with the equipment.

12 Warranty claims must be sent in writing using a "SANDVIK MINING AND CONSTRUCTION Warranty Claim" form. The forms shall be completely filled in and be delivered to SANDVIK MINING AND CONSTRUCTION within fourteen (14) days from the time when the PURCHASER discovers or should have discovered the alleged defect. The date of the Spare Part delivery to the end user must be proved in writing. Only one failure should be reported for each claim. The warranty claim form should be sent to your local SANDVIK MINING AND CONSTRUCTION representative.

13 The obligation of SANDVIK MINING AND CONSTRUCTION under this warranty is limited, at the PURCHASER's option, to:

- i) refund the consumable at its stock replenishment order price; or
- ii) replace the consumable, free of charge, DDP (delivered, duty paid, Incoterms 2000) at the place of business of the SANDVIK MINING AND CONSTRUCTION representative.

14 The PURCHASER shall retain and appropriately store the claimed part to allow accurate assessment by SANDVIK MINING AND CONSTRUCTION until the claim is settled. On request the alleged defective part shall be sent as directed by SANDVIK MINING AND CONSTRUCTION and at SANDVIK MINING AND CONSTRUCTION'S cost, to a destination designated by SANDVIK MINING AND CONSTRUCTION. No part may be returned to SANDVIK MINING AND CONSTRUCTION without SANDVIK MINING AND CONSTRUCTION's prior written consent. After warranty handling, the title to the defective part will be transferred to SANDVIK MINING AND CONSTRUCTION.

15 APPEAL PERIOD FOR EACH SANDVIK MINING AND CONSTRUCTION'S DECISION IN WARRANTY CLAIM IS FOURTEEN (14) DAYS AS OF THE DATE OF DECISION AFTER WHICH THE SAID DECISION IS FINAL.

16 This warranty is in lieu of all other warranties or conditions express, implied or statutory, including, but not limited to warranties of merchantability and fitness for a particular purpose. No other warranties express or implied are given unless they are expressly given by SANDVIK MINING AND CONSTRUCTION in writing.

17 This warranty shall not be suspended on the grounds of non-use, intermittent use or for any other reason.