

SANTOS WA ENERGY LIMITED
SHORT-FORM PURCHASE ORDER - TERMS AND CONDITIONS

These terms and conditions govern the performance of the contract between the party identified as Supplier in the purchase order in which these terms and conditions are incorporated by reference (**Purchase Order**) and Santos WA Energy Limited (**Company**) for the provision by Supplier to Company of materials, supplies or goods (**Goods**) or services (**Services**), as applicable, described in the Purchase Order

- 1.1 Acceptance of the Purchase Order by Supplier may be evidenced by means including the following: (a) in writing (including by email from Supplier to Company), (b) by shipment of Goods to Company or (c) commencement of performance of Services hereunder, whereupon a contract shall be established between Contactor and Company for the supply of the Goods or Services on these terms and conditions, and on no other terms, unless expressly agreed in writing.
- 1.2 No waiver of any of these terms or conditions, no course of dealing between Company and Supplier, nor consent to any departure therefrom by Company, is effective unless in writing and then such waiver shall be effective only in that specific instance and for the purpose for which it was given.
- 1.3 The Purchase Order shall be governed and will be interpreted in accordance with and in all respects by the laws of the State of Western Australia and the parties agree to submit to the jurisdiction of the courts of that State.
- 2.1 Schedule of rates and lump sum price items included in the Purchase Order are fixed and firm amounts and not subject to escalation.
- 2.2 Company may vary quantities of items or specifications for items in the Purchase Order or include additional or remove items by issuing a written variation. Company shall determine value of variations using any applicable rates and prices included in the Purchase Order, or, if none are applicable, using fair and reasonable evaluation methodologies; including consideration of any submission received from Supplier. Variations shall only have effect when they have been executed by both Company and Supplier in writing.
- 2.3 Supplier shall commence performance immediately unless otherwise specified by Company. If Supplier is unable to deliver on the date specified in the Purchase Order, Company reserves the right to cancel all or any part of the Purchase Order.
- 2.4 Goods shall be shipped F.O.B. (Incoterms 2010) unless otherwise specified in the Purchase Order. Company will arrange transport based on completion dates stated in the Purchase Order. Any additional amounts payable by Company due to Supplier's failure to comply with completion dates shall be to Supplier's account. This includes any additional amounts payable by Company in respect of Company-provided transport that are incurred due to Supplier's failure to achieve completion dates.
- 2.5 Unless otherwise stated in the Purchase Order, payment terms shall be 100% net 30 days from receipt of invoice following delivery of Goods or provision of Services.
- 2.6 Supplier is only entitled to submit invoices for rate and price line items included in the Purchase Order and for any additional rate and price line items that are included in executed variations. Supplier agrees Company shall be entitled to reject all non-compliant invoices.
- 2.7 Any progress or milestone payments made by Company during the course of performance of the Purchase Order are payments on account and subject to review and amendment. Company has the right to backcharge Supplier or to reduce any payment to Supplier under these terms by any amount Supplier is liable to Company for, including prior overpayment, costs, charges, damages and expenses. This does not limit Company's right to recover such amounts by other means.
3. All Goods are subject to Company's inspection on delivery, and all Services are subject to inspection on completion, as the case may be, notwithstanding prior payment. Goods rejected for just cause will be held for Supplier's disposition, with transportation and handling charges to be for Supplier's account.
4. Supplier warrants that all Goods supplied or Services provided hereunder shall, for a period of one (1) year from the date of supply of the Goods, or completion date of the Services, be free from defect in design, workmanship, or departure from specification and fit for the purpose

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specified in the Purchase Order (if any), and that the performance thereof shall be in accordance with designs or specifications respectively.

5. If, in the opinion of Company, Supplier is in breach of any term hereof or if Supplier fails to supply the Goods or provide the Services because of causes other than those beyond Supplier's reasonable control, or if Supplier becomes bankrupt or insolvent, Company may in addition to any other remedy, on 3 days' written notice to Supplier, terminate this Purchase Order and recover from Supplier any losses sustained by reason of such termination. Supplier shall be excused from delivery of Goods or provision of the Services by reason of any cause beyond its reasonable control but only for the duration of such cause, provided that Company may on 7 days' written notice terminate this Purchase Order if such circumstances continue for more than 7 days.
6. If, during the currency of the Purchase Order, Company is unable to accept delivery of Goods due to any cause whatsoever beyond Company's reasonable control, then such delivery shall be partially or wholly suspended during continuance of such cause and the time for such delivery shall be correspondingly extended. Company necessarily reserves the right in such event to cancel this Purchase Order but Company shall pay Supplier all actual direct costs and expenses incurred by Supplier with respect to this Purchase Order prior to the date of cancellation. Lack of funds shall not be considered a cause beyond the control of either party.
7. In this Clause 7, **Consequential Loss** means indirect, remote or unforeseeable loss, including without limitation deferment of income, loss of profit or revenue, loss or denial of opportunity, loss of access to markets, loss of goodwill, loss of business reputation, future reputation or publicity, damage to credit rating, punitive, consequential or special damages, **Claims** means claims, liens, judgments, fines, penalties, awards, remedies, debts, liabilities, damages, demands, costs, losses, expenses or causes of action, of whatever nature, including those made or enjoyed by dependants, heirs, claimants, executors, administrators or survivors, **Company Group** means Company, the Participants (as defined in clause 13), its and their affiliates, its other contractors and subcontractors (of any tier) furnishing services in connection with or in the vicinity of the Goods or Services and its and their respective employees, directors, officers, consultants, agents and invitees but does not include any member of Supplier Group, **Supplier Group** means Supplier, its subcontractors (of any tier) furnishing services in connection with the Goods supplied or Services provided and its and their respective employees, directors, officers, consultants, agents and invitees, and **Third Parties** means anyone other than a member of Supplier Group or Company Group.
 - 7.1 Supplier shall be responsible for and shall indemnify, defend and hold Company Group harmless from and against all Claims in respect of any alleged infringement of any patent, design, trade mark, trade name, copyright, proprietary or other protected right arising out of or in connection with the performance of the obligations of Supplier under the Purchase Order or the furnishing or use of Supplier's items.
 - 7.2 Supplier shall be responsible for and shall indemnify, defend and hold Company Group harmless from and against all Claims in respect of illness, injury to or death of any of Supplier Group, or loss of or damage to any property of any of Supplier Group.
 - 7.3 Company shall be responsible for and shall indemnify, defend and hold Supplier Group harmless from and against all Claims in respect of illness, injury to or death of any of Company Group or loss of or damage to any property of any of Company Group.
 - 7.4 Except as otherwise provided in this Clause 7, each party shall be responsible for and shall indemnify, defend and hold the other party's group harmless from and against all Claims by Third Parties arising out of or in connection with any act or failure to act by any member of such first-mentioned party's group.
 - 7.5 Except as specifically provided elsewhere in this Clause 7 and except for amounts that are specified to be payable under the express terms of this Purchase Order:
 - (a) Company shall be responsible for, indemnify, defend and hold Supplier Group harmless from and against Company Group's own Consequential Loss; and
 - (b) Supplier shall be responsible for, indemnify, defend and hold Company Group harmless from and against Supplier Group's own Consequential Loss;

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arising out of or in connection with this Purchase Order.

- 7.6 The parties agree to expressly exclude the application of Part 1F of the Civil Liability Act 2002 (WA) from all Claims in respect of the Purchase Order.
8. Should any Claim be made against Company as a result of any action or omission of Supplier, Company may withhold the unpaid balance of money due to Supplier hereunder until Company is satisfied that the Claim has been released or provision has been adequately made therefor.
9. Ownership of all drawings and specifications furnished by Company or Supplier vests in Company and such documents shall not be disclosed by Supplier to any Third Party (except in connection with performance of this Purchase Order) or used by Supplier in connection with the supply of goods or materials for Third Parties without prior written consent of Company.
10. Supplier shall maintain a true and correct set of records pertaining to the Goods or Services and shall allow Company to audit such records upon reasonable request; provided, however, that Supplier shall have the right to exclude any trade secrets, formulas, or processes from such audit.
11. Supplier shall comply with all applicable laws, rules, orders and regulations promulgated by government bodies having jurisdiction over Supplier, the Goods supplied and the Services performed.
12. Company shall be entitled to access to Supplier's premises during production manufacture, assembly or testing to inspect all parts of the Goods where Company deems such inspection is necessary to ensure the completed Goods are in all respects in accordance with the requirements of this Purchase Order.
13. Where applicable, Company enters into this Purchase Order on behalf of the joint venture of the participants (**Participants**). The Participants shall be entitled to the benefits and subject to the obligations created by this Purchase Order severally in proportion to their respective interests. Supplier shall look solely to Company for the enforcement of any rights and remedies under this Purchase Order but this restriction shall not prejudice any Claim Supplier may have under this Purchase Order against the Participants once Supplier has exhausted all remedies against Company.
14. All information so obtained by Supplier in relation to Company's operations shall be confidential and Supplier shall ensure that neither its personnel nor their families divulge any such information to Third Parties.
15. Company may withhold payment of any portion of any invoice or statement presented by Supplier for any of the reasons referred to below. Company shall advise Supplier of the reasons for the withholding within 30 days of receipt of the invoice for:
 - (a) reasonable verification thereof until Supplier has provided verification to the satisfaction of Company;
 - (b) withholding income tax or other taxes as required by law, provided Company promptly pays the withheld amount to the respective government authority; and
 - (c) amounts owing by Supplier to Company pursuant to the provisions of this Purchase Order.

Interest will not be payable on the amount withheld by Company. Supplier shall not be entitled to discontinue the Services or withhold or delay delivery of the Goods by reason only of non-payment of a disputed invoice where the dispute has not been resolved

16. Notwithstanding anything to the contrary, if GST is or becomes payable on any Supply made under this Purchase Order, the Consideration for that Supply is to be considered exclusive of GST and the person making the Supply may recover from the Recipient the amount of the GST at the same time and in the same manner as the Consideration for that Supply is payable, provided that the person making the Supply issues a Tax Invoice or Adjustment Note (if applicable) enabling the Recipient to claim all applicable Input Tax Credits. In addition:
 - (a) to the extent that a party is required to reimburse or indemnify another party for costs incurred or losses suffered by another party, those costs and losses do not include any

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amount in respect of GST for which the other party, or the representative member of any GST Group of which that party is a member, is entitled to claim an Input Tax Credit; and

- (b) if Company is entitled to withhold a portion of an amount due to the Supplier on which GST is payable, Company is not required to pay the non-withheld portion until the Supplier issues a replacement Tax Invoice or Adjustment Note permitting Company to claim all applicable Input Tax Credits for the amount not withheld. Once the dispute regarding the withheld amount is resolved, Company will make payment of the applicable amount upon receipt of a further Tax Invoice or Adjustment Note issued by the Supplier.

Capitalised terms in this clause 16 have the meaning given to them in the GST Law as defined in A New Tax System (Goods and Services Tax) Act 1999 (Cth).

17. Unless otherwise expressly provided for herein, all fees, rates and charges are inclusive of any income, withholding, import, excise, sales or use taxes, and of taxes or duties of a similar nature, which lawfully may be imposed on the furnishing of Supplier's personnel, equipment, services and other items. Supplier shall indemnify Company against any and all liabilities or claims for any taxes, duties, penalties or interest assessable against Supplier which may be levied against Company or Supplier by any relevant authorities, provided that this Clause shall not affect Company's liability to Supplier for any reimbursements specifically provided for herein.
18. Unless stated in the Purchase Order, the Supplier must hold this insurance cover:
- (a) Physical loss or damage to the Goods;
 - (b) Public liability insurance of not less than \$10 million;
 - (c) Comprehensive motor vehicle insurance of not less than \$20 million;
 - (d) Workers compensation insurance as required by law;
 - (e) Professional indemnity insurance of not less than \$1 million if the performance of the Services requires the Supplier to provide professional advice;
 - (f) Any other insurance reasonably required by Company.
- 19.1 Supplier shall ensure that Goods being transported to a Company site meet the Company's quarantine requirements in accordance with the Company's Quarantine Management System. Company acknowledges its understanding of requirements for loading and packaging when transporting Goods to a Company site by road and sea. Supplier shall ensure that all dangerous goods being used have met the requirements of Australian Dangerous Goods Code 7.3 and relevant State road traffic legislation for transportation by road, and International Maritime Dangerous Goods Codes for transportation by sea.
- 19.2 Supplier shall provide all documentation relating to the Goods, including packaging list which must be included in the delivery package.
- 19.3 Goods that require shrink-wrapping shall be so wrapped.
- 19.4 Supplier shall ensure that all chemicals being transported to a Company site have been assessed in accordance with Company procedures and approved prior to transportation. Supplier shall advise Company of any hazardous Goods supplied and provide information with respect to the safety, health and environmental hazards associated with such Goods. The material safety data sheet (MSDS) for such Goods must accompany the Goods in the delivery. Failure to supply the required MSDS shall result in Goods not being accepted by Company.
- 20.1 Supplier shall utilise capable, competent and adequately trained personnel for the performance of the Services under this Purchase Order. Suitable qualified personnel must be utilised to perform any specialist work, or if so required by scope of work. Supplier shall provide written evidence of all personnel qualifications, training, and verification of competency within 7 days of any request to do so by Company.
- 20.2 Company is not obliged to pay for work performed or Services provided by personnel that do not comply with requirements of Clause 20.1.
- 20.3 Access to Company sites is restricted. Supplier personnel wishing to access any Company site must complete required induction courses prior to entry. Supplier personnel that require access to Company sites must obtain prior written consent from Company prior to seeking to obtain

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entry. Supplier is to submit access requests for personnel as directed by Company. Supplier personnel must comply with Company rules at all times when on Company sites. Company also requires valid CSTP and TBOSIET be provided with site access requests for those Supplier personnel wishing to access offshore facilities, marine facilities and onshore production facilities. Access to offshore and marine facilities also requires a valid MSIC.

Supplier shall subscribe to ISNetworld and maintain subscription with an acceptable ISN grade.

- 21.1 Title to the Goods shall vest in Company upon delivery unless Company has made progress payments, in which case title shall vest in Company at the time progress payments commence and Supplier must mark and identify all Goods to clearly indicate that the Goods are vested in Company.
- 21.2 Risk of loss, damage or deterioration of or to the Goods from any cause whatsoever will remain with Supplier and will not pass to Company until delivery of the Goods to the delivery point and after acceptance by Company.
- 21.3 If there are any defects in the Goods or the Goods are damaged when delivered to Company, the risk in the Goods will remain with Supplier and title shall remain with or, at such time, revert to Supplier.