

Schedule A

Enerchem International Sale Contract

GENERAL TERMS AND CONDITIONS

- Designation of Parties and Capacity:** In these General Terms the term "Seller" means the Party acting in a delivery capacity and the term "Purchaser" means the Party acting in a receiving capacity. Each Party represents and warrants that it has the corporate power and authority to enter into, confirm and perform this Contract.
- Measurements and Tests:** All measurements hereunder shall represent one hundred percent (100%) volume consisting of cubic meters, the quantity and gravity of which shall be adjusted to fifteen degrees Celsius (15°C). "Cubic Meter" means the unit of volumetric measurement as defined by the Weights and Measures Act of Canada. Procedures for measuring and testing, except for delivery through positive displacement type meters, shall be computed in accordance with the latest ASME-API (Petroleum PD Meter Code) published methods then in effect. The applicable Seller's records shall be determinative of quantity delivered hereunder. Each Party shall have the right to have a representative present to witness all tests and measurements. Should either Party hereto fail to have a representative present during such measuring or testing, the measurement documented at the loading facility shall be presumed correct.
- Delivery:** Delivery of the Product shall be effected at the outlet point after the meter of automatic custody transfer systems, at the Plant or pick up location on the outlet side of the outlet valve as it passes from the tank where the quantity is gauged, (hereinafter referred to individually or collectively as the "Point of Delivery"). Title to the Product and, other than as specifically set forth in section 5 below, risk in connection therewith shall pass from the Seller to the Purchaser on the delivery thereof to the Purchaser or to any carrier, person, firm or corporation designated by the Purchaser to receive the Product for the Purchaser's account at the Point of Delivery.
- Indemnity:** As between the Parties, Seller will have control and possession of the Product and be responsible for all damages or injury occurring before the Point of Delivery, and Purchaser will have possession and control of the Product and be responsible for all damages or injury occurring after the Point of Delivery. Each Party is liable to and agrees to indemnify and save harmless the other Party against any costs or claims arising while the Product is in the indemnifying party's control and possession, unless same is due to the other party's negligence.
- Limitation of Liability:** Neither Party shall be liable to the other for any prospective or speculative profits or special, indirect or consequential damages, and the liability of either Party with respect to this Contract or any act in connection herewith whether in Contract, tort, or otherwise, shall not exceed the price of the product sold hereunder or the price of that portion of such product on which liability is asserted.
- Waiver and Assignment:** No waiver by either Party respecting the performance of the other Party shall be construed as a waiver of any subsequent performance of any provision. Neither Party shall assign this Contract or any rights hereunder without the prior written consent of the other Party, which consent shall not be unreasonably withheld.
- Rules and Regulations:** This Contract shall be subject to all orders and regulations of all governmental authorities having jurisdiction over the Parties, the Product or the Delivery Point, and shall be construed in accordance with accepted oil industry terminology and practices.
- Force Majeure:** Except as to payments due hereunder, either Party hereto shall be relieved from liability for failure to perform hereunder for the duration and to the extent such failure is occasioned by war, riots, insurrections, fire, explosions, sabotage, strikes, and other labor or industrial disturbances, acts of God or the elements, governmental laws, regulations or requests, delays in receiving and delivering Product tendered, or by any other cause, whether similar or not, reasonably beyond the control of such Party. Any such failures to perform shall be remedied with all reasonable dispatch; provided, however, the settlement of strikes and other labor or industrial disturbances shall be entirely within the discretion of the Party

having such difficulty. Failure to perform due to events of Force Majeure shall not extend the term of this Contract. For greater certainty, lack of funds, the availability of more attractive markets or inefficiencies in operations do not constitute events of Force Majeure. The Party claiming the Force Majeure event agrees to notify the other Party of the occurrence of the Force Majeure event as soon as possible after such occurrence.

9. **Law:** This Contract shall, for all purposes, be construed and interpreted according to the laws of the Province of Alberta, and all demands, disputes, claims or causes of action with respect to any matter arising directly or indirectly in relation to this Contract shall be determined exclusively by the Courts of the Province of Alberta, and each Party hereby irrevocably attorns exclusive to the jurisdiction of Alberta with respect to this Contract.
10. **Payment and Set-Off:** Payment shall be made by Buyer upon receipt of invoice. If the date for payment of any monies under the Contract falls on a Saturday or on a bank holiday other than Monday during which Canadian Banks are closed for normal business transactions, then payment shall be due on the first previous day on which the Bank is open for normal business transactions. If the date for payment of any monies under the Contract falls on a Sunday or a Monday bank holiday, then payment shall be due on the next day which the Bank is open for normal business transactions. Remittance will be made to the Seller at the address specified on Seller's invoice by cheque delivered to the offices of Seller, or by wire transfer to Seller's account or by mail. Any payment hereunder not paid when due shall accrue interest calculated daily from the date due until paid at the prime rate for Canadian dollar loans made in Canada by the Bank plus 2% per annum.
11. **Financial Responsibility:** If, in the sole opinion of the Seller the ability of the Buyer to pay or perform any obligation to be paid or performed by the other party under the Contract is or becomes impaired or in any way unsatisfactory, such party may demand Performance Assurance from the other party, whether or not an Event of Default has occurred which Performance Assurance shall be provided by the other party by the end of the third Business Day after the demand is received. For purposes of this Agreement: (a) "Performance Assurance" means security in the form, amount and term reasonably specified by the party demanding the Performance Assurance, including, but not limited to, a standby irrevocable letter of credit, a prepayment or guarantee by an entity acceptable to the party demanding the Performance Assurance; and (b) "Business Day" means any day other than a Saturday, Sunday or statutory holiday in Alberta.
12. **Allocation:** Should either Party, or a carrier designated by either Party at any time during the term of the Contract be required by governmental regulations or orders or by a shortage of transportation facilities to apportion the use of its facilities or acceptances and/or deliveries of Product, the quantity of Product required to be purchased or delivered under the terms of the Contract shall be proportionately reduced. The Party and/or carrier subject to the governmental regulations or orders or shortage of transportation facilities shall have the right to apportion its available transportation facilities and/or Product supplies in a reasonable manner.
13. **Contract Renewal and Termination:** If this Contract has a fixed term as indicated on the Term Sheet hereof, it may not be extended except by written agreement. If this Contract has a fixed term and continues month to month thereafter and the fixed term has expired, or if this Contract is month to month, then either Party may cancel this Contract by giving written notice of cancellation to the other Party no later than the last day of the month preceding the final month of deliveries.
14. **Equal Daily Deliveries:** Unless otherwise set forth in the Special Provisions all Product delivered hereunder during any calendar month shall be considered to have been delivered in equal daily quantities during such month.
15. **Entirety of Contract:** The Term Sheet together with these General Terms constitute the entire Contract between the Parties with respect to the matters covered and supersede and revoke any prior, contemporaneous or subsequent understanding or agreement on such matters. Any conflict between the Special Provisions and the General Terms shall be resolved in favor of the Special Provisions. The section headings are for convenience only and shall not limit or change the subject matter of this Contract.

16. **Notices:** Any notice permitted or required to be given under this Contract shall be in writing and properly addressed to the Party receiving such notice as set forth in the Contract attached to these General Terms. Any such notice may be delivered, mailed or sent via facsimile. Either the Seller or the Purchaser may from time to time change its address for service hereunder on written notice to the other Party.