



Morris and Watson Ltd

Precious Metal Refiners, Dealers, Fabricators, Casters
Chain Manufacturers and Distributors

MORRIS AND WATSON LTD (NEW ZEALAND) – REFINING TERMS & CONDITIONS

1 Definitions and Interpretation

1.1 In this document

- (a) "Company", "we" and "us" means Morris & Watson Limited (New Zealand);
- (b) "Customer" means you; and
- (c) "Material" means material submitted by the Customer to the Company for refining.

2 Acceptable Material

2.1 The Company only refines material that we deem acceptable material and contains the precious metals; gold (Au), silver (Ag), platinum (Pt) or palladium (Pd).

2.2 The Company deems acceptable material as:

- (a) scrap jewellery and scrap precious metals;
- (b) alluvial material or doré bars;
- (c) jewellers lemel and bench waste;
- (d) floor sweeps, polishing waste, carpet and dried sink trap sediment;
- (e) dental lemel and scrap; and
- (f) bullion bars and coins.

2.3 The Company deems the following material as unacceptable:

- (a) biological and infectious substances;
- (b) clay, concrete, crucibles, glass, graphite, gravel, ore, refractory compounds, rock, sand, or similar material;
- (c) dangerous goods; batteries, gas canisters, lighters, pressurised items;
- (d) hazardous substances; acids, bases, carcinogens, chemicals, cyanide, explosives, flammable liquids or solids, fuels, oils, oxidisers, radioactive material, toxic metals (arsenic, barium, beryllium, cadmium, iodine, lead, mercury) and volatile organic compounds;
- (e) material that is low in precious metal content or has significant levels of non-precious metals;
- (f) material that is sourced from electronic waste, catalytic converters or similar sources;
- (g) liquid substances; and
- (h) photo-lithographic material.

2.4 The Company reserves the right accept or not accept any material for any reason, regardless of if we have deemed the material acceptable or unacceptable.

3 Minimum Material Weight

3.1 The Company reserves the right to not accept any material with a gross material weight less than the permitted minimum weight. Permitted minimum weights are;

- (a) lemel, scrap and alluvial material: 50 grams; and
- (b) floor sweeps and similar material: 2000 grams.

3.2 If the company elects to accept material less than the permitted minimum weight, refining fees equal to the applicable refining fees for the minimum weight and analysis requested, will apply.

4 Material Information

- 4.1 The Customer must provide a detailed description of the material, analysis required and any other requested information, prior to delivery or included with material consignment.
- 4.2 When submitting material to the Company, the Customer;
- (a) must disclose if the material contains any hazardous substances or dangerous goods;
 - (b) must disclose the origin of the material when requested; and
 - (c) confirms that the material has not been sourced in contrary to;
 - (i) the Company's Responsibility and Sustainability Statement;
 - (ii) the Company's Supplier Code of Conduct; and
 - (iii) any applicable laws and regulations.
 - (d) confirms that the material has not been sourced from any conflict areas, including the Democratic Republic of Congo (DRC) and surrounding areas, or in contrary to the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.
- 4.3 The Customer must comply with the Company's Anti-Money Laundering and Counter-Terrorism Financing (AML-CTF) program and requests, which may include the disclosure of the Customer's information to a government agency, where required by relevant law or regulation.
- 4.4 The Company may apply additional refining fees or charges if the material received differs to what was disclosed to the Company by the Customer.
- 4.5 The Company reserves the right to delay or refuse processing the material until all relevant information or requests have been provided and accepted by the Company.
- 4.6 Unless there is a prior agreement accepted by the Company, all transportation, freight and insurance risks and costs associated with delivering the material to the Company, are the responsibility of the Customer.

5 Acceptance of Material Delivery

- 5.1 The Company reserves the right to refuse acceptance of delivery of the material if there is any suspicion that any information provided about the material is false or misleading, intentional or not.
- 5.2 Upon acceptance of delivery of the material by the Company the Customer accepts and agrees that;
- (a) they are the beneficial owner of the material;
 - (b) the material is not under any encumbrance, third-party claim or lien; and
 - (c) upon settlement the Company assumes all legal and beneficial ownership of the material.

6 Assaying and Analysis of Material

- 6.1 The Company may screen the material before refining to obtain further compositional information, which may determine if the Company proceeds with refining the material.
- 6.2 All assaying (analysis) is performed in the Company's assay laboratory using ISO and in-house methods, unless the Company decides to outsource some, or all assaying to a suitable third-party.

7 Fees and Charges

- 7.1 Unless there is a prior agreement accepted by the Company, all refining fees are charged as per the Company's standard refining fee schedule.

8 Settlement

- 8.1 The Customer agrees to pay all refining fees and charges upon completion, in accordance with the Company's Terms of Supply.
- 8.2 Unless there is a prior agreement accepted by the Company the buyback price will be fixed on the day of settlement.
- 8.3 Any outturn of physical goods (bullion, pure or fabricated metal) will be in accordance with the Company's Terms of Supply.