



**General Terms and Conditions for the provision of Consultancy Services of  
DMT Geosciences. Ltd.**

**1. INTERPRETATION**

1.1 The following words and expressions shall have the meanings as are respectively assigned to them:

<b>"Additional Services"</b>	shall have the meaning specified in Section 4.2.
<b>"Agreement"</b>	shall mean, collectively, the Proposal, the Client's written acceptance of the Proposal and the Terms and Conditions, together with any other documents agreed in writing by the Client and the Consultant as forming part of the Agreement including any special terms and conditions included in the Proposal.
<b>"Applicable Law"</b>	shall mean, at any time, with respect to any Person, property, transaction or event, all applicable laws, statutes, regulations, treaties, judgments and decrees and (whether or not having the force of law) all applicable official directives, rules, consents, approvals, by-laws, permits, authorizations, guidelines, orders and policies of any Governmental Authority having authority over that Person, property, transaction or event.
<b>"Arbitration Act"</b>	shall have the meaning specified in Section 22.3(e).
<b>"Arbitrator"</b>	shall have the meaning specified in Section 22.3.
<b>"Business Day"</b>	shall mean any day excluding a Saturday, Sunday or statutory holiday in the Province of Alberta, and also excluding any day on which the principal chartered banks located in the City of Calgary are not open for business during normal banking hours.
<b>"Force Majeure"</b>	shall be broadly interpreted and includes: acts of God; laws, orders, rules, regulations, acts and restraints of armies, militaries, enemies, terrorists, and Governmental Authorities; war, revolutions, mobilization, political and civil unrest or insurrection, embargos, disturbances and riots; epidemics, outbreak of disease, and quarantine; inclement weather including floods, storms, tornados, hurricanes, tsunamis, earthquakes, volcanic eruptions and landslides; explosions and fire; labour issues including disputes, walkouts, strikes, slowdowns, lockouts and picketing; damage, destruction or expropriation of property; delays or defaults in or caused by, and shortages of, power, water, transportation and common carriers, facilities, labour, subcontractors, goods, materials and supplies; breakdowns in or the loss of production; the non-availability of relevant markets and the state of the marketplace; and any other event or occurrence beyond the reasonable control of the applicable party.
<b>"Client"</b>	shall mean the party with whom the Consultant has entered into the Agreement for the provision of the Services.
<b>"Client Data"</b>	shall have the meaning specified in Section 13.1.
<b>"Client Information"</b>	means any information relating to the Client or its business.
<b>"Confidential Information"</b>	means any information relating to the Discloser or its business, that is of a confidential or proprietary nature, whether communicated in written form, orally, visually, demonstratively, technically or by any other electronic form or other media, or committed to memory, and that is designated, marked, labelled or identified as confidential or proprietary, but excluding information, other than Personal Information, which (i) was, is or becomes available to or known by the

<b>"Consultant"</b>	shall mean DMT Geosciences Ltd. of Suite 415, 708 -11th Avenue SW Calgary, Alberta, Canada, T2R 0E4, a company incorporated in the Province of Alberta, Canada.
<b>"Defaulting Party"</b>	shall have the meaning specified in Section 9.1.
<b>"Discloser"</b>	means a party, when that party is disclosing Confidential Information to the other party.
<b>"Dispute"</b>	means disputes, disagreements, controversies, questions or claims arising out of or relating to the Agreement, including, without limitation, with respect to the formation, execution, validity, application, interpretation, performance, breach, termination or enforcement of this Agreement.
<b>"Employee"</b>	shall mean any employee or independent contractor employed or retained in connection with the business of the Consultant on a full-time or part-time basis, including any who are on medical or long-term disability leave, or other statutory or authorized leave or absence.
<b>"Fees"</b>	shall mean the fees payable by the Client to the Consultant for the Services, as listed in the Proposal.
<b>"Governmental Authority"</b>	shall mean (i) any federal, provincial, state, local, municipal, regional, territorial, aboriginal, or other government, governmental or public department, branch, ministry, or court, domestic or foreign, including any district, agency, commission, board, arbitration panel or authority and any subdivision of any of them exercising or entitled to exercise any administrative, executive, judicial, ministerial, prerogative, legislative, regulatory, or taxing authority or power of any nature; and (ii) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of them, and any subdivision of any of them.
<b>"Indemnified Party"</b>	shall have the meaning specified in Section 11.6.
<b>"Indemnifying Party"</b>	shall have the meaning specified in Section 11.6.
<b>"Invoice Dispute Notice"</b>	shall have the meaning specified in Section 15.4.
<b>"Loss"</b>	shall mean any loss, liability, damage, cost, expense, charge, fine, penalty or assessment including the costs and expenses of any action, suit, proceeding, demand, assessment, judgment, settlement or compromise and all interest, fines, penalties and reasonable professional fees and disbursements; but excluding any indirect, special, punitive or consequential losses or damages.
<b>"Person"</b>	shall be broadly interpreted and includes: (i) a natural person, whether acting in their own capacity, or in their capacity as executor, administrator, estate trustee, trustee or personal or legal representative, and the heirs, executors, administrators, estate trustees, trustees or other personal or legal representatives of a natural person; (ii) a corporation or a company of any kind, a partnership of any kind, a sole proprietorship, a trust, a joint venture, an association, an unincorporated association, an unincorporated syndicate, an unincorporated organization or any other association, organization or entity of any kind; and (iii) a Governmental Authority.



"Personal Information"	shall mean information relating to identifiable individuals.
"Project"	shall mean the project outlined in the Proposal, in relation to which the Services are to be provided.
"Proposal"	shall mean the offer for the provision of consultancy services submitted by the Consultant to the Client.
"Provincial Court"	shall have the meaning specified in Section 22.2.
"Recipient"	means a party, when that party is receiving Confidential Information from the other party.
"Representatives"	shall mean the advisors, agents, consultants, directors, officers, management, employees, affiliates and its employees, subcontractors, and other representatives, including accountants, auditors, financial advisors, lenders and lawyers of a Party.
"Services"	shall mean the consultancy services to be provided by the Consultant as defined in the Proposal.
"Site"	shall mean the location where the Services are to be performed.
"Term"	shall have the meaning specified in Section 4.1
"Terms and Conditions"	shall mean these terms and conditions.
"Threshold Amount"	shall have the meaning specified in Section 22.2.

- 1.2 Words importing the singular only also include the plural and the masculine includes the feminine and vice-versa where the context requires.
- 1.3 The division of these Terms and Conditions into Sections and the insertion of headings are for convenience of reference only and do not affect the construction or interpretation of these Terms and Conditions.
- 1.4 References in these Terms and Conditions to a Section are to be construed as references to a Section of or to these Terms and Conditions unless otherwise specified.
- 1.5 Unless otherwise specified, any reference in the Agreement to any statute includes all regulations and subordinate legislation made under or in connection with that statute at any time, and is to be construed as a reference to that statute as amended, modified, restated, supplemented, extended, re-enacted, replaced or superseded at any time.
- 1.6 In the event of a conflict between these Terms and Conditions and the Proposal, unless otherwise agreed to by the parties, the Proposal will take precedence.

**2. EFFECTIVE DATE OF THE AGREEMENT**

- 2.1 The Agreement shall come into force on the receipt by the Consultant of written acceptance by the Client of the Proposal or such other date as is defined in the Proposal.

**3. REPRESENTATIONS AND WARRANTIES**

- 3.1 Each party represents and warrants in favour of the other party as follows:
  - (a) it is a corporation duly incorporated, amalgamated or continued, and existing under the laws of the jurisdiction of its incorporation, amalgamation or continuance, and has all necessary corporate power and capacity to enter into and perform its obligations under the Agreement.
  - (b) it has taken all necessary corporate action to authorize the execution and delivery by it of its obligations under the Agreement;
  - (c) it has duly executed and delivered the Agreement, and the Agreement constitutes a legal, valid and binding obligation enforceable against it in accordance with its terms, subject only to bankruptcy, insolvency, reorganization, moratorium and other similar laws generally affecting the enforcement of creditors' rights, and to the fact that equitable remedies, such as specific performance and injunction, are discretionary remedies;

- (d) no authorization, consent, permit, exemption, approval or other action by, or filing with, or notice to, any Governmental Authority is required in connection with the execution and delivery by it of the Agreement or the performance of its obligations under the Agreement;
- (e) the execution and delivery by it of the Agreement, and the performance of its obligations under the Agreement, do not and will not breach or result in a default under (i) any of its constating documents; (ii) any Applicable Law to which it is subject; or (iii) any contract or covenant by which it is bound; and
- (f) there is no action, litigation or other proceeding in progress, pending or, to its knowledge, threatened against it which might result in a material adverse change in its financial condition or which would materially adversely affect its ability to perform its obligations under the Agreement.

3.2 All representations and warranties of the parties will be deemed to be continuously given throughout the Term.

**4. COMMENCEMENT AND PERFORMANCE OF THE SERVICES**

- 4.1 The Consultant shall commence and provide the Services within the period defined in the Proposal (the "Term") and shall proceed expeditiously with performance of the Services and endeavour to meet any program or scheduled completion date incorporated in the Proposal.
- 4.2 If the Client identifies additional required services that the Consultant can provide (the "Additional Services"), the parties will promptly negotiate in good faith to arrange for the provision of those Additional Services by the Consultant upon mutually agreeable terms and conditions.

**5. AMENDMENT AND WAIVER**

- 5.1 No amendment discharge, modification, resentment, supplement, termination or waiver of the Agreement or any Section of the Agreement is binding unless it is in writing and executed by the party to be bound.
- 5.2 No waiver of, failure to exercise or delay in exercising any Section of the Agreement constitutes a waiver of any other Section (whether or not similar) nor does any waiver constitute a continuing waiver unless otherwise expressly provided.

**6. ASSIGNMENT AND SUBCONTRACTING**

- 6.1 Subject to Section 6.2, neither party shall, except with the written consent of the other, assign all or any of its rights and obligations under the Agreement.
- 6.2 The Consultant shall be entitled to subcontract any part of the Services as the Consultant deems necessary to complete the Project. Notwithstanding anything contained to the contrary herein, the Consultant shall not be relieved of any liability or obligation under the Agreement in respect of any subcontracted Services.

**7. SUSPENSION OF THE SERVICES ON FORCE MAJEURE**

- 7.1 Neither party shall be considered in default in the performance of its obligations hereunder if and to the extent that the performance of such obligations is delayed, hindered or prevented by an event of Force Majeure.
- 7.2 The party claiming Force Majeure must notify the other party in writing within 72 hours after the Force Majeure event, setting out in reasonable detail the nature of the event, giving a good faith estimate of the expected duration of the event and outlining the steps the party intends to take to mitigate the effect of the event.
- 7.3 The party claiming Force Majeure will make commercially reasonable efforts in the circumstances to surmount the event of Force Majeure, and to resume full performance as soon as it is reasonably possible to do so.
- 7.4 Upon the occurrence of an event of Force Majeure and subject to Section 8.1, the Services shall be suspended for a period of time equal to that period during which the Force Majeure subsists. Notwithstanding anything to the contrary contained herein, during the event of Force Majeure, the Client shall continue to indemnify the Consultant in accordance with Section 11.4.

**8. CONSULTANT'S RIGHT TO TERMINATE**

8.1 The Consultant may, by written notice to the Client, terminate the Agreement forthwith if any, invoice or part thereof remains unpaid for a period of thirty (30) days from the date of delivery of the invoice to the Client or, if the Services have been suspended as provided for in Section 7.4 and the period of suspension has exceeded six (6) months in aggregate.

**9. TERMINATION UPON MATERIAL EVENT**

9.1 The provision of Services under the Agreement may be terminated by a party upon 30 Business Days notice to the other party (the "**Defaulting Party**") upon the occurrence of any of the following events:

- (a) if the Defaulting Party is in default of any material term of the Agreement and the default has not been cured within 14 Business Days of written notice of that default having been given by one party to the Defaulting Party;
- (b) if the Defaulting Party becomes insolvent, makes an assignment for the benefit of creditors or is the subject of any proceeding under any bankruptcy and/or insolvency law;
- (c) if the Defaulting Party winds up, dissolves, liquidates or takes steps to do so or otherwise ceases to function as a going concern; or
- (d) if a receiver or other custodian (interim or permanent) of any of the assets of the Defaulting Party is appointed by private instrument or by court order or if any execution or other similar process of any court becomes enforceable against the Defaulting Party or its assets or if distress is made against any of the Defaulting Party's assets.

**10. ENTITLEMENT OF CONSULTANT ON SUSPENSION OR TERMINATION**

10.1 Upon suspension of the Services or termination of the Agreement pursuant to Sections 7, 8 and 9, the Client shall pay to the Consultant:

- (a) Fees due to the Consultant up to the date of such suspension or termination;
- (b) all cost and expenses incurred by the Consultant in providing the Services up to the effective date of such suspension or termination;
- (c) all costs and expenses incurred by the Consultant in connection with demobilization of the Services and, if the suspension is lifted, then all costs and expenses incurred by the Consultant in connection with remobilization; and
- (d) all costs and expenses incurred by the Consultant in and incidental to the orderly termination of the Services - including the cost of return travel of the Consultant's personnel.

**11. INDEMNIFICATION**

11.1 The Consultant shall be responsible for any defective work in the Services, provided that such defects do not arise from the Client Information furnished by the Client, its agents, directors, officers, employees or servants. The Consultant shall, at its own expense, re-perform the Services to the extent necessary to remedy such faults provided that the Client shall have given written notice of those faults to the Consultant within a period of six (6) months from completion of such Services. Performance of the Consultant's obligations under this Section 11.1 shall represent full satisfaction of the Consultant's liability for any such faults.

11.2 The Consultant shall defend, indemnify and save harmless the Client, its agents or employees, from and against any Loss sustained or incurred by the Client, its agents or employees, which arises or results directly from the breach by the Consultant of any representation, warranty or covenant contained in the Agreement.

11.3 The Client agrees that all Losses in respect of the Agreement and Services, howsoever arising, whether in contract or in tort including negligence and strict liability, shall be limited to the lesser amount of the actual payments for Services the Consultant has received from the Client or \$100,000.00. The Consultant shall not be liable for any indirect or consequential losses and damages arising from the provision of the Services, including, without limitation, any delays or loss of use, or loss of profits or products or to third parties.

11.4 The Client shall indemnify, defend and hold harmless the Consultant, its agents or employees, from and against any Loss sustained or incurred by the Consultant, its agents or employees, which arises or results directly (i) from the breach by the Client of any representation, warranty or covenant contained in the Agreement, (ii) from any damage to the Site and the equipment, and (iii) any breach of any Applicable Law, including, but not limited to, any environmental Applicable Law.

11.5 For the purposes of the limitation of liability provisions contained in the Agreement, the Client expressly agrees that it has entered into the Agreement with the Consultants, both on its own behalf and as an agent of its employees and principals. The Client expressly agrees that the Consultant's employees and principals shall have no personal liability to the Client in respect of a claim, whether in contract, tort and/or any other cause of action in law. Accordingly, the Client expressly agrees that it will bring no proceedings and take no action in any court of law against any of the Consultant's employees or principals in their personal capacity.

11.6 Upon receipt of a claim by either party (the "**Indemnified Party**") from a third party for which the other party (the "**Indemnifying Party**") has agreed to indemnify the Indemnified Party, the Indemnifying Party will notify the Indemnified Party in writing of that claim.

11.7 Upon receipt of that notice, the Indemnifying Party will have the right to defend and/or settle any such claim at its own expense, provided that the Indemnifying Party advises the Indemnified Party of its intention to do so with 30 days of receipt of that notice.

11.8 If the Indemnifying Party fails to advise the Indemnified Party within the time specified in Section 11.6 the Indemnified Party will have the right but not the obligation to defend or settle that claim, employing counsel chosen exclusively by the Indemnified Party, in which case the Indemnifying Party will indemnify the Indemnified Party for all amounts which it is required to pay in settlement or satisfaction of those claims and will reimburse the Indemnified Party for all expenses (including reasonable legal fees and costs) incurred in the defence or compromise that claim.

11.9 Any settlement of any claim by the Indemnifying Party must include a full and complete release of the Indemnified Party.

11.10 Except as expressly provided in the Agreement and to the maximum extent permitted by any Applicable Law, the Consultant gives no condition, warranty, undertaking or representation, implied or otherwise, in respect of the Services.

11.11 The remedies of the Client set out in Section 11 are exclusive and in substitution for, and the Client waives, releases and disclaims, all other warranties, obligations and liabilities of the Consultant and all other remedies, rights and claims against the Consultant, express or implied, arising by law, statute or otherwise, with respect to the Services and any other items subject to, or related or associated with, the Agreement, including, any warranty or merchantability or fitness for a particular purpose; any warranty arising from course of performance, course of dealing or usage of trade; any obligation, liability, right, remedy or claim in tort, despite any fault, negligence, omission or strict liability of the Consultant (whether active, passive or imputed); and any obligation, liability, remedy, right or claim for infringement.

11.12 The indemnities in this Section 11 are continuing and irrevocable and the obligations of a party under the Agreement will not be release, discharged, impaired or affected by:

- (a) any extensions of time or variations of obligations which the party may grant or permit in respect of the observance or performance of any of the obligations of the party;
- (b) any waiver by or neglect or failure of the party to enforce any of the terms, covenants and conditions in respect of the Agreement; or
- (c) any amendment to the Agreement.

**12. RIGHTS AND DUTIES OF THE CONSULTANT**

12.1 The Consultant shall exercise a reasonable level of skill, care and diligence in the performance of the Services and shall undertake its responsibilities in accordance with recognized industry standards.

12.2 All documents, drawings, designs, data and computer software prepared or used by the Consultant in undertaking the Services shall remain the copyright of the Consultant. The Consultant authorizes the Client to make use of such documentation in relation to the Project but not in any other respect without the prior written approval of the Consultants.

**13. RIGHT AND DUTIES OF THE CLIENT TO PROVIDE DATA AND INFORMATION**

13.1 The Client shall furnish, without charge and within a reasonable time, all pertinent data and information available to it (the "**Client Data**") and shall give such assistance as shall reasonably be required by the Consultant for the carrying out of its duties under the Agreement.

13.2 The Client is responsible from the date of the Agreement for the accuracy and completeness of all Client Data and for any errors in and with respect to information data or other items obtained from the Consultant because of any inaccurate or incomplete Client Data.

**14. CLIENT TO ASSIST IN PROVIDING FACILITIES**

- 14.1 The Client shall facilitate the timely granting to the Consultant, and any of its personnel unobstructed access to and exit from and safe passage within all Sites and locations which the Services are to be performed.
- 14.2 To the extent that it is agreed that the Client shall arrange the provision of services by others, then:
- (a) the Consultant shall, insofar as it is reasonable and practical to do so, cooperate with the firms/individuals provided;
  - (b) in the event that the Consultant is delayed in obtaining such services from others, it shall notify the Client of such delay and shall be entitled to receive appropriate time extension and increased remuneration for completion of the Services;
  - (c) if the anticipated services are not forthcoming, the Client and the Consultant shall agree on how the affected part of the Services will be carried out and upon a revised remuneration therefore; and
  - (d) if the services provided by others engaged by the Client are being discharged in such a way as to interfere with the Consultant's ability to perform its Services, the Consultant may notify the Client of such interference and require either intervention by the Client to correct the situation or removal and replacement of the party/parties providing the services, or appropriate time extension and additional remuneration for the completion of the services; and
  - (e) the Client shall indemnify and hold the Consultant harmless against any Loss resulting from the failure of others to provide services to be arranged by the Client, properly and/or within the time periods specified by the Consultant.

**15. REMUNERATION OF THE CONSULTANT**

- 15.1 Remuneration for the Services shall be effected by the Client to the Consultant in accordance with the manner and within the period or periods defined in the Agreement.
- 15.2 In the absence of specific provisions in the Agreement, remuneration for the Services shall be effected by the Client to the Consultant:
- (a) in a method of payment and account specified by the Consultant in writing;
  - (b) on the 15<sup>th</sup> day of each month the Consultant will prepare and deliver to the Client an invoice for amounts payable to it in respect of the Services provided in the preceding month;
  - (c) within 30 days after the end of the Term, the Consultant will prepare and deliver to the Client a final invoice for Services rendered during the Term; and
  - (d) in the event that the Consultant is acting as a sub-consultant to a third party who has a contractual relationship with the Client then the Prime Consultant is responsible for ensuring payment to the Consultant.
- 15.3 Payment of amounts owed by the Client to the Consultant will be made by the Client within 14 days of receipt of the invoice.
- 15.4 If the Client has reasonable cause to dispute or call into question any portion of an invoice delivered by the Consultant, the Client shall notify the Consultant accordingly, in writing (which shall be deemed to include facsimile or electronic transmission) within ten (10) days of receipt by the Client of the invoice in question (the "**Invoice Dispute Notice**"). The Client will be deemed to have finally accepted the Consultant's invoice unless it delivers the Invoice Dispute Notice to the Consultant within the 10 day time period following receipt of the invoice. The Client shall not be entitled to delay payment of any portion of any invoice which is not in dispute or question on the grounds that a portion of the same invoice is in dispute or question. The Consultant and the Client shall endeavour to resolve any such dispute or question related to an invoice or portion thereof in the most reasonable and expeditious manner. Following delivery of the Invoice Dispute Notice, the invoice dispute will be subject to the dispute resolution mechanisms in Section 22 of the Agreement.
- 15.5 If the Client fails to comply with its payment obligations in accordance with the Agreement, interest will be billed to the Client from the due date until paid in full at a rate per annum equal to the annual rate of interest, established by the Royal Bank of Canada at any time as its "prime rate", being its reference rate of interest to determine the interest rates it will charge for commercial loans in Canadian dollars to Canadian customers, plus two percent.
- 15.6 The charges for Services set out in the Agreement are based on certain assumptions acknowledged and agreed to by the parties regarding the underlying costs of providing the Services. If events occur that cause a material change in the underlying costs of providing the Services, the Consultant and the

Client agree that they have a duty to negotiate in good faith to adjust the charges that the Client will be required to pay in the future for the continued provision of the Services.

**16. EXPENSES**

- 16.1 The Client shall reimburse to the Consultant all expenses reasonably incurred by the Consultant and its personnel in connection with the performance of the Services at cost plus 10% handling/administration fee.
- 16.2 In the absence of specific provisions in the Agreement, the reimbursement of expenses so incurred shall be effected by the Client to the Consultant in a manner and within the period or periods as set out for the remuneration of Services in Section 15 hereof. The Consultant may at its option include expenses for reimbursement in invoices presented for Services rendered or submit separate invoices for expenses incurred.
- 16.3 In the event that physical equipment is damaged as a result of field conditions or operational usage, the Client shall reimburse the Consultant for all costs to repair or replace such equipment whether owned or leased by the Consultant provided that such damage is not caused by an error or omission of the Consultant.

**17. CONFIDENTIALITY**

- 17.1 The Recipient acknowledges and agrees that the Discloser is the exclusive owner of all right, title and interest in and to the Confidential Information, and the Recipient has no right, title, license, or interest in or to the Confidential Information, except for the right, subject to the Agreement, to review the Confidential Information for the purpose of carrying out its obligations under the Agreement.
- 17.2 Accordingly, the Recipient agrees to hold in strict confidence and not disclose or use, and the Consultant will not allow any of its Representatives to disclose or use, any Confidential Information, for any purpose, except in the provision of the Services and in accordance with the Agreement.
- 17.3 The Recipient shall be entitled to disclose the Confidential Information to its Representatives who have a need to know the Confidential Information to assist the Discloser in carrying out its obligations under the Agreement.
- 17.4 The covenants and obligations contained in this Section 17 will survive for a period of two years after expiration of the Term or termination of the Agreement.
- 17.5 The Recipient will, upon the written request of the Discloser, return promptly to the Discloser, or destroy, and provide written certification of the destruction of, all documents, physical or tangible manifestations and electronic and computerized forms of the Confidential Information received from the Discloser, including all copies, reproductions and applications of the Confidential Information, but the Recipient will be entitled to retain copies of these records only as may be necessary to establish the Recipient's satisfactory performance of its obligations under the Agreement and to comply with Applicable Law, Governmental Authority or audit requirements. The foregoing provisions shall not apply to copies of electronically exchanged Confidential Information made as a matter of routine information technology backup, provided that such copies shall be treated as confidential under the terms of the Agreement.
- 17.6 If the Recipient or any Representative of the Consultant is required by any Applicable Law or by any Governmental Authority to disclose any Confidential Information, the Recipient or that Representative will provide the Discloser, as far as permitted by law, with prompt written notice of that requirement and the Discloser may contest the disclosure of the Confidential Information and seek an appropriate protective order or other appropriate remedy.
- 17.7 If, in the absence of a protective order or other appropriate remedy, the Recipient or any Representative of the Recipient is, in the reasonable opinion of its legal counsel, required by any Applicable Law or by any Governmental Authority to disclose any Confidential Information or stands liable for contempt or to suffer other censure or penalty, then the Recipient or that Representative may, without liability under the Agreement, disclose that portion of the Confidential Information, but only that portion, that the Recipient or the Representative is legally required to disclose.
- 17.8 The Recipient will notify the Discloser immediately upon discovery of any breach of this Section 17 or any unauthorized or unlawful disclosure, divulgence, communication or use of any Confidential Information.

**18. PERSONNEL**

- 18.1 The Services shall be carried out by personnel specified in the Agreement or as reasonably determined to be necessary by the Consultant in order to perform the Services, over the Term, provided that the

- Consultant may make such reasonable substitution of personnel as approved by the Client and adjustments to such periods as may be necessary or appropriate to ensure the efficient performance of the Services and acceptable to the Client.
- 18.2 The Consultant shall designate a project leader to be in charge of the Project and to be responsible for liaison between the Client and the Consultant.
- 18.3 Should it become necessary to replace any person specified by name in the Agreement, the Consultant shall forthwith arrange for such replacement with a person of comparable experience. The party requesting the replacement shall be responsible for the financial consequences thereof, except in cases when the Consultant's personnel is replaced for reasons of proven misconduct, inability to perform or violation of laws. Every such request, for whatever reason, shall be presented in writing with the reasons for the request clearly stated.
- 18.4 The Client agrees with the Consultant to not, during the Term and for a period of six months following the end of the Term, in any capacity or manner, whether directly or indirectly, individually or in partnership or otherwise jointly or in concert with any other person:
- (a) induce or encourage any Employee to leave the employment of the Consultant or authorize, assist, approve or encourage this action by any other Person; or
  - (b) hire or attempt to hire or otherwise solicit any Employee or authorize, assist, approve or encourage this action by any other Person.
- 18.5 There will be no default under Section 18.4 by virtue of the Client making general solicitations of employment in the ordinary course of the Client's business.
- 19. INSURANCE**
- 19.1 The Consultant will maintain insurance for those commercial risks and at such levels of cover that it deems appropriate. In particular, it will maintain insurance:
- (a) to meet its legal liability to its personnel for bodily injury sustained by them in the course of their work on its behalf under the Agreement, without prejudice to its right to claim against any party which it considers to have caused or contributed to such injury; and
  - (b) to meet its legal liability for injury caused to others and damage caused to the property of others by the direct action of personnel acting on its behalf in the course of work under the Agreement.
- 20. TIME OF ESSENCE**
- 20.1 Time is of the essence in all respects of the Agreement.
- 21. GOVERNING LAW**
- 21.1 The Agreement shall be construed and governed in all respects in accordance with the Laws of the Province of Alberta and the laws of Canada applicable therein.
- 22. SETTLEMENT OF DISPUTES**
- 22.1 Any Dispute between the parties which is not resolved by mutual agreement within sixty (60) days of it being first notified in writing as a matter of disagreement shall be resolved in accordance with Sections 22.3 or 22.3(a), as applicable.
- 22.2 Any Dispute regarding an amount less than the amount prescribed pursuant to the *Court of Justice Act* (Alberta) and related regulations as the amount in respect of which the Alberta Court of Justice ("**Provincial Court**") has jurisdiction to hear and adjudicate (the "**Threshold Amount**") may only be pursued through a civil claim in the Provincial Court.
- 22.3 Any Dispute regarding an amount over the Threshold Amount may, by either party, be finally referred for determination by three arbitrators (collectively, the "**Arbitrator**") in accordance with the provisions of the United Nation's Commission on International Trade Law Arbitration Rules in effect as of the effective date of the Agreement and in accordance with the following:
- (a) Arbitration is mandatory with respect to Disputes regarding amounts over the Threshold Amount.
  - (b) The law of Alberta, Canada will apply to the substances of all Disputes subject to arbitration.
  - (c) The arbitration will take place in the City of Calgary, in the Province of Alberta, unless otherwise agreed to in writing by the Parties.
  - (d) The arbitration will be conducted in the English language.

- (e) Sections 7(2) and 7(5) of the *Arbitration Act* (Alberta) (the "**Arbitration Act**") will not apply to the arbitration of a Dispute.
- (f) The Arbitrator will have the right to determine all questions of law and jurisdiction, including questions as to whether a Dispute is arbitrable, and will have the right to grant legal and equitable relief including injunctive relief and the right to grant permanent and interim injunctive relief, and final and interim damages awards.
- (g) Subject to section 43 of the *Arbitration Act* or article 33 in Schedule 2 of the *International Commercial Arbitration Act* (Alberta), as applicable, all awards and determinations of the Arbitrator will be final and binding on the parties, and there will be no appeal of any awards or determinations of the Arbitrator on any grounds, except as permitted under section 44(2) of the *Arbitration Act*.
- (h) The Parties desire that any arbitration be conducted in strict confidence without disclosure to any Person of the existence or any aspect of a Dispute except as is necessary for the resolution of the Dispute. Any proceedings before the Arbitrator will be attended only by those Persons whose presence, in the opinion of any Party or the Arbitrator, is reasonably necessary for the resolution of the Dispute. All matters relating to, evidence presented to, submissions made in the course of, documents produced and information provided in accordance with an arbitration under this Section 22.3 or any order of the Arbitrator, or created in the course of or for the purposes of the arbitration, as well as any arbitral award, will be kept confidential and will not be disclosed to any Person without the prior written consent of all the Parties, except as required for enforcing the arbitral award, or as required by applicable laws or by an order of an Arbitrator made under a motion or application on notice to all Parties.

**23. SUBMISSION TO JURISDICTION**

- 23.1 Each of the parties irrevocably and unconditionally submits and attorns to the exclusive jurisdiction of the courts of the Province of Alberta to determine all issues, whether at law or in equity, arising from the Agreement, subject to the mandatory arbitration of Disputes subject to Section 22.3.

**24. FURTHER ASSURANCES**

- 24.1 Each party will, at that party's own cost and expense, execute and deliver any further agreements and documents and provide any further assurances, undertakings and information as may be reasonably required by the requesting party to give effect to the Agreement and, without limiting the generality of this Section 24.1, will do or cause to be done all acts and things, execute and deliver or cause to be executed and delivered all agreements and documents and provide any assurances, undertakings and information as may be required at any time by all Governmental Authorities having jurisdiction over the affairs of a party or as may be required at any time under Applicable Law.

**25. ENUREMENT**

- 25.1 The Agreement enures to the benefit of and is binding upon the Parties and their respective heirs, executors, administrators, estate trustees, trustees, personal or legal representatives, successors and permitted assigns.