

CBMM GENERAL CONDITIONS OF SALE AND DELIVERY

(Version dated October 28, 2014)

1. Definitions

1.1 Under these General Conditions:

a. “**Agreement**” means an agreement for the sale of Products by CBMM to Buyer.

b. “**General Conditions**” means all general conditions that shall govern the sale and delivery of Products.

c. “**CBMM**” means Companhia Brasileira de Metalurgia e Mineração, with offices in the city of Araxá, State of Minas Gerais, Brazil, registered at the Taxpayer Registry under CNPJ/MF no. 33.131.541/0001-83.

d. “**Buyer**” means any individual or legal entity that has entered into or wishes to enter into a Purchase and Sale Agreement with CBMM.

e. “**Confirmation of Sale**” means the formal acceptance of CBMM’s terms and conditions for the delivery of Products. A Confirmation of Sale can only be issued in writing, by email, letter or fax.

f. “**Order**” means any written request from Buyer for the supply of Products, which specifies the amount and technical characteristics of the requested Product.

g. “**Offer**” means any written offer for the purchase of Products submitted by CBMM to Buyer, specifying the relevant delivery date.

h. “**Products**” means FeNb, Niobium Oxide, steel pipe with FeNb Core (“Cored Wire”), vacuum grade NiNb and FeNb and all other products sold by CBMM.

1.2 If not expressly agreed otherwise, the delivery terms applicable hereto shall be interpreted according to the latest version of INCOTERMS as defined by the International Chamber of Commerce.

2. Applicability

2.1 These General Conditions described hereto shall apply to and be part of any and all Sales Agreement executed between CBMM and Buyer and shall have the same force and effect as if expressly set out in the body of such Offer or Sales Agreement.

2.2 Any terms or conditions set by Buyer in any purchase order or other document shall not apply, are expressly not accepted and shall not be binding, unless and to the extent they are expressly assessed and accepted by CBMM in writing.

3. General Terms of the Agreement

3.1 Unless otherwise expressly agreed by the Parties, all Offers shall only be valid for 10 (ten) days.

3.2 All Orders and Offers are not binding on CBMM unless they are confirmed and accepted by CBMM through a written Confirmation of Sales.

3.3 CBMM reserves the right to refuse an Order and/or not to issue a Confirmation of Sale, at its sole discretion.

3.4 Statements of acceptance and all other verbal statements or acts intended to have legal effect by CBMM’s representatives shall only become binding if confirmed by CBMM in a written Sales Confirmation.

4. Prices

4.1 Unless otherwise agreed in writing, prices agreed upon shall be FOT (“Free on Truck”) at CBMM’s plant, in Araxá, MG (**INCOTERMS** 2010). Any additional costs, for example those incurred for packaging, freight and insurance, are for the Buyer’s account.

4.2 The applicable price shall be the price stated on the Confirmation of Sale.

5. Payment Terms

5.1 CBMM shall send a separate invoice to Buyer for each delivery of Products, as per the terms of the Confirmation of Sale sent under item 3.2 above. Payment of all invoices shall be made before the date scheduled for delivery, or within the maturity date agreed by the Parties on the Confirmation of Sale.

5.2 Unless otherwise agreed in writing by the Parties, CBMM shall not deliver any Product until pending payments are made.

5.3 If payment is not made in accordance with item 5.1 hereof, Buyer shall pay CBMM, in view of the delayed payment, a fee equivalent to 2% of the amount, in addition to 1% monthly interests, calculated *pro rata die*. Payments shall be adjusted in view of inflation, in accordance with the INPC/IBGE variation, until the effective payment date. If Buyer fails to make any payment when due under this General Conditions, and fails to cure such non-payment within 15 days after receiving written notice of non-payment from CBMM, such non-payment shall be deemed a material breach and shall give the

CBMM the right to terminate this Agreement immediately.

5.4. Notwithstanding the provisions of item 5.3 above, in case of default by Buyer, CBMM shall have the right to (i) immediately stop any further shipment of the Products until due payment is fully made and any default is cured and (ii) request Buyer to fully pay in advance any further shipment of the Products as a condition to further shipments of Products.

5.5. Payments to CBMM shall be made gross of taxes and fees. If Buyer is legally required to withhold any amount, the value paid shall be grossed up with such withheld amount so that CBMM receives the same amount it would have received before the required withholding.

5.6. Unless otherwise agreed by the Parties, all costs associated with payment such as, among others, bank fees, shall be borne by Buyer. CBMM shall receive the same amount as it would have received without the imposition of such costs. If CBMM is required to make direct payment of any banking cost, Buyer shall gross up the amount paid to CBMM by the amount of such costs.

5.7. Save in the event that a counterclaim has expressly and in writing been acknowledged by CBMM, all payments shall be made without set-off, counterclaim, recourse or other defense.

6. Delivery Terms

6.1. Periods and dates of delivery of Products shall be those expressly stated on the Confirmation of Sale. Any other information regarding delivery shall not be binding upon the Parties.

6.2. Any changes to the delivery terms of Products made by Buyer shall be only be valid if mutually agreed in writing by the Parties. The Parties shall negotiate in good faith and extent the period of delivery accordingly.

6.3. The delivery period of the Products agreed by the Parties shall be based on the information provided for in the Confirmation of Sale. If delivery of Products is not possible due to a circumstance unforeseen by the Parties, CBMM shall be entitled to extend the delivery period, upon notice to Buyer.

6.4. If delivery is not made on the agreed date due to an Act of God or force majeure event, CBMM shall immediately notify Buyer about the delay and agree on a new reasonable term with Buyer.

7. Delivery

7.1. Unless otherwise agreed in writing between Buyer and CBMM, delivery of Products shall be FOT ("Free on Truck") at CBMM's plant, in Araxá, MG (INCOTERMS 2010).

7.2. Transportation shall always be made on behalf of, and for the account and risk of Buyer.

Buyer is responsible for any and all damages and losses caused during transportation unless otherwise agreed in writing.

7.3. CBMM shall, at its discretion, deliver the Products in portions and/or lots, unless otherwise agreed in writing by the Parties.

7.4. Buyer shall cooperate with the delivery of the Products and shall timely receive them. If Buyer refuses to receive the Products on the agreed date, such date shall be deemed as the effective delivery date by CBMM. Likewise, delivery shall be deemed refused by Buyer if it is not impossible due to reasons evidently attributable to Buyer. In this case, Products shall be stored on behalf of and to the risk of Buyer, who shall be liable for all costs of storage and handling.

7.5. CBMM shall deliver the Products packed as it sees fits. If Buyer requires different packaging and such if possible, it shall be provided by CBMM or a subcontractor and all costs shall be borne by Buyer.

7.6. This section 7 shall not affect CBMM's Retention of Title as provided for in section 8 hereto.

8. Retention of Title

8.1. The title to all Products delivered by CBMM to Buyer shall remain with CBMM until full and final payment of all amounts due under this Agreement or any other agreement between CBMM and Buyer.

8.2. If Products are meant for export, the effects in rem of the retention of title shall be subject to the law of the country of destination, provided such law is more favorable to CBMM than the law applicable as per section 12 hereof.

9. Inspections, complaints and warranties

9.1. Buyer shall inspect the Products immediately and carefully upon their delivery. Buyer shall notify CBMM in writing of any complaints regarding the Products prior to using the Products claimed to be defective or sixty (60) days after their delivery, whichever happens first, providing evidences of the reasons for such complaints. Any complaints which would have been apparent on inspection and which not made within the 60 days period shall be deemed waived.

9.2. CBMM's obligations under this Agreement shall be deemed to have been duly fulfilled upon the expiration of the term provided for in section 9.1 above. After such term, Buyer shall not submit any complaint of any kind to CBMM. If Buyer submits any complaint after the deadline, it shall be disregarded by CBMM.

9.3. CBMM warrants that Products sold to Buyer are free from defects at the time of sale. CBMM shall not make any further warranty with regard to the suitability of the Products for the intended purpose of Buyer.

9.4 Likewise, CBMM shall not make any express or implied warranty, including, without limitation, any WARRANTY OF MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE, as well as it shall not be liable for the delivered Products. Buyer makes its own determination as to the suitability of the Products for their intended use.

9.5 CBMM's chemical, physical and weight analysis performed by CBMM shall be final, except if Buyer presents any evidence of discrepancy regarding the quality of the delivered Products, by comparing CBMM's certificates with Buyer's analysis of the relevant Products. If such a discrepancy does occur, the results shall be confirmed by an impartial accredited inspection agency (agreed to by both parties) by issuing a quality certificate which shall be binding on both contracting parties. A variation of the niobium content of the FeNb, FeNb Powder, FeNb Cored Wire, NiNb and/or FeNb Vacuum Grade up to half percentage point shall not be deemed a discrepancy. All costs shall be borne by the Party that is wrong, as determined by the certificate presented by the mentioned entity.

9.6 Submission of a complaint does not release Buyer from its/his/her payment undertakings agreed with CBMM.

9.7 If a complaint is justified and timely submitted, CBMM shall, at its discretion, replace the defective Products, or take them back and credit Buyer for the purchase price.

9.8 Notwithstanding the term provided for in section 9.1. above, CBMM shall only be liable for the Products' defects or noncompliance for 60 days as of delivery or its use, what happens first. This running of the warranty period above can only be interrupted by a written notice sent by Buyer and acknowledged by CBMM.

9.9. Products supplied under this General Conditions are for the sole consumption of Buyer and shall not be resold without prior written permission of CBMM.

10. Limitation of Liability

10.1 CBMM's liability is restricted to direct damages caused by breach of contract, and shall be limited to the value of the Invoice of the respective delivery.

10.2 Neither Party shall be liable to the other Party for any indirect damage, including, but not limited to, loss of production, resale and profit, interruption in the operations, damages suffered by third parties, and respective costs resulting therefrom.

11. Force Majeure

11.1 Neither Party shall be liable for any default or delay in the performance of its obligations if such default or delay is caused by

events beyond the control of the affected party, provided that such events were unforeseeable on the date of execution of this Agreement.

11.2 In the case of CBMM, force majeure events shall include any situation in which CBMM is not or only partially supplied with Products by its supplier and the failure to supply cannot be attributed to such supplier.

11.3 If any force majeure event substantially prevents or delays performance of undertakings for more than seven (7) consecutive months, the Parties may terminate the Agreement without incurring any liability.

12. Applicable Law and Jurisdiction

12.1 These General Conditions of Sale shall be governed by the laws of Brazil.

12.2 Any controversies, disputes and claims of any kind or type between the Parties shall be submitted to arbitration, according to the Rules of CIESP/FIESP Chamber of Conciliation, Mediation and Arbitration, located in São Paulo, being such entity chosen to manage the arbitration process ("Arbitration Center") in accordance with its rules and procedures.

12.3 The arbitration procedure shall be conducted by an Arbitration Tribunal formed by three arbitrators. Each Party shall be entitled to individually appoint an arbitrator. The third arbitrator shall be jointly appointed by the two arbitrators designated by the Parties. If no agreement is reached regarding the third arbitrator, the Arbitration Center shall appoint and designate him/her.

12.4 The city of São Paulo, State of São Paulo, Brazil is hereby elected as the location and seat of arbitration. The arbitration award shall be made in accordance with Law No. 9.307/96 (Brazilian Arbitration Law). Except in the case provided for in article 30 of said Act, the award shall be final and binding upon the Parties. The arbitration shall be conducted in Portuguese and governed by Brazilian law.

12.5 Notwithstanding the above, the Parties shall have the right to seek an injunction to prevent any irreparable harm in an urgent situation before initiating any arbitration or pending the appointment of the Arbitral Tribunal, at any court of the City of São Paulo. The request for injunction at Court is not inconsistent with the choice for arbitration and shall not represent a waiver of its enforcement and/or submission to arbitration. The enforcement of the award shall be sought at the courts of the city of São Paulo.

13. Buyer's Data

13.1 CBMM is entitled to register Buyer's personal data through electronic data processing.

14. Confidentiality

14.1 The Parties acknowledge and agree that any and all business commercial information of which they have knowledge or access as a result of the business relationship established herein and/or the Agreement, with respect to the other Party or its businesses activities, will be deemed as sensitive and confidential information ("Confidential Information"). The Party to disclose or give access to Confidential Information shall be hereinafter referred to as "Disclosing Party" and the Party to receive or have access to Confidential Information shall be hereinafter referred to as "Receiving Party".

14.2 The Parties undertake, for itself and for its successors, partners, directors, employees, representatives, service providers, contractors, subcontractors, advisors, agents, consultants, directors of subsidiaries and affiliates or any other related persons, to maintain the most complete and absolute confidentiality and not disclose, reveal, publish, reproduce, communicate, lend, sublicense, sell, assign, transfer, distribute, lease, modify, translate, do reverse engineer, discuss and/or use for their own benefit or third parties', in whole or in part and in any way, Confidential Information that each Party becomes aware, without the prior written consent of the Disclosing Party.

14.3 For the purposes of these General Conditions, the following shall not be deemed as Confidential Information:

(a) Information that was duly proven in possession of Receiving Party, as evidenced by its written records, before the reception of said information, either directly or indirectly from Disclosing Party; (b) Information that, at the time of disclosure, was or entered the public domain with no breach to any nondisclosure obligation and through no act or omission from the Receiving Party; (c) Information that substantially corresponds to information that, until current date or onwards, was disclosed to Receiving Party by third parties, in regards to rights, with no confidentiality obligation; (d) Information that was duly developed independently by employees of Receiving Party with no knowledge of (or access to) Confidential Information; and (e) Information that the Receiving Party is requested to disclose due to legal or administrative proceedings, provided that the Disclosing Party is previously and properly notified in writing about such disclosure in order to argue it, and the Receiving Party agrees to collaborate with the Disclosing Party during the presentation of such argument.

14.4 The exceptions set forth in item 14.3 above shall not be interpreted as granting to the Receiving Party, either expressly or impliedly, of any right.

14.5 The obligations of confidentiality and non-disclosure herein assumed by the Parties shall enter into force upon signing these General Conditions and shall remain valid and in force for a period of 05 (five) years from the termination of the business

relationship between the Parties, regardless the reason.

15. Sanction Clause

15.1. Buyer agrees that the Products will not be resold to a restricted destination, person or entity, or be transported on a vessel or by other carrier owned, flagged or chartered, or shipped through any country which may cause CBMM or a person subject to U.S. jurisdiction or any other jurisdiction to be in violation of or be penalized by economic sanctions laws of U.S. and Laws of Brazil or United Nations restrictions ("Restricted Entity/Zone"). For avoidance of doubt, Buyer also shall not apply the Products as a raw material to its end products which will be sold or shipped through any Restricted Entity/Zone. CBMM has the right to reject any restricted destination, vessel, person or entity. In addition, Buyer agrees not to ship the Products or its end products which contains the Products as raw material to or through Cuba, Iran, North Korea, Sudan, or Syria. CBMM has the right to reject any restricted destination, vessel, person or entity.

16. Incorporation of the latest General Conditions

16.1. These General Conditions supersede any previous General Conditions and Agreements, in such a manner that the provisions of these General Conditions shall apply to all sales of the Products, including those, which were already concluded. In case of conflict, the latest version of the General Conditions shall always prevail.