



A G R E E M E N T
of
C O O P E R A T I O N

between

**KAZAKH NATIONAL RESEARCH
TECHNICAL UNIVERSITY named
after K.I. Satpaev**

and

PHOENIX GEOPHYSICS Ltd., CANADA

Almaty 2017

AGREEMENT of COOPERATION

BETWEEN

KAZAKH NATIONAL RESEARCH TECHNICAL UNIVERSITY NAMED

AFTER K.I.Satpaev,

ALMATY, REPUBLIC of KAZAKSTAN

and

PHOENIX GEOPHYSICS LTD., TORONTO, ONTARIO, CANADA

This Agreement of Cooperation is made on January //, 2017 in Almaty, between **Kazakh National Research Technical University named after K.I. Satpaev**, (hereinafter referred to as "**KazNRTU**"), the leading research technical university, located at the following address: 22, Satpaev Street, 050013 Almaty, Kazakhstan, of the one part

and

Phoenix Geophysics Limited, the world leader in developing and manufacturing of electro prospecting equipment for oil and gas and mineral exploration as well as geodynamics study and earthquake forecast (hereinafter referred to as "**Phoenix**"), located at the following address: Unit 3, 3781 Victoria Park Avenue, Unit #3, Toronto, ON, M1W 3K5, CANADA,

A. The Parties shall at all times for the common benefit of the Parties agree to use their best endeavor to ensure the success of this Agreement of Cooperation.

B. The Parties are desirous of entering into this Agreement of Cooperation to declare their respective intentions and to establish a basis of cooperation and collaboration between the Parties upon the terms as contained herein.

NOW THE PARTIES HEREBY AGREE AS FOLLOWS:

**ARTICLE 1
SCOPE OF COOPERATION**

1.1 The Parties subject to the terms of this Agreement on Cooperation agreed to develop cooperation in the domains of education, science and innovation on the following specialties:

- Geophysics theoretical foundations;
- Geophysical methods of prospecting and exploration of mineral deposits;
- Geology of oil and gas;
- The geology of solid minerals;
- Hydrogeology and Engineering Geophysics.

1.2. The Parties agreed to develop jointly education, science and innovation based on principles of equality and reciprocity of mutual benefits.

1.3. Parties agreed that the scope of work for specific activities for every project in the areas of cooperation listed above must be discussed and agreed by mutual consent of the parties.

1.4. Parties agreed that the types of activities listed above are supplemented by mutual consent of the parties.

**ARTICLE 2
COORDINATION OF AGREEMENT OF COOPERATION IMPLEMENTATION**

The Parties agreed to appoint contact persons (coordinators) and responsible for the implementation of the decisions of this Agreement in place, monitoring of students and teachers during their stay on internships and other arrangements.

For implementation this Agreement:

- KazNRTU appoints the Geophysics Department; responsible is A.E.Abetov - Head of the Department;
- Phoenix Geophysics Ltd appoints as responsible Ingerov A. – Company Vice President.

**ARTICLE 3
LEGAL FOUNDATION OF ACTIVITIES**

The Geophysics Department and Phoenix Geophysics joint activities will be the following:

3.1. Participation in the educational, scientific, technological, industrial tenders and competitions for innovative projects and programs organized by national and international foundations, organizations and enterprises in priority areas of the ore and oil and gas industries.

3.2. Temporary creative teams formation for exploration projects and programs implementation;

3.3. Participation in the presentation and promotion of advanced science and technology areas, methods and research results with innovative significance for ore, oil and gas industry of Kazakhstan and foreign countries;

3.4. Participation in the commercialization and transfer of technologies developed in the Republic of Kazakhstan and abroad (if any, will take place);

3.5. Approbation of new technologies and software holding;

3.6. Participation in the review of projects, reports, programs, and other scientific and technical production in the mining and oil and gas sectors of Kazakhstan, and foreign countries.

**ARTICLE 4
DUTIES OF THE PARTIES**

Geophysics Department and Phoenix Geophysics undertake:

4.1. Ensure the compliance with the results of scientific research and innovation, as well as technical documentation requirements of Kazakhstan and international standards;

- 4.2. Promote the reliability, objectivity and accuracy of the results of research and innovation;
- 4.3. Ensure the confidentiality of information and intellectual property rights of the clients;
- 4.4. Participate in implementation of the results of joint scientific and innovation researches;
- 4.5. Promote actively the results of joint research and innovative research in RK and abroad;
- 4.6. Have managerial and technical personnel who shall have the authority and resources, regardless of other responsibilities, necessary to perform their duties within the scope of work the implementation of joint projects;
- 4.7. Define policies and procedures to avoid involvement in any activities that would diminish trust in competence and impartiality KazNRTU named after K.I. Satpaev and Phoenix Geophysics.

ARTICLE 5 FINANCIAL ARRANGEMENT

- 5.1. This Agreement of Cooperation will not give rise to any financial obligation by one Party to the other.
- 5.2. Each Party shall carry all the financial costs on implementation of Agreement of cooperation.
- 5.3. For execution / realization of joint educational programs, research, industrial and innovative projects can be involved the funds allocated from the republican budget; funds a public-private partnership; funds received from organizations, enterprises and institutions under the contracts; special funds allocated by international scientific, educational foundations and organizations; revenue from training, research, manufacturing, and consulting activities; charitable and social welfare foundations, businesses, grants, sponsors, donations of legal and physical entities, patronage; revenue from the sale of scientific publications of the results.

ARTICLE 6 PROTECTION OF INTELLECTUAL PROPERTY RIGHTS

- 6.1. The Parties agree not to bring claims against each other with respect to their patents or other industrial or intellectual property rights in connection with the performance of supplies and services under the Agreement of Cooperation.
- 6.2. Any proprietary rights with respect to information, data, know-how and patents which are owned or acquired by a Party prior to the Agreement of Cooperation, or independently of the performance of the Agreement of Cooperation shall be retained by said Party.
- 6.3. Any intellectual property developed on collaborative research conducted under this Agreement of Cooperation or any contracts pertaining to fee for services rendered will be addressed on a case-by-case basis under separate agreement.
- 6.4. The use of the name, logo and/or official emblem of any of the Parties as the case may be, on any publication, document and/or paper is prohibited without the prior written approval of either Party.

ARTICLE 7 LEGAL AUTHORITY

This Agreement does not contain any commitments to be executed based on national or international law. It is also the intention of the Parties are not subject to proceedings for the claim and will not be considered a warranty, expressed or implied.

ARTICLE 8 MAKING AMENDMENT



Either Party may request in writing a revision, modification or amendment of all or any part of this Agreement of Cooperation.

8.2. Any revision, modification or amendment agreed to by the Parties shall be reduced into writing and shall form part of this Agreement of Cooperation.

8.3. Such revision, modification or amendment shall come into force on such date as may be determined by the Parties by mutual consent.

ARTICLE 9 SUSPENSION

Each Party reserves the right, in whole or in part, on the suspension of the Agreement of Cooperation for reasons of self-interest, public order or public health, which comes into effect after a written notification to the other Party not later than 30 days before the proposed date of suspension.

ARTICLE 10 SETTLEMENT OF DISPUTES

Any difference or dispute between the Parties concerning the interpretation and/or application of any of the provision of this Agreement of Cooperation shall be settled amicably through mutual consultation and/or negotiations between the Parties without reference to any third party.

ARTICLE 11 DURATION AND TERMINATION

11.1. This Agreement of Cooperation shall come into force on the date of signing and shall remain in force for a period of four (4) years, with the proviso legitimacy modifications and amendments made during the period of its action.

11.2. Thereafter, if the Parties hereto wish to extend the terms of this Agreement of Cooperation, they shall do so by an express covenant in writing, confirming acceptance of the decision.

11.3. Either Party may terminate this Agreement of Cooperation by notifying the other Party to its intention to terminate this Agreement of Cooperation by a notice in writing, at least three (3) months prior to its termination date. Termination shall be without penalty.

ARTICLE 10 CORRESPONDENCE

Any communications under this Agreement of Cooperation will be in writing in the Russian and English languages and/or delivered by registered mail to the address or sent to the electronic mail address or facsimile number to the address below Kazakh National Research Technical University named after K.I. Satpaev and Phoenix Geophysics Ltd or such other address that either Party will indicate to the sender:

To: Geophysics Department of the Institute
of Geology and Oil and Gas Business, Kazakh
National Research Technical University named
after K.I. Satpaev
Kazakhstan
050013 Almaty,
Str. Satpayev, 22
Tel. : + 7-727-257- 71-57

To: Phoenix:
Leo Fox, President
Unit 3, 3781 Victoria Park Avenue,

Toronto, ON, CANADA, M1W 3K5
Tel: +1 416 491 7340
FAX: +1 416 491 7378
Email: mail@phoenix-geophysics.com

**Kazakh National Research Technic
University named after K.I. Satpaev**

**BIN: 150140008602
ИС: K2628560000006968618
КБЕ 16
АГФ АО Банк Центр Кредит
BIC: KCJBKZKX**

Phoenix Geophysics Company

Signatures of the Parties:

**Rector of the KazNRTU named after
K.I. Satpaev**



J.K. Beisembetov
Signature place


President



Signature place


APPENDIX A

Cooperation between Kazakh National Research Technical University named after K.I. Satpaev and Phoenix Geophysics Ltd Company

Kazakh National Technic Research University named after K.I. Satpaev and Phoenix Geophysics based on the principles of international cooperation agreed to establish the following areas of cooperation between the Parties:

Education

- Joint scientific management of doctoral program on the specialty 6D074700 - Geophysical methods of prospecting and exploration of mineral deposits;
- Seminars, workshops, consultations, lectures conducting for students, undergraduates, doctoral students and teachers, specialists industrial organizations based on examples of real field data;
- Cooperation in the field of geophysical practice passing for students, undergraduates (specialty 6M074700) and doctoral students (6D074700 specialty).

Scientific research

- Implementation of joint research projects;
- Joint research and operation jobs with the hardware and software of Phoenix Geophysics.

Training

- Organization of internship for teacher staff, doctoral students (specialty 6D074700) and undergraduates (specialty 6M074700) of Geophysics Department KazNRTU in Phoenix Geophysics Ltd; the implementation of their monitoring during their stay in internships;
- Organization of training courses for KazNRTU teachers and specialists from industrial and research organizations with the giving of international certificates;
- Organizing and conducting training on Phoenix software for doctoral (6D074700 specialty) and undergraduate (6M074700 specialty), University teachers and specialists of operation and research organizations based on short-, medium- and long-term courses.
- Provision of methodical materials for the study of hardware and software of Phoenix, as well as teaching manuals for the study of electric prospecting innovative technologies.

**Kazakh National Research Technic
University named after K.I. Satpaev**

Phoenix Geophysics Company

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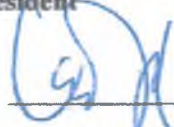
Signatures of the Parties:

Rector of the KazNRTU named after
K.I.Satpaev


I.K. Beisenbetov
Signature place



President



Signature place

