

# AGREEMENT OF LAND LEASE

("Lease", which term shall include the Schedule, the General Conditions of the Lease referred to and attached to the Lease)

BETWEEN

**Mareetsane Community (Tribal Council)**

(Hereinafter referred to as the "Landlord")

Duly represented by  
Chief GG Motehegare  
(Identity Number : 6412166212035)

AND

**Kgatelopele Venture Capital and Private Equity Pty (Ltd)**  
Registration number: 2011/100567/07  
Tax Number: 9096413183

(Hereinafter referred to as the "Tenant")

Duly represented by  
Mr. Keobakile Sedupane  
(Identity Number: 8202165546080)

## SCHEDULE

## 1. Parties

The **Mareetsane Community** duly represented by the community Chief.....  
**Motshegare** (the "Landlord"), is a community located in and with its tribal office located at the Mareetsane area in the Railou Local Municipality, which falls in the boundary of Ngaka Modiri Molema District Municipality in the North West Province, Republic of South Africa

AND

**Kgatelopele Venture Capital and Private Equity Pty (Ltd)** (the "Tenant"), a private company registered at the Companies and Intellectual Property Commission of the Republic of South Africa, with Company Registration number 2011/160567/07 and Tax number 9096413183 with its head office located at Midrand, Johannesburg in Gauteng Province, Republic of South Africa

## 2. Domicilium

2.1 Domicilium citandi et  
executandi of the Landlord : Bathobatho Village  
Office 636  
MAREETSANE,

2.2 Domicilium citandi et  
Executandi of the Tenant : 29 Tulipwood Complex  
Van Heerden Street  
Halfway Gardens  
MIDRAND, 1687

3. Contact person of Landlord : Chief G.G. Motshegare

## 4. Contact Details

Telephone : (+27) 011 384 3286  
Facsimile:  
E-mail : N/A  
Mobile : (+27) 072 360 6138

5. Postal Address of the Tenant : P.O BOX 5937  
MMABATHO  
2735

6. Contact person of Tenant : Keobakile Sedupane

## 7. Contact details

Telephone : (+27) 0832545210  
Facsimile : (+27) 086 689 5190  
E-mail : keobakiles@kgatelopele.co.za  
Mobile : (+27) 0832545210

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# GENERAL CONDITIONS OF LEASE

## 1. DEFINITIONS AND INTERPRETATION

1.1 In these General Conditions of Lease, unless the context indicates otherwise, the words and expressions otherwise defined in this lease shall have the meaning assigned to them. Headings shall not influence the interpretation of any provisions hereof.

1.2 Words importing the singular shall include the plural and vice versa and words importing the masculine gender shall include females and words importing persons shall include partnerships and bodies corporate.

## 2. DESCRIPTION OF LEASED PROPERTY

Landlord leases to Tenant the land located at Mareetsane area in the Ratlou Local Municipality, Ngaka Modiri Molema District Municipality of in the North West Province, Republic of South Africa. It is the land owned by the Mareetsane community in terms of the municipal laws of the Ngaka Modiri Molema District Municipality and the Ratlou Local Municipality.

## 3. USE OF PROPERTY BY TENANT

The Leased land may be occupied and used by Tenant exclusively for the Solar PV Project of generating electricity through the sun for the Mareetsane Community and for the national grid connection.

Nothing herein shall give Tenant the right to use the property for any other purpose or to sublease, assign, or license the use of the property to any Sub-Tenant, assignee, or licensee, which or who shall use the property for any other use.

## 4. LEASED PROPERTY SIZE

The landlord agrees to grant the Tenant approximately 100 hectares of land for the Solar PV Project. Should the landlord not have one piece of land worth 100 hectares, the Landlord agrees to grant the Tenant pieces of land in the proximity of each to meet the required 100 hectares.

## 5. LEASE TERM

- a. **Total Term of Lease:** The term of this Lease shall be for the period of 23 years beginning on the commencement date, as defined in Section b) of this Article 5. The Lease becomes binding upon the Landlord when signed

by both the Tenant and the Landlord or on behalf of the Landlord by a person duly authorized by legislation or an empowering provisions of the governing laws and rules of the Tribal Authority of Mareetsane. Until that time, the Tenant shall have no right of occupation whatsoever and no claim to the existence of a tenancy, verbal or Written, as a result of:

- Negotiations having been conducted or conclude;
- This lease having been drafted, and signed by the Tenant only;
- The acceptance by the Landlord or its agents or employees of any payment or the giving of possession of the Land to the Tenant.

b. **Commencement Date:** The "Commencement Date" shall mean the date on which the Tenant shall commence to conduct business on the Leased Property.

## 6. RENEWAL OF PERIOD

This extension of contract will be negotiated by the parties one year before the expiring of the original term of 23 years. Such extension will be in writing; and signed by both the parties.

## 7. SUB-LETTING

The Tenant shall not sublet the leased property without the knowledge and written consent of the Landlord.

## 8. OBLIGATIONS OF THE PARTIES

### 8.1 Landlord

Upon signing, the Landlord shall ensure that the Leased Property is available for occupation by the Tenant to commence conducting business on the Leased Property.

### 8.2 Tenant

The Tenant shall execute all the necessary environmental legal obligations and issue the Landlord with proof thereof such as reports from the relevant authorities;

The Tenant shall use the property exclusively for the reasons under clause 3 of this contract;

Should the project become operational, the Tenant shall set-up a community trust to benefit the community of Mareetsane. 5% of the Net Profit after taxation of the project shall be invested in the Trust to benefit the community of Mareetsane. That is: the community trust is dependent on the operation and running of the project.

## 9. BREACH OF CONTRACT

Should the Tenant fail to meet its duty to set up a community trust when the project is operational, The Landlord shall have the right to cancel the contract; and to claim the agreed 5% of the Tenant's Net Profit after taxation.

#### **10. VARIATION CLAUSE**

This agreement may only be changed in writing signed by all parties

#### **11. ENTIRE AGREEMENT**

This agreement contains the entire agreement of the parties regarding its subject matter. Any previous understanding, representation, agreement, or warranty relating to that subject matter is replaced by this agreement and has no effect

#### **12. JURISDICTION OF MAGISTRATE'S COURT**

Any action or application arising out of this Lease, or any cancellation thereof or any suretyship furnished for the obligations of the parties hereunder, shall be brought in the Magistrate's Court having jurisdiction in respect of the Leased Property.

#### **13. GOVERNING LAW**

This agreement is governed by the laws in force in the Republic of South Africa

#### **14. TERMINATION**

This agreement terminates at the end of the 23<sup>rd</sup> year of the project calculated from the commencement date in terms of clause 5(b) above.

#### **15. NOTICES & CORRESPONDENCE**

The parties choose as their domicilium citandi et executandi the addresses under article 2.1 of the Schedule. All notices shall be deemed to be received by the addressee on the 5<sup>th</sup> (fifth) business day after posting thereof, or forthwith upon By Hand delivery or Facsimile transmission. The parties may change their domicilia to another address in the Republic of South Africa of which they may advise each other by written notice.

Any notice to a party:

Delivered by hand to a responsible person during ordinary business hours at its domicilium citandi et executandi shall be deemed to have been received on the day of delivery, or

Sent by Facsimile to its chosen telefax number referred to in the schedule, shall be Deemed to have been received on the date of dispatch (unless the contrary is proved)

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Notwithstanding anything to the contrary herein contained, a written notice of communication actually received by a party shall be an adequate written notice or communication to it notwithstanding that it was not sent to or delivered at its chosen domicilium citandi et executandi.

**16. SIGNING OF THE AGREEMENT**

Thus signed at MARETSANE VILLAGE on this the 08 day  
of AUGUST 2012

**WITNESSES:**

1. *[Signature]*

2. *[Signature]*

*[Signature]*

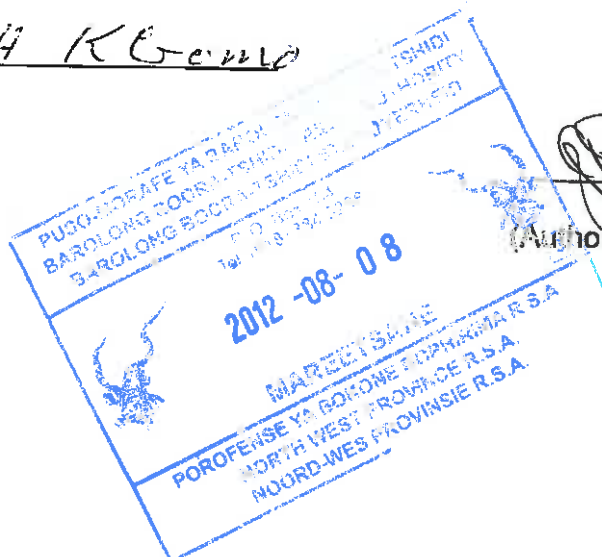
**TENANT**  
(Authorised Signatory/Signatories)

Thus signed at MARETSANE on this the 08 day of  
AUGUST 2012

**WITNESSES:**

1. *[Signature]*

2. JOSEPH K GOMU



*[Signature]*  
**LANDLORD**  
(Authorised Signatory/Signatories)

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