
AGREEMENT OF LEASE

Between

BIG CEDAR TRADING134 (PTY) LTD

(Hereinafter referred to as "**BIG CEDAR**")

A duly incorporated entity in terms of South African Legislation
with registration number: **2003/010927/07**

duly represented by **Antonio Brian Max-Lino**

in his duly appointed and authorized capacity as Chief Executive Officer

(hereinafter referred to as "The LESSOR")

AND

EL PASSO FARMS CC

(Hereinafter referred to as "**EL PASSO**")

A duly incorporated entity in terms of South African Legislation
with registration number: **2008/102446/23**

duly represented by **Dr. Brylyne Chitsunge**

in her duly authorized capacity as Director

(hereinafter referred to as "The LESSEE")

[Hereinafter collectively referred to as The Parties]

Lease of Agricultural Land situated at
Farm portion of land, situated on Plot 471, Portion 43, 1000,
Cullinan, South Africa

Big Cedar _____
El Passo AB
Witness 1 [Signature]
Witness 2 [Signature]

Initial:

AB

IT IS AGREED AS FOLLOWS:

1. DEFINITIONS

In this Agreement, unless inconsistent with or otherwise indicated by the context, the following terms shall have the meanings assigned to them hereunder, namely:

1.1. In this agreement, unless inconsistent with or otherwise indicated by the context:-

1.1.1. **"the / this agreement"** means the lease agreement and any annexures and / or attachments to this agreement as more fully set out in this document;

1.1.2. **"the tenant's assets"** means any of the following:

1.1.2.1. any and all improvements, additions, variations, fixtures and fittings made to the property or to any building on the property including any irrigation systems found on or in the property;

1.1.2.2. any and all buildings or structures erected on the property including but not limited to; the erection or placement of any greenhouses, workshops, sheds, ambulation facilities, or any other structures, whether of a permanent or temporary nature,

1.1.2.3. any movable asset including but not limited to any, vehicles, equipment, tools and machinery;

1.1.2.4. notwithstanding the above the parties agree that any improvements or maintenance to existing buildings, infrastructure or assets and equipment shall not be deemed to be an asset of the tenant.

1.1.3. **"business day"** means any day of the year, save for a Saturday, Sunday or South African Public Holiday;

1.1.4. **"commencement date"** means the signature date;

1.1.5. **"closing date"** means the 15th (fifteenth) anniversary of the commencement date, unless renewed by the tenant in accordance with the provisions set out in this agreement;

Initial: **AB**
Big Cedar _____
El Passo  _____
Witness 1  _____
Witness 2  _____

- 1.1.6. **"Agricultural land"** means any agricultural purposes, by the tenant in the operation of the business of the tenant at any stage of the cultivation process including that which has been harvested but has been stored on the property;
- 1.1.7. **"improvements"** means any improvements, additions and/or alterations made to the property, by the tenant, during the course of this agreement.
- 1.1.8. **"Termination date"** means the earlier of either:
- 1.1.8.1. the date the agreement is terminated in terms of the provisions of this agreement; or
- 1.1.8.2. the closing date;
- 1.1.9. **"the landlord"** means **BIG CEDAR TRADING 134 (PTY) LTD**, a Company duly incorporated under the laws of South Africa with registration number: 2003/010927/07;
- 1.1.10. **"lease"** means this agreement setting out the terms, conditions, rights and obligations of the landlord and the tenant pertaining to the Property;
- 1.1.11. **"the parties"** means the landlord and the tenant;
- 1.1.12. **"the prime rate"** means the publicly quoted basic rate of interest (percent per annum compounded monthly in arrear and calculated on a 365 (three hundred and sixty five) day year factor (irrespective of whether or not the year is a leap year) charged by a bank as evidenced by a certificate signed by any manager (whose authority and / or appointment it shall not be necessary to prove) of that bank;
- 1.1.13. **"the property"** means the portion of land, situated on Plot 471, Portion 43, 1000, Cullinan, South Africa ;
- 1.1.14. **"the signature date"** means the date on which this agreement is signed by the last party signing same;
- 1.1.15. **"the tenant"** means **EL PASSO FARMS CC**, a Close Corporation duly incorporated under the laws of South Africa with registration

Initial: **AB**

Big Cedar _____
El Passo  _____
Witness 1  _____
Witness 2  _____

number: 2008/102446/23;

- 1.1.16. **"VAT"** means Value Added Tax payable in terms of the Value Added Tax Act 89 of 1991, as amended
- 1.1.17. any reference to the singular includes the plural and vice versa;
- 1.1.18. any reference to natural persons includes legal persons and vice versa;
- 1.1.19. any reference to a gender includes the other genders, as the context may require.
- 1.2. The clause headings in this agreement have been inserted for convenience only and shall not be taken into account in its interpretation.
- 1.3. Words and expressions defined in any sub-clause shall, for the purposes of the clause of which that sub-clause form part, bear the meaning assigned to such words and expressions in that sub-clause.
- 1.4. If any provision in a definition is a substantive provision conferring rights or imposing obligations on any party, effect shall be given to it as if it were a substantive clause in the body of the agreement, notwithstanding that it is only contained in the interpretation clause.
- 1.5. If any period is referred to in this agreement by way of reference to a number of days, the days shall be reckoned exclusively of the first day and inclusively of the last day, unless the last day falls on a day which is not a business date, in which case the day shall be the next succeeding business day.
- 1.6. This agreement shall be governed by and construed and interpreted in accordance with the law of the Republic of South Africa.

Initial:

AB

Big Cedar _____
El Passo  _____
Witness 1  _____
Witness 2  _____

2. LETTING AND HIRING

The LESSOR leases to the LESSEE the property described as portion of land, situated on Plot 471, Portion 43, 1000, Cullinan, South Africa for Agricultural purposes .

- 2.1 The initial period of this lease is **15 years** with option to renew for a period of further at the discretion of the LESSOR.
- 2.2 The LESSEE shall use the Lease of the premises as an Agricultural Site for Agricultural purposes.
- 2.3 All existing buildings, permanent fittings and fixtures shall be utilised by the Lessee.

3. BASIC RENTAL

- 3.1 The monthly rental shall be **ZAR 5000.00** for the initial period.
- 3.2 The rental shall be paid monthly in advance on or before the 1st BUSINESS DAY of each and every month without deduction or demand and free from Bank charges.

- 4. The LESSOR shall be entitled to change the bank account details or the method of payment by giving prior written notice to that effect to the LESSEE.

5. WITHHOLDING OR DEFERRING PAYMENTS

The LESSEE shall be entitled to withhold or defer payment of any amounts payable by it in terms of this lease. The LESSEE and LESSOR herein will enforce the right of set off.

6. USE

- 6.1 The LESSEE shall LEASE the PREMISES for the purpose of establishing a site office, operations, utilising the existing structure for Agricultural purposes and conducting of business. Upon signature of this lease, all utility accounts shall be transferred to the LESSEE and upon termination or expiry of this lease shall be transferred back to the LESSOR.
- 6.2 The LESSEE shall provide its own refuse containers that conform to the requirements of the local municipality. The LESSEE shall keep such containers in good order and in clean, hygienic and tidy

Initial: **AB**
Big Cedar _____
El Passo  _____
Witness 1  _____
Witness 2  _____

condition in the area of the PROPERTY set aside for such purpose. All the Lessee's refuse shall be deposited into the aforesaid containers and the LESSEE shall not permit the accumulation of the refuse in the LEASED PREMISES or in any other part of the PROPERTY.

7. CONDITION OF THE LEASED PREMISES

- 7.1 The LESSEE acknowledges that the LEASED PREMISES are in thoroughly good order and condition which is fit and proper for Agricultural purposes.
- 7.2 Upon the expiry or earlier termination of this lease, the LESSEE shall hand over and deliver the LEASED PREMISES to the LESSOR in the same thoroughly good order and condition as they were in on the date of commencement of this lease, fair wear and tear accepted.
- 7.3 The provision of this clause shall not absolve the LESSEE from its obligations to maintain the LEASED PREMISES during the period of this lease.

8. ASSIGNMENT AND SUBLETTING

- 8.1 The LESSEE shall be entitled to:
 - 8.1.1 cede any of its rights or delegate any of its obligations under this lease;
 - 8.1.2 sub-let the LEASED PREMISES or any part thereof.

9. LIMITATION OF LIABILITY

The LESSOR shall not have any claim against the LESSEE for any loss, damage, or loss of life, which the LESSOR may suffer:-

- 9.1 by reason of the LEASED PREMISES or any other part of the PROPERTY being in a defective condition or state of disrepair or any other particular repair or maintenance not being effected by the LESSOR; or
- 9.2 arising out of *vis major* or *causa fortuitous* or any other cause, either wholly or Partly outside the Lessor's control; or
- 9.3 as a result of the LEASED PREMISES or any other part or the PROPERTY being damaged or destroyed; or
- 9.4 as a result of forcible entry to and/or theft of any goods from the LEASED PREMISES;

Initial: **AB**

Big Cedar _____
El Passo  _____
Witness 1  _____
Witness 2  _____

- 9.5 arising out of negligence of the LESSEE or its servant or agents, unless such negligence is gross negligence;
- 9.6 by reason of any activity conducted in or on the LEASED PREMISES;
- 9.7 arising out of any interruption in the supply of electricity or water to the PROPERTY or arising out of any defect in or interruption in the operation of any equipment serving the LEASED PREMISES.

10. INDEMNITY

The LESSOR indemnifies the LESSEE against any claim of whatsoever nature made against the LESSEE by anyone for any loss, damage, injury or loss of life:

- 10.1 suffered in or on the LEASED PREMISES; or
- 10.2 suffered in or on the LEASED PREMISES or on the LEASED PROPERTY in consequence of any act or omission of the LESSEE, or the Lessee's servants or agents; or
- 10.3 arising from any defect in the LEASED PREMISES unless such defect is the result of failure on the part of the LESSEE to carry out its obligations in terms of this lease.

11. WAIVER

No relaxation which either party may give at any time whatsoever in regard to the carrying out of any of the other's obligations in terms of this lease shall prejudice or be a waiver of any of that party's rights in terms of this lease.

12. VARIATIONS

This lease contains all the terms and conditions of the Agreement between the LESSEE and the LESSOR. No variation of this lease shall be binding unless it is in writing and is signed by both the LESSEE and LESSOR.

13. DOMICILIUM AND NOTICES

- 14.1 The parties respectively choose as their *domicilium citandi et executandi* the physical, postal and telefax addresses recorded beneath their signatures at the end of this Agreement to which all notices shall be given and at which physical address all processes shall be served.

Initial: **AB**
Big Cedar _____
El Passo AB
Witness 1 AB
Witness 2 AB

any, with regard to instruction given to an attorney for the recovery of arrear rents or other amounts due in terms of this lease, arising out of same, or arising out of cancellation or termination of same, irrespective of whether legal action is actually instituted against the LESSEE or not

16. CONSENT TO COURT JURISDICTION

The LESSEE and LESSOR consent and agree that this agreement is within the jurisdiction and the laws of the Republic of South Africa as well as the courts of the Republic of South Africa. This consent shall not preclude the LESSEE, at its election, from instituting proceedings in any other court of competent jurisdiction.

SIGNED at **PRETORIA** on this **23RD** day of **NOVEMBER** 2018.

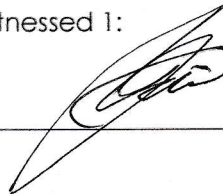


(LESSOR)
BIG CEDAR TRADING 134 (PTY) LTD
Antonio Brian Max-Lino
For and behalf duly authorised

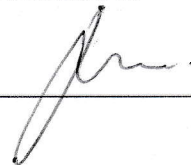


(LESSEE)
EL PASSO FARMS CC
Dr. Brylyne Chitsunge
For and behalf duly authorised

Witnessed 1:



Witnessed 2:



Initial: **AB**
Big Cedar _____
El Passo 
Witness 1 
Witness 2 