

JOINT VENTURE AGREEMENT
FOR EXPLORATION AND MINING OF COPPER ORES,
IRON ORE, LIMESTONE AND OTHER MINERALS

BETWEEN

Mr. PASCHAL MUSIRA RUGEMBE

AND

DHARTI MINERALS CO. LTD

DRAWN BY :

This **AGREEMENT FOR JOINT VENTURE** is made on this 3rd May 2021

BETWEEN

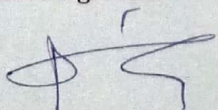
Mr. PASCHAL MUSIRA RUGEMHE, natural person of P.O. BOX 4458. Dar es Salaam (herein after referred to as the **"OWNER"**, which expression shall unless the context otherwise require include wherever applicable, their joint holders in title, legal successors in title, agents and assigns) of the **ONE PART**;

AND

DHARTI MINERALS CO. LIMITED a Company incorporated in Tanzania under the Companies Act, [Cap 212 R.E 2002] P.oBox 21934, Dar Es Salaam, (herein after referred to as **"DHARTI"** which expression shall unless the context otherwise require, include, wherever applicable, its legal successors in title, agents and assigns) on the **OTHER PART**.

1.0 DEFINITION OF TERMS

- 1.1 **"OWNER"** mean owner of Primary Mining licence No. PML89113/EZ, PML90277/EZ, PML85089/EZ, PML91299/EZ, PML85081/EZ PML 0786TNG, PMLO13409EZ at Handeni and Tanga District.
- 1.2 **"DHARTI"** means Dharti Minerals Company Limited.
- 1.3 **"JVA"** means Joint Venture Agreement.
- 1.4 **"Joint Venture Agreement"** means this Agreement including all annexures, addendum and amendments between the parties hereof "if any".
- 1.5 **"Parties"** mean parties to this Agreement, to with; Mr. PASCHAL MUSIRA RUGEMBE of P.O Box 4458 Dar es salaam and Dharti Minerals Company Limited of P.O. Box 21934, Dar es salaam.
- 1.6 **"Business"** means the extraction of Copper, iron, Limestone and any other minerals in the earmarked PML89113/EZ, PML90277/EZ, PML85089/EZ, PML85089/EZ, PML91299/EZ, PML85081/EZ PML 0786TNG, PMLO13409EZ, export and shares the proceeds of the sale as stipulated under this JVA.
- 1.7 **"Minerals"** means any substance, whether in solid, liquid or gaseous form, occurring naturally in or on the earth, or in or under the seabed formed by or subject to a geological process in the republic of Tanzania but does not include petroleum or surface water.
- 1.8 **"Mining"** means all operations associated with the extraction of Ore on a commercial basis, including pre-stripping, and removal and disposal of



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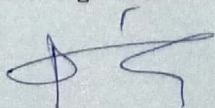
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- 1.8 **"Mining"** means all operations associated with the extraction of Ore on a commercial basis, including pre-stripping, and removal and disposal of



overburden and waste, but does not include Exploration, Development or Treatment.

- 1.9 "PMLs" means Primary Mining Licenses
- 1.10 "PL" means prospecting License.
- 1.11 "ML" means Mining License

2.0 THE JOINT VENTURE AGREEMENT

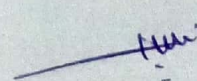
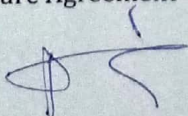
- 2.1 Both the "DHARTI" and the "OWNER" are aware that this agreement has legal force on basis of the main agreement between the parties.
- 2.2 The "OWNER" confirms that is the legal owner of the mineral rights registered under following Primary Mining Licence (PML)

Sr No.	PML NO.	MINERALS	AREA
1	PML89113/EZ	Copper	Handeni
2	PML90277/EZ	Copper	Handeni
3	PML85089/EZ	Copper	Handeni
4	PML91299/EZ	Copper	Handeni
5	PML85081/EZ	Copper	Handeni
6	PML 0786TNG	Iron	Handeni
7	PMLO13409EZ	Limestone	Tanga

- 2.3 The "OWNER" desires to mine, extract Copper, iron, Limestone and other ancillary minerals for sale locally or internationally to realize socio-economic benefits.
- 2.4 "DHARTI" dealing in mining activities has expressed its desire, ability in capital, machinery, equipment and experience in excavating minerals subject to the following terms and conditions.

3.0 DEVELOPMENT AND MINING

- 3.1 Parties to the agreement agrees as follows;
- 3.2 The consent from the "OWNERS" to "DHARTI" apply for and/or renew all mining licenses/rights including PML, small scale or large scale exploration or mining, operate, mine and sell locally or internationally all the minerals excavated within the said licences.
- 3.3 "OWNER" agrees to have "DHARTI" all the rights to mine and operate under the said licenses which have been issued or applied till the date of this agreement.
- 3.4 "OWNER" has declared that they have not issued any consent or permitted



any person outside this agreement for application of any mining licenses/permits or to carry out mining activities within the said Licenses.

- 3.5 "OWNER" is bound to evacuate the above area should there any mining activities be carried on by any other entity, persons or local people.
- 3.6 "DHARTI" is authorised to enter into any sub-let agreements or joint ventures (JV) or memorandum of understanding(MOU) with third parties for deployment of machineries or employment of manpower for carrying successful mining activities within the terms of this agreement.
- 3.7 Any dues or liabilities to any suppliers, labours, any departments of the Government of Tanzania, any advance due to be refunded to any party on account of non-supply of material till the date of signing this agreement shall be the sole responsibility of the "OWNERS". "DHARTI" shall not be responsible or bound to any third party or whosoever till the date of this agreement.
- 3.8 Both parts agree that, any machinery, equipment, assets or any new construction built or brought onto the site by "DHARTI" shall remain the sole property of "DHARTI"
- 3.9 Both Parts agree that, at any time, if the extracting Minerals exercise prove that there is inadequate stock minerals to extract within the said PML or the extracted material is not of the desired grades in domestic or international market, "DHARTI" shall withdraw its machinery and equipment planted onto the site, immediately, at the earliest possible time.

4.0 JVA COMMITMENT

4.1 "DHARTI" agrees for JVA with "OWNERS" as below mention PML.

Sr No.	PML NO.	MINERALS	AREA	Payment/Per metric ton Tsh (Tanzania Shilling)
1	PML89113/EZ	Copper ore (9% above)	Handeni	25000 (Tsh Twenty-five Thousand)
2	PML90277/EZ	Copper ore (9% above)	Handeni	25000 (Tsh Twenty-five Thousand)
3	PML85089/EZ	Copper ore (9% above)	Handeni	25000 (Tsh Twenty-five Thousand)
4	PML91299/EZ	Copper ore (9% above)	Handeni	25000 (Tsh Twenty-five Thousand)
5	PML85081/EZ	Copper ore (9% above)	Handeni	25000 (Tsh Twenty-five Thousand)
6	PML 0786TNG	Iron ore (65% above)	Handeni	3000 (Tsh Three Thousand)
7	PMLO13409EZ	Limestone (marketable)	Tanga	3000 (Tsh Three Thousand)

4.2 "DHARTI" agrees to pay by 15th day of next month, gross Tsh 25000 (Tanzanian Shilling Twenty five thousand) per metric ton of copper ore (Grade 9% plus) sold locally or internationally during the previous month within the said Licences as per the records. It is further

clarified that the quantity of copper ore sold, which contains at least 9% copper contents only will be taken into consideration while calculating this amount.

4.3 DHARTI" agrees to pay Tsh 3000 (Tanzanian Shilling three thousand) for iron ore, which is 65% above and also for marketable and good grade Limestone.

4.4 "DHARTI" shall bear the total loss of investment (if any)

4.5 Any other minerals obtained from the PML land apart from copper ores, iron ore, limestone will upon Government compliance by the "DHARTI", be treated as a different mineral from the agreement and the terms and conditions for that other mineral/s will be determined by mutual agreement by both parties.

4.6 "OWNER" will renew the licenses before expiration and will continue to be bound by the same terms and conditions of this JVA.

4.7 "DHARTI" And "OWNER" agreed that "DHARTI" will pay total Tsh 10 million (Tanzanian shillings ten millions) as per below schedule

A) Pre payment will be Tsh 3 million (Tanzanian shillings Three million) at the time of sign of this JVA

B) Tsh 4 million (Tanzanian shillings Four million) will be paid to the owner towards all the expense relating to EPP (Environment Protection Plan), Farmer compensation (if any), Govt Minute and any other expense which needs to be incurred so as to start the production of copper ore, for all the copper PMLs mentioned in this JVA.

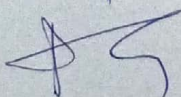
C) "And balance payment Tsh 3 Million (Tanzanian shillings Three million) will be paid after "Dharti" is satisfied that 4.7 (B) is completed.

D) "DHARTI" will Pay Preparation fees, annual rent, and all Govt tax, royalties, levies, for all the PMLs mentioned in this JVA directly to concerned govt authorities. Salaries will also be paid by DHARTI.

5.0 TERMINATION OF THE JOINT VENTURE

5.1 "OWNER" has no right to terminate this agreement except in case where DHARTI fails to infuse the required fund for the Mining activities.

5.2 This agreement terminates with immediate effect should Tanzania Government policies be changed drastically, disturbances arise from local communities, the agreed grade of materials not found or depleted, war, hostility, military operations, civil commotion, sabotage, quarantine, restrictions, acts of god and acts of Government (including



but not restricted to prohibitions of exports and imports), fires, floods, explosions, epidemics, strikes, or any other labour trouble, embargoes etc.

6.0 MAKING AND EXECUTION OF DOCUMENTS UNDER THE JVA

6.1 Any and all amendments, addendums and/ or supplements to this Agreement shall be made in writing and signed by the duly authorized representatives of each party. This Agreement contains the entire Agreement between the parties regarding the subject matter hereof, and supersedes all prior verbal and or written Agreements made and or negotiations held prior to the effective date of this Agreement

7.0 NOTICES

7.1 Any notice or other document to be served or given under this agreement may be delivered or sent by first class recorded delivery post to the relevant Party at its address for service set out in clause 6.1 or at such other address for service as that Party may have notified to the other Party in accordance with this clause. All notices and communications hereunder shall be sent by the parties to each other in writing and if possible the same time for the purpose of operational interactions, the parties shall acknowledge the possibility of using e-mail in order to transfer documents (information) and notices during the execution of this Agreement with the subsequent provision of the originals

7.2 A notice or other communication received on a day other than a Business Day, or after business hours, in the place of receipt shall be deemed to be given on the next following Business Day in such a place.

8.0 MISCELENIIOUS PROVISIONS

8.1 This agreement contains everything the parties have agreed and overrides and supersedes all earlier agreements in relation to the Joint Venture.

8.2 Any provision of this Agreement, which is or may become prohibited or unenforceable, shall be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of such provision.

8.3 Any notice required or permitted to be given or made under this Agreement shall be in writing and, any such notice shall be deemed to have been duly given or made when it shall be delivered by hand or mail, EMS, e-mail or courier to the party to which it is required or permitted to be given or made at such party's address specified in this

Agreement or at such other address as such party shall have designated by notice to the Party giving such notice;

8.4 This Agreement shall be effective as on the date it shall be signed by both parties;

8.5 This Agreement shall be executed in three originals, all, of which shall be authentic; and,

9.0 DURATION OF THE AGREEMENT

9.1 This Agreement shall commence on the day of its signing and subject to the terms and conditions hereof, and shall endure for such a period until the entire business is initiated and exploited to its fullest.

10.0 VARIATION

10.1 No variation of any terms and conditions of this Agreement, and no agreement inconsistent herewith, shall be of any force or effect unless the same is recorded in writing, and signed by the parties to this agreement.

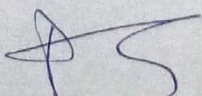
11.0 FORCE MAJEURE

11.1 No Party hereto shall be considered in default of its obligations herein if the performance thereof is prevented or delayed because of war, hostilities, revolution, civil commotion, labour conflicts, earthquakes or because of any law, order, proclamation, regulation of the Government or because of any other reasons in writing of the occurrence of such event and its effect on the party's ability to perform its obligations is given within thirty (30) days from the occurrence of the act constituting force majeure; and,

11.2 As soon as the cause of force majeure has been removed the party affected by such cause shall notify the other party. Should one of the parties hereto be prevented from fulfilling its obligations by a state of force majeure lasting more than three (3) months, the Parties shall consult with each other and determine the future performance of this Agreement. None of the parties shall have the right to claim any damage from the other party because of the occurrence of a force majeure event.

12.0 CONFIDENTIALITY

12.1 The parties shall maintain strict confidentiality and shall not disclose (unless approved in advance in writing by any of the parties hereto) and all information exchanged between the parties under or in connection with this Agreement, the fact and the terms of this Agreement and the parties' correspondence in relation thereto and or any other business information of a confidential nature) to any third party (confidential information). Notwithstanding the foregoing, information shall not be



regarded as confidential information if any party can show by competent proof that such information was known to and existed in documentary or other physical form and was in lawful possession of any of the parties or becomes publicly known through no fault of or breach by any of the parties or if it is subsequent to the receipt, is made available in good faith to a third party which is legally entitled to such information.

13.0 DISPUTES SETTLEMENT

13.1 All disputes arising out of or relating to this Agreement including disputes as to the meaning or interpretation of any provision of this Agreement or as to carrying into effect of any such provision or as to the quantification or determination of any amount or thing required to be determined or quantified in terms of or pursuant to this Agreement, will be referred to arbitration;

13.2 Either party to the dispute will be entitled to require, by written notice addressed to the other party in which notice particulars of the dispute be submitted to arbitration in terms of this clause;

13.3 Subject to the provision of this clause, the arbitration will be held under the arbitration laws for the time being in force in Tanzania;

13.4 The arbitrator will be an independent person agreed upon by the parties to the dispute and failing of such agreement within thirty (30) days after the date on which arbitration is requested by either party to the Agreement, will be appointed by the High Court upon a request by both parties; and,

13.5 The Arbitration will be held at a place to be agreed upon by the parties and in accordance with the formalities and procedures set by the Arbitrator.

14.0 LAW APPLICABLE

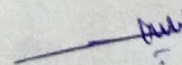
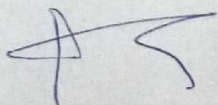
14.1 This Agreement is governed by and shall be construed in accordance with the laws of the United Republic of Tanzania.

15.0 ENTIRE AGREEMENT

15.1 This Agreement contains all covenants, stipulations, and provisions agreed by both Parties. No agent or representative of either party has authority to make any changes and the parties shall not be bound by or be liable for any statement, representation, promise or agreement not stated herein.

16.0 EXECUTED COPIES

16.1 This Agreement shall be produced in three copies and each copy serves the purpose of /and/or an original copy.



17.0 LANGUAGE

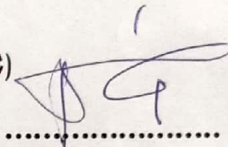
17.1 The language governing the Agreement and all communications between the parties and this Agreement shall be English.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first above written

Mr. PASCHAL MUSIRA RUGEMHE

SIGNED and DELIVERED by Mr.PASCHAL MUSIRA RUGEMHE)

in the presence of us this 3 day of MAY 2021)



SIGNATURE

SEALED with the COMMON SEAL of)

DHARTI MINERALS CO. LIMITED

FOR DHARTI MINERALS CO. LTD.

SIGNED and DELIVERED by Mr. Pravinkumar Godhani)

DIRECTOR

in the presence of us this 3 Day of May 2021)

SEAL & SIGNATURE



BEFORE ME

Name: DEGRATIUS OGUNDE

Signature: 

Postal Address: P. O. Box 10257, DIM

Qualification/Designation: Commissioner For Oaths



BEFORE ME

Name: DEGRATIUS OGUNDE

Signature: 

Postal Address: P. O. Box 10257, DIM

Qualification/Designation: Commissioner For Oaths

