

**MAKOA ATTORNEYS  
& CO ADVOCATES LTD**

**THE LAND REGISTRATION ACT [CAP – 334 R.E.  
2019]  
LEASE AGREEMENT**

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**LEASE AGREEMENT**

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between

**MILLENNIUM MASTERBUILDERS (T) LIMITED**

and

**TANGA INTERNATIONAL ENERGY LIMITED**

MAKOA ATTORNEYS & CO ADVOCATES LTD,  
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## CONTENTS

|  |    |
|--|----|
| 1. DEFINITIONS.....  | 1  |
| 2. PURPOSE AND USE: .....                                      | 2  |
| 3. RENT:.....  | 2  |
| 4. IMPROVEMENTS AND ALTERATIONS:.....                          | 3  |
| 5. EXCLUSIVE POSSESSION AND QUIET ENJOYMENT:.....              | 4  |
| 6. MORTGAGE, SALE AND/OR DISPOSAL OF THE LEASED PREMISES:..... | 4  |
| 7. LESSEE OBLIGATIONS AND UNDERTAKINGS: .....                  | 5  |
| 8. LESSOR OBLIGATIONS AND UNDERTAKINGS:.....                   | 6  |
| 9. OPERATING EXPENSES: .....                                   | 7  |
| 10. SIGNAGE, BRANDING AND ADVERTISING (SIGNS): .....           | 8  |
| 11. INTELLECTUAL PROPERTY:.....                                | 9  |
| 12. INSURANCE:.....  | 9  |
| 13. HEALTH SAFETY AND ENVIRONMENT:.....                        | 10 |
| 14. TERMINATION: .....   | 10 |
| 15. INSOLVENCY:.....   | 13 |
| 16. CONFIDENTIALITY:.....                                      | 14 |
| 17. ASSIGNMENT:.....   | 14 |
| 18. GENERAL:.....  | 14 |
| 19. NOTICES:.....  | 15 |
| 20. LAW AND DISPUTE RESOLUTION:.....                           | 15 |
| 21. COUNTERPARTS:.....   | 16 |
| SCHEDULE I .....   | 18 |
| SCHEDULE II PERMITTING AND LICENSING REQUIREMENTS .....        | 19 |



**PARTIES:**

This Agreement is made this 06<sup>th</sup> day of December 2022

**BETWEEN**

- (1) MILLENNIUM MASTER BUILDERS (T) LIMITED, a limited liability company incorporated under the laws of Tanzania and with incorporation number 39534, and whose address for purposes hereof is House No.151, Block No. 40, Plot No. 242, Togo Street, Kinondoni Road, Kinondoni, P.O Box 71195 Dar es Salaam, Tanzania (hereafter referred to as the Lessor which expression, unless the context does not so permit, shall include the Lessor's successors in title and permitted assigns); and
- (2) TANGA INTERNATIONAL ENERGY LIMITED, a limited liability company incorporated under the laws of Tanzania and with incorporation number 156399248, and whose address for purposes hereof is House No.16, Block No. KBVII, Plot No. 128, Raskazone Palace Road, P.O. Box 649 Tanga, Tanzania (hereafter referred to as the Lessee which expression, unless the context does not so permit, shall include the Lessee's successors in title and permitted assigns)

**WHEREAS:**

- A. The Lessor is the registered proprietor of all that piece of land comprised in certificate of occupancy with Title No. 6603TNG L.O No. 1282005 L.D No TCC/56579, known as Plot No. 65, Block A, Putini/Ndaoya, Chongoleani, Tanga containing sixty three (63) acres as per Survey Plan No. E/215/37 Ref.TP Drew No. 2/TAG /T22/052022 – (25.50Ha) having the following coordinates indicated at the time of signing the memorandum of understanding as: Marker 2= 5" 00' 46.25" S; 39"06' 19.07" E Marker 3= 5" 01' 11.95" S; 39"06' 18." E; Marker 5= 5" 00' 46.25", 39"06' 19.07" E: Marker 6= 5" 00' 46.25", 39"06' 19.07" E. as detailed in Schedule I (the Leased Premises), which is located at Chongoleani Peninsula - Tanga City Council, Tanzania.
- B. The Lessee, having viewed the said Leased Premises, has agreed to rent the same in terms, conditions, and covenants hereinafter appearing.
- C. Accordingly, the Parties are entering into this Agreement.

**IT IS AGREED as follows:**

**I. DEFINITIONS**

- I.1 For the purpose of this Agreement and the preamble above, unless the context requires otherwise:
  - I.1.1 **Agreement** means this lease agreement.
  - I.1.2 **Business Day** means a day other than a Saturday, Sunday or public holiday in mainland Tanzania;
  - I.1.3 **Business** means importing, storing and wholesaling Petroleum Products, including Liquid Petroleum Gases, as well as constructing all necessary facilities for those purposes;

- I.1.4 **Commencement Date** means the 06<sup>th</sup> day of December 2022.
- I.1.5 **Expiry Date** means the 5<sup>th</sup> day of December 2062 when this Agreement shall expire, subject to any early termination;
- I.1.6 **Intellectual Property** means the intangible rights protecting the products of human intelligence and creation, such as copyright, patented inventions, trademarks, logos, trade names and trade secrets.
- I.1.7 **Parties** means the parties to this Agreement, and Party shall mean any of them as the context requires;
- I.1.8 **Permit Period** means the period starting from 06 December 2022 to 31 December 2024 when the Lessee will be procuring the Required Permits;
- I.1.9 **Registrar of Titles** means the Registrar of Titles appointed under the provision of section 4 of the Land Registration Act [Cap. 334 R.E. 2019] and includes a Deputy Registrar and an Assistant Registrar;
- I.1.10 **Required Permits** means the permits required by the Lessee to operate the Business which are more particularly set out in Schedule II to this Agreement;
- I.1.11 **Rent** has the meaning given in clause 3 of this Agreement;
- I.1.12 **Signature Date** means the date of signature of the last Party signing this Agreement;
- I.1.13 **Term** means the period forty (40) years from the Commencement Date until the Expiry Date, both days included; and
- I.1.14 **TZS** means the lawful currency of the United Republic of Tanzania.

2. **PURPOSE AND USE:**

- 2.1 The Leased Premises shall be used by the Lessee for operating and conducting the Business and any other activities incidental to the undertaking of the Business.
- 2.2 The use of the Leased Premises for any other activity besides that mentioned herein shall constitute a breach of this Agreement.
- 2.3 The Lessee shall not use or permit the use of the Leased Premises, or any part thereof, in a manner that is unlawful or in violation of any Law or which conflicts with or is prohibited by the terms and conditions of this Agreement or the law.

3. **RENT:**

3.1 **Rental payment**

- 3.1.1 In consideration of leasing the Leased Premises, the Lessee shall pay to the Lessor a monthly Rent of TZS 33,193,750.00 (exclusive of VAT, but inclusive of all other taxes, duties, fees or financial imposts which are legally due on rental and other deductibles).

3.1.2 Rentals will be paid monthly in advance. Payments shall become due and payable upon the Lessee receiving a fiscal invoice from the Lessor. The Lessor shall issue such an invoice at least three (3) Business Days in advance of the rent payment date.

3.2 Rental deductions

The Parties agree and acknowledges that the Lessee contributed a total of TZS 978,913,835 towards the costs of procuring the Certificate of Title and the access road to the Leased Premises. The Parties agree that this amount shall be recovered by the Lessee by way of withholding of TZS 8,157,615 from the monthly Rent for a period of ten (10) years until when the amount is recovered in full.

3.3 Rental Review

3.3.1 The Rent shall be increased by 5% after every four (4) years after the first four (4) years of the Term. For avoidance of doubt the first rent review shall take place on 5 December 2030 and thereafter rent review will take place at each fourth anniversary of the Term.

3.4 Payment

3.4.1 The Lessee shall pay the applicable rent to the Lessor's bank account set out below or to any other bank account communicated by the Lessor to the Lessee in writing:

|                 |                                    |
|-----------------|------------------------------------|
| Account Name:   | [MILLENIUM MASTER BUILDER (T) LTD] |
| Bank Name:      | [NMB]                              |
| Account Number: | [22110001942]                      |
| Branch Code:    | [221]                              |
| Sort Code:      | [-]                                |
| Swift Code:     | [NMIBTZTZ]                         |

4. IMPROVEMENTS AND ALTERATIONS:

4.1 The Lessee can make any internal alterations to the parts (or whole) of the Leased Premises and structures therein without the prior written consent of the Lessor.

4.2 The following provisions of this clause apply to and includes:

4.2.1 any alterations, additions, modifications or improvements to the Leased Premises;

4.2.2 any utility installations at the Leased Premises;

4.2.3 any restoration work at the Leased Premises; and

4.2.4 any permanent fixture, structure or installation.

4.3 The Lessee shall accomplish at their own expense any work:

4.3.1 required to establish the Business;

4.3.2 required to ensure the safe and optimal operation of the Business; and

- 4.3.3 required by a decree of law or statute.
- 4.4 The following provisions apply to all work undertaken in terms of clause 4.3. The Lessee shall:
- 4.4.1 obtain all Required Permits and pay for such permits;
  - 4.4.2 conduct all required studies for obtaining such permits;
  - 4.4.3 ensure all such work is in strict compliance with all laws, permits and plans; and
  - 4.4.4 within 20 Business Days following completion of the work deliver to the Lessor:
    - (a) accurate, reproducible as-built plans;
    - (b) proof of final inspection and approval by all governmental authorities;
    - (c) complete lien waivers acceptable to the Lessor for all costs of the work; and
    - (d) a copy of a recorded notice of completion.
- 4.5 Where the Lessor elects to retain any such work upon expiry of this Agreement or where this Agreement is terminated prior to the Expiry Date due to the request or default of the Lessor, the Lessor shall pay to the Lessee the market value for such work as at the effective termination date, which value shall be determined by an independent third-party valuator to be agreed between the Parties.
- 4.6 Where the Parties disagree over the appointment of the valuator, the disagreement shall be treated as a dispute and shall be dealt with in accordance with clause 21 of this Agreement. The decision of the Arbitrator shall be final and conclusive.
- 4.7 The Lessor shall pay the purchase price established by the valuator within ninety (90) days of issuance of the valuator report.
5. **EXCLUSIVE POSSESSION AND QUIET ENJOYMENT:**
- 5.1 The Lessor shall deliver exclusive and lawful possession of the entire Leased Premises to the Lessee.
  - 5.2 The Lessor covenants with the Lessee that, so long as the Lessee pays the Rent and complies with its obligations in this Agreement, the Lessee shall have quiet enjoyment of the Leased Premises without any lawful interruption by the Lessor or any person claiming under the Lessor.
  - 5.3 The Lessor shall keep the Lessee indemnified against all expenses, costs, claims, damage and loss arising from any breach by the Lessor of any Lessor covenants in this Agreement.
6. **MORTGAGE, SALE AND/OR DISPOSAL OF THE LEASED PREMISES:**
- 6.1 Subject to the rights of the Lessee under this Agreement, the Lessor and any successor to the Lessor has the right to mortgage or dispose of the Leased Premises or any portion of it, or to assign its interest in this Lease,

at any time and from time to time, provided the Lessee has a pre-emptive right to make an offer to purchase the same.

- 6.2 Upon receipt by the Lessor of a *bona fide* proposal on any potential disposition (part or whole) regarding the Leased Premises, or if no such proposal is received then upon the decision by the Lessor to sell (part of or in whole) the Leased Premises to a third party, the Lessor will promptly provide the Lessee written notice of the terms of the proposed sale, including all related agreements. Upon receipt of such written notice, the Lessee shall have sixty (60) Business Days to consider entering into a transaction with the Lessor on substantially the same terms as the proposed sale.
- 6.3 If the Lessee elects to pursue such a transaction, it shall deliver written notice to the Lessor within such period, and the Lessee and the Lessor will proceed to negotiate and finalize definitive agreements. If the Lessee does not deliver such a notice within the sixty (60) Business Days period following receipt of the Lessor's written notice of the proposed sale, the Lessor will be free for a period of sixty (60) Business Days thereafter to consummate the sale on substantially the same terms, and with the third party, described in its written notice to the Lessee. If the Lessor does not consummate the sale within such period, the right of first refusal shall reset.

7. LESSEE OBLIGATIONS AND UNDERTAKINGS:

- 7.1 The Lessee undertakes to maintain the Leased Premises in good condition at the Lessee's risks and expense.
- 7.2 The Lessee undertakes that there shall be no illegal or prohibited matters, objects, substances, materials or products dealt with or held on the Leased Premises.
- 7.3 The Lessee may at any time, without written notice to or consent of the Lessor sublease the Leased Premises.
- 7.4 The Lessee shall:
- 7.4.1 pay the rent in the manner prescribed and observe and perform the covenants, conditions and stipulations herein contained;
  - 7.4.2 at its sole expense, comply with all state and local laws, codes, ordinances, statutes, rules, regulations and other legal requirements (including covenants and restrictions) applicable to the Leased Premises (collectively, the Laws) and agrees to cause the Leased Premises to comply with all Laws, including such compliance necessitated by any Lessee activity and/or any use of the Leased Premises by the Lessee or any Lessee entity;
  - 7.4.3 be entitled to make any alterations or additions to the Leased Premises for the purpose of operating the Business;
  - 7.4.4 not keep or permit to be kept on the Leased Premises any materials the keeping of which may contravene any statutes or local regulations or by Laws;

- 7.4.5 not carry on anything of the nature of or be a cause of disturbance or annoyance, or danger to neighbours, or the public;
- 7.4.6 permit the Lessor or their agents or servants, by 5 Business Days prior notice, and at all reasonable hours to enter the Leased Premises as per clause 8.2.3 of this Agreement;
- 7.4.7 use the Leased Premises for intended use only;
- 7.4.8 shall have the full legal right to sub-lease the storage installations wholly or partially according to its standards, install or sub-lease to other tenants;
- 7.4.9 hold the Lessor free and harmless from any damages or liability or responsibility to any person or property arising out of or as a consequence of the fault and negligence of the Lessee, his agents, employees, domestic help, or guests, however the Lessee shall have no liability in case of Force majeure as defined in clause 15; and
- 7.4.10 apply for and obtain all requisite consents for purposes of construction and carrying on the Business from relevant authorities.

8. **LESSOR OBLIGATIONS AND UNDERTAKINGS:**

8.1 The Lessor hereby undertakes to:

- 8.1.1 bear and discharge all rates, taxes, and other levies that may be payable in law in respect of the Leased Premises;
- 8.1.2 expeditiously attend to repair and proper maintenance of the externality of the building (walls, roof, etc.) and drains at no cost to the Lessee.

8.2 The Lessor shall:

- 8.2.1 upon the Lessee paying the Rent in the manner prescribed and observing and performing the covenants, conditions and stipulations herein contained and, on its part, to be observed and performed shall peacefully and quietly possess and enjoy the Leased Premises during the term hereby granted without eviction, interruption, disturbance, claim or demand whatsoever by the Lessor or any person or persons lawfully or equitably claiming by, from or in trust for the Lessor;
- 8.2.2 upon signing of this Agreement provided to the Lessee documentary evidence for having settled all utility charges, property taxes, imposts and impositions up until the Commencement Date hereof; and
- 8.2.3 have the right to enter the Leased Premises at any reasonable time and such access by Lessor will not give Lessee the right to terminate this Lease, and will be without abatement of rent or liability on the part of Lessor or any Lessor related Parties, in the case of an emergency, and otherwise at reasonable times following five (5) Business Day notice to Lessee to:

- (a) examine the Leased Premises.
- (b) inspect any Lessee alterations and/or any Lessee improvements.
- (c) show the Leased Premises; and
- (d) exercise any right or remedy.

8.2.4 undertakes not to compete with the business of the Lessee during the Term; and

8.2.5 as soon as reasonably practicable after the execution of this Agreement and in any event not later than seven (7) Business Days of the last signature of this Agreement, the Lessor shall submit an application to the Registrar of Titles for the registration of this Agreement and all rights granted by it. The costs for the registration of this Agreement and any stamp duty shall be borne by the Lessee.

9. **OPERATING EXPENSES:**

9.1 Lessee shall pay all Operating Expenses and Utility and Service Costs (defined below) from time to time during the Term.

9.2 "Operating Expenses" as used in the Lease shall include all costs and expenses related to the management, operation, and maintenance of the Leased Premises and the Business, including but not limited to:

9.2.1 utility and service costs in respect of the Leased Premises accrued and payable during the Term and upon the expiration to provide documentary evidence for having settled all the above-referred charges;

9.2.2 security, janitorial, and all applicable service requirements.

9.2.3 legal, accounting, consulting and professional fees;

9.2.4 insurance premiums for the Lessee's properties in the Leased Premises; and

9.2.5 costs and expenses of operating, maintaining, and repairing the Leased Premises, including but not limited to:

- (a) all interior areas;
- (b) driving, parking, forecourt, and other paved or unpaved areas, including but not limited to, resurfacing and striping;
- (c) landscaped areas (including but not limited to, tree trimming);
- (d) building exteriors (including but not limited to, painting and roof work);
- (e) signs and directories.
- (f) lighting.



- (g) drainage and sewers; and
- (h) maintenance, repair, and rehabilitation.

9.3 "Utility and Service Costs" shall include utility and service costs and expenses including but not limited to costs related to water, electricity, gas, lighting, steam, generator fuel, Sewer, waste disposal and communication systems, networks and services.

9.4 Lessor shall pay all land rent, property tax, levies, charges, or assessment costs imposed by any authority where such tax is imposed against the Leased Premises, or any part thereof, or in connection with its ownership including but not limited to any tax on rent or tax against Lessor's Business of leasing the Leased Premises.

9.5 The Lessee shall have the right to withhold from the monthly Rent such amount as required by law in respect of which the law imposes a withholding obligation on the Lessee and remit the withheld amount to the relevant authorities in accordance with the law.

9.6 Lessor will not be liable or deemed in default, nor will there be any abatement of rent, breach of any covenant of quiet enjoyment, partial or constructive eviction or right to terminate this Agreement for:

9.6.1 any interruption or reduction of utilities, utility services or telecommunication services;

9.6.2 any utility provider failing to provide such utilities or services or providing the same defectively; and

9.6.3 any utility interruption regardless of the nature thereof.

10. SIGNAGE, BRANDING AND ADVERTISING (SIGNS):

10.1 For the purpose of this Agreement, all signage, branding, and advertising shall be considered temporary and/or moveable in nature.

10.2 The Lessor shall permit the Lessee, for the purposes of promoting their Business, to:

10.2.1 erect, advertise and display on the Leased Premises such signs, trademarks, or names as required;

10.2.2 change, modify or alter the size, location or composition of any of the existing signs, trade names, logos, symbols or signs;

10.2.3 paint any building or structure in the Lessees Trade Name colours; and

10.2.4 install and/or erect any shelving, display stands, fitting, fixtures and lights as may be required to display the Lessees brand and Trade Name.

10.3 Upon expiry or termination (end date) of this Agreement, for whatsoever reason, the Lessee agrees and has an automatic right to within sixty (60) Business Days of the end date to:

10.3.1 remove all signs, shelving, display stands, fitting, fixtures and lights and repair all damage caused by such removal failing which the Lessor may immediately remove any signs installed by or on behalf of the Lessee and, such removal shall be at the sole cost of, the Lessee; and

10.3.2 remove all brand paint colours, however, this is the sole option of the Lessee.

## II. INTELLECTUAL PROPERTY:

### II.1 The Lessor commits:

II.1.1 not to cause or permit anything which may damage or endanger the intellectual property of the Lessee or the title to it or assist or allow others to do so;

II.1.2 to notify the Lessee of any suspected infringement on their Intellectual Property.

II.1.3 to take such reasonable action as the Lessee may direct at the expense of the Lessee, in relation to such infringement;

II.1.4 not to apply for registration of the trade name as a trademark in any part of the world and not to interfere with any manner nor attempt to prohibit the use or registration of the Trade Name or any similar name or designation by the Lessee;

II.1.5 not to tamper with any markings or name plates or other indications of the Trade Name which may be placed by the Lessee;

II.1.6 not to use any name or mark similar to or capable of being confused with the Trade Name of the Lessee;

II.1.7 not to use the Trade Name or any derivation of it in its trading or corporate name; and

II.1.8 to hold any additional goodwill generated by the Lessee for the Intellectual Property or the Business as a mere trustee for the Lessee.

## 12. INSURANCE:

12.1 The Lessee shall maintain all risk insurance for all structures, building equipment, machinery and plant on the Leased Premises.

12.2 The Parties have agreed that where the Lessee is not able to ensure the buildings and structure in the Lease Premise due to any legal limitations, the Parties shall use their best endeavours and act in good faith to find alternative arrangement that would enable the properties to be ensured. Good

12.3 Without limiting the effect of any other waiver of or limitation on the liability of Lessor set forth herein, Lessor and Lessee hereby waive and shall cause their respective insurance carriers to waive any and all rights of recovery, claims, actions or causes of action against the other for any loss or damage with respect to each other's personal property, fixtures and equipment, any Lessee improvements or Lessee alterations, the

building, the property, or any contents thereof, including rights, claims, actions and causes of action based on negligence, which loss or damage is (or would have been, had the insurance required by this Agreement been carried) covered by insurance.

12.4 For the purposes of this waiver, any deductible with respect to a party's insurance shall be deemed covered by and recoverable by such party under valid and collectable policies of insurance.

12.5 Whenever Lessee shall undertake any alterations, additions or improvements in, to or about the Leased Premises, including, without limitation, any Lessee improvements and/or Lessee alterations (the Work) the aforesaid insurance protection will extend to and include injuries to persons and damage to Leased Premises arising in connection with such Work, without limitation including liability under any applicable structural work act, and such other insurance as Lessor shall require and the policies of or certificates evidencing such insurance must be delivered to Lessor prior to the commencement of any such Work.

13. HEALTH SAFETY AND ENVIRONMENT:

13.1 The Lessee will be responsible for the safety and shall bear all risk and ensure proper operation of the Leased Premises, vehicles, or any equipment and machinery in or attached to the Leased Premises.

13.2 The Lessee commits to strictly comply and will cause his employees, agents, representatives, contractors, and re-sellers to accept and comply with all Health, Safety, Security, and Environmental standards as required by existing relevant Health, Safety, and Environmental Codes and Acts.

14. TERMINATION:

14.1 This Agreement will cease to have effect by virtue of the following:

14.1.1 Duration

(a) This Agreement shall endure for the entire Term subject to early termination as contemplated in this clause 14 and thereafter the Parties shall re-negotiate an extension for a further period to be agreed upon by the Parties.

(b) In case the Leased Premises become inoperable due to issues beyond the control of either Party, the Parties agree to meet and agree on a way forward in good faith.

14.1.2 General Termination

(a) This Agreement shall terminate on the Expiry Date subject to an extension which shall be renegotiated by the Parties or early termination by the Lessee.

(b) If the Lessee terminates this Agreement in accordance with this clause 14, the Lessee shall not be liable for any charges additional to those incurred to the date of termination.



- (c) Should either Party be placed under judicial management or be liquidated (whether provisionally or finally or whether voluntarily or compulsorily) or commit any act of insolvency under the Insolvency Act of Tanzania or Insolvency Decree of Zanzibar, then the other Party hereto shall be entitled to terminate this Agreement immediately on written notice to the first mentioned Party.
- (d) If the Lessee gives the Lessor written notice of at least three (3) months of their intention to terminate this Agreement.
- (e) If the Lessor terminates this Lease prior to the Expiry Date pursuant to clause 14.1.3 of this Agreement.
- (f) Notwithstanding anything contained in this Agreement to the contrary, the Lessee may terminate this Agreement at any time and for any reason whatsoever upon prior six (6) months' written notice to the Lessor.
- (g) Notwithstanding anything contained in this Agreement to the contrary, this Agreement is subject to Lessee's ability to obtain (1) the Required Permits, and (2) an unfettered access to the public road system. The Lessee will use commercially reasonable good faith efforts to diligently pursue receipt of the Required Permits. Notwithstanding the nature of the delaying cause (including delays due to Force Majeure as defined under clause 15.1 of this Agreement), in the event that such Required Permits as are necessary to commence the Business have not been obtained during the Permit Period, then Lessee may elect, at its sole discretion, to terminate this Agreement upon written notice of 30 days to the Lessor, and the Parties will be released from further obligations to one another under this Agreement, except for those which accrued prior to the date of termination and which by law or the terms of this Agreement survive such termination.

#### 14.1.3 Termination for Breach

- (a) If the Lessee or Lessor fails to perform or observe any term or condition contained in this Agreement, either Party may give the defaulting Party a notice of not less than sixty (60) days describing the default and requiring the defaulting Party to remedy the default within the period of not less than sixty (60) days or more as shall be more particularly set out in the notice, reasonably taking into account the nature of the default.
- (b) If the defaulting Party fails to remedy any default being the subject of a notice served on the defaulting Party by the non-defaulting Party pursuant to this clause within the specified time or such other time as is agreed by the Parties, then upon the expiration of such period the non-defaulting Party may immediately terminate this Agreement on written notice to the defaulting Party.

- (c) Any termination of this agreement does not release or discharge the defaulting Party from liability for a breach of the terms and conditions of this Agreement and does not prejudice the non-defaulting Party's rights consequent upon such breach or default.
- (d) Any determination by the aggrieved Party under and by virtue of the provisions of this clause shall be without prejudice to the aggrieved Party's rights in respect of any antecedent breach on the part of the other Party and any indulgence given by the aggrieved Party to the other respecting any antecedent breach or waiver shall not apply in way prejudice the aggrieved Party's right under this clause.
- (e) No right or remedy conferred upon or reserved to the aggrieved Party in this Agreement is intended to be exclusive of any right or remedy granted to the aggrieved Party by statute or common law, and each and every such right and remedy will be cumulative, and in addition to any other right and remedy now or subsequently available to that Party at law or in equity.

**14.1.4 Consequences of Termination – General Termination**

- (a) Upon expiry or early termination of this Lease, the Lessor shall refund the Lessee any and all advance Rental payments in excess of rental liability accrued to the date of termination and comply with the requirement of clause 4.5 to clause 4.7 of this Agreement and thereafter the Lessee shall:
  - (i) surrender the Leased Premise...
  - (ii) pay to the Lessor, on demand, all past due rent and all outstanding amounts owed to the Lessor
- (b) If the Lessee abandons, vacates, or surrenders the Leased Premises, or is dispossessed by process of law, or otherwise, any personal Leased Premises belonging to Lessee left in or about the Leased Premises after six (6) months from effective termination date will, at the option of Lessor, be deemed abandoned and may be disposed of by Lessor at the expense and risk of Lessee.

**14.1.5 Consequence of Termination– Breach**

- (a) Upon termination of this Lease for breach, the Defaulting Party agrees to pay to the aggrieved Party other losses and damages suffered, in the event as a result of the Default.



- (b) Provided that the Lessor has complied with the requirements of clause 14.1.3, 4.5 and 4.7 of this Agreement of this Agreement, the re-entry or taking of possession of the Leased Premises shall:
- (i) not be construed as an election by Lessor to terminate this Agreement.
  - (ii) not relieve Lessee of its liabilities and obligations under this Agreement.

15. **FORCE MAJEURE TERMINATION**

- 15.1 Whenever the Leased Premises or any essential part thereof shall be destroyed or rendered unfit or unavailable for further tenancy through fire, vandalism, earthquake, flood, storm, war, civil disturbance, government action or other similar casualty or event beyond the Lessor's control this Lease shall, at the option of the Lessee, immediately terminate. In the case of partial destruction, damage, unfitness or incapacity, this Lease may be terminated in whole or in part at Lessee's option. Should the Lessee exercise this option, he shall provide written notice to the Lessor and no rent shall accrue to the Lessor after such termination, which shall be effective as of the date of the premises being rendered- unusable.
- 15.2 If this Lease is terminated the Lessor shall within forty-five (45) business days of termination refund all advance rental payments in excess of rental liability accrued as calculated by multiplying the rental rate per day times the number of days of Lessee's occupancy under the Lease from the beginning of the current quarter, or the commencement of the Term whichever date is later, to the date of termination.
- 15.3 Should the Lessee elect to remain in the Leased Premises rendered partially untenable, the Lessor shall be obligated to proceed with all reasonable diligence and expedition to restore or repair the premises to the condition in which they were immediately prior to such destruction or damage. It is agreed that if the said repairs are made, the materials used shall be at least equal to those that existed at the time of the said damage. In this event, the Lessee shall be entitled to a proportionate reduction of rent from the day of such partial destruction until the said restoration is completed.
- 15.4 In addition, the Term shall be automatically extended for such period of time as may be necessary to offset any period for which the rent has been suspended under the foregoing provisions.

16. **INSOLVENCY:**

- 16.1 Notwithstanding any other provisions, the Lessor hereby expressly and irrevocably undertakes to indemnify and keep the Lessee indemnified against any winding-up, striking-off, administration or receivership, or other insolvency step or liquidation of the Lessor.
- 16.2 In the event of any winding-up, striking-off, administration or receivership, or other insolvency step or liquidation of the Lessor, the Lessee shall have the right to acquire the Leased Premises subject to fulfilment of requirements of the laws of Tanzania.



17. CONFIDENTIALITY:

17.1 The information in this Agreement is confidential.

17.2 This Agreement contains certain trade confidences, proprietary, commercial, financial, and/or technical information not generally available to the public. It is considered privileged and proprietary to the owner of that information and is issued in confidence with the understanding that its contents are specifically exempted from disclosure and shall not be disclosed by the other Party(s), whether it be to Government, Municipal, State, local, foreign, private industry, or non-profit organizations, nor shall it be duplicated, used, or disclosed in whole or in part for any purpose, except to the extent provided in this Agreement. This restriction does not limit the right to use the information contained in the data if the information is obtained from any other source without restriction or by the requirement of law or by order of a court.

17.3 By signing this Agreement, the Parties undertake and agree to:

17.3.1 treat as strictly confidential the trade confidences, proprietary, commercial, and/or technical information, and/or the operations, business, and affairs of each other and/or subsidiary companies of the Parties;

17.3.2 to take all reasonable measures not to divulge any information relating thereto to any third party, the employees, representatives, or agents of either Party beyond the need of their work in relation to this Agreement; and

17.3.3 not to use any confidential information for any purpose except for the stated or defined purpose without the prior written consent of the disclosing party the consent which shall not be unreasonably withheld.

18. ASSIGNMENT:

18.1 The Lessee may at any time and from time to time assign its interest in the Leased Premises to any person or charge or assign by way of security this Agreement and/or the Leased Premises.

18.2 The Lessee shall inform the Lessor of any assignment or transfer of the whole or a part of its interest in the Leased Premises and may request from the Lessor an acknowledgment of such assignment or transfer.

18.3 If required by the Lessee, the Lessor undertakes to negotiate in good faith and enter into a direct agreement with any financial institution to which the Lessee may have charged or assigned by way of security its interest in the Agreement and/or the Leased Premises pursuant to clause 18.2 of this Agreement.

19. GENERAL:

19.1 This Agreement is the whole agreement between the Parties in regard to its subject matter.

19.2 No addition to or variation or consensual cancellation of this Agreement, including this clause, has effect unless in writing and signed by the Parties.

- 19.3 No indulgence by a Party to another Party, or failure strictly to enforce the terms of this Agreement, will be interpreted as a waiver or be capable of founding an estoppel.
- 19.4 The Parties undertake to do everything reasonable in their power necessary for or incidental to the effectiveness and performance of this Agreement.
- 19.5 Any illegal or unenforceable provision of this Agreement may be severed, and the remaining provisions of this Agreement continue in force.

**20. NOTICES:**

- 20.1 All notices to be given under this Agreement to any Party shall be made in writing and may be served:
- 20.1.1 by sending it by hand delivery (including registered courier) to the address and for the attention of the other Party as set out in the first page of this Agreement or to such other address as may be otherwise notified from time to time by the Party in accordance with the provisions of this clause, provided that (unless and until the Lessee notifies the Lessor otherwise), during the Term and all times that the Lessee has possession on the Leased Premises, the address for service on the Lessee shall be the address of the Leased Premises; and
- 20.1.2 for notices to the Lessee, a copy of such notice must also be given to their respective advocates at their respective addresses from time to time in order to validly serve such notice.
- 20.2 Any notice and/or any document relating to any action or legal proceedings so served by hand delivery (including registered courier) shall be deemed to have been received at the time of delivery, provided that the delivery has been acknowledged by or on behalf of the recipient or proof of delivery is otherwise provided by the registered courier delivering the notice.

**21. LAW AND DISPUTE RESOLUTION:**

- 21.1 This Agreement and any disputes or claims arising out of or in connection with its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the laws of the United Republic of Tanzania.
- 21.2 In the event of any dispute arising out of or in connection with this Agreement (including as to the interpretation, validity, termination, or enforceability of this Agreement) between the Parties (a Dispute), the Parties shall seek amicable settlement and agreement within 20 days from the date of the Dispute.
- 21.3 If the Parties fail to reach an amicable settlement and agreement in accordance with clause 21.2, the Dispute shall be settled by arbitration in accordance with and subject to the provisions of the Arbitration Act 2020 as amended from time to time and the Tanzania Institute of Arbitration Rules. The tribunal shall consist of three arbitrators. One arbitrator shall be appointed by the Lessor, one arbitrator shall be appointed by the Lessee, and the third arbitrator, who shall act as Chairman of the arbitral tribunal, shall be appointed by the 2 (two) arbitrators appointed by the Parties. Any arbitral award issued shall be final and binding, and judgment on



such award may be entered in any court having jurisdiction thereof. The language to be used in the arbitration shall be English. The place of arbitration shall be Dar es Salaam, Tanzania.

21.4 Notwithstanding any other provisions in this clause 21, any Party may seek preliminary injunctive relief or interim or conservatory measures from any court of competent jurisdiction pending the final decision or award of the arbitrator.

22. **COUNTERPARTS:**

22.1 This Agreement may be executed in counterparts, each of which will be an original and which together constitute the same agreement.



IN WITNESS this Agreement has been duly executed the day and year first hereinbefore written

THE LESSOR

Sealed with the common seal of

MILLENNIUM MASTER BUILDERS (T) LIMITED

in the presence of:

1: Name: John Barnabas Temba

Signature: 

Position: Director

Date: 05<sup>th</sup> December 2022

2. Name: Beatha Gabriel Laizer

Signature: 

Position: Director

Date: 05<sup>th</sup> December 2022.



THE LESSEE

Sealed with the common seal of

TANGA INTERNATIONAL ENERGY LIMITED

in the presence of

1. Name: Jean-Marie Lagier

Signature: 

Position: Director

Date: 05<sup>th</sup> December 2022

2. Name: THIERRY GENTHIALON

Signature: 

Position: Company Secretary

Date: 05<sup>th</sup> December 2022.

**Schedule I**

**The Leased Premises**

**Certificate of Right of Occupancy- Certified Copy**



THE UNITED REPUBLIC OF TANZANIA  
THE LAND ACT, 1999  
(NO. 4 OF 1999)  
CERTIFICATE OF OCCUPANCY  
(Under Section 29)

Title No. **66003/1978**  
L.D. No. 1281099  
L.D. No. TCC568379

The 27<sup>th</sup> day of December Two Thousand and Twenty Two

THIS IS TO CERTIFY that MILLENNIUM MASTERBUILDERS (T) LIMITED, a limited liability company incorporated in Tanzania under the Companies Act, 2002 of P.O. Box 71195 DAR ES SALAAM, hereinafter called "the Occupiers" has applied to a Right of Occupancy (hereinafter called "the Right") in and over the land described in the Schedule hereto (hereinafter called "the Land") for a term of Ninety Nine (99) years from the first day of July Two Thousand and Twenty Two according to the true merit and meaning of the Land Act and subject to the provisions thereof and to any regulations made thereunder and to any enactment in substitution thereof or amendment thereof and to the following special conditions:-

- The Occupiers having paid up to the thirtieth day of June, 2022; shall thereafter pay land rent of shillings Twenty Six Million Seven Hundred Seventy Five Thousand Only (K275,000/-) a year in advance on the first day of July in every year of the term without deduction PROVIDED that the rent may be revised by the Commissioner for Lands
- The Occupiers shall:-
  - Be responsible for the protection of all boundaries on the land throughout the term of the Right. Boundary beacons will have to be re-established at any time at the Occupier's expenses as assessed by the Director responsible for Surveys and Mapping.
  - Do everything necessary to preserve the environment and protect the soil and prevent soil erosion on the land and do all things which may be required by the authorities responsible for environment and to achieve such objective.
  - Erect on the land buildings in permanent materials designed for use in accordance with the conditions of the Right and which conform to the building line (if any) decided by the TANGA CITY COUNCIL (hereinafter called "the Authority").

Director on the Day of our Signing  
TANGA CITY  
Assistant, Survey and Mapping  
Commissioner for Lands

- Plant, maintain, protect and preserve or sow seeds not less than five trees on the land within thirty six months from the day of commencement of the Right. The occupier may plant fruit or wood trees depending on the climatic conditions of such land or as it may be directed by planning authority and shall ensure such trees are kept, maintained or replaced throughout the term of such Right of occupancy.
  - Submit to the Authority building plans within Six months from the date of commencement of the Right.
  - Begin building construction within six months after the approval of the building plans by the Authority.
  - Complete the building construction within Thirty Six months from the date of commencement of the Right.
3. E.M.R. The land shall be used for Special Industrial Purposes only, Use Group "N" Use class (I) as defined in Urban Planning (Use Groups and Use Classes) Regulations, 2018.
- The Occupier shall not assign the Right within three years of the date hereof without the prior approval of the Commissioner.
  - The Occupier shall further:-
    - make and maintain on the land throughout the term adequate arrangements for water supply, drainage and disposal of trade refuse and effluent to the satisfaction of the Authority;
    - make and keep all the buildings on the land in good and carry out such repairs as the Medical Officer of Health for the Authority may require for this purpose;
    - provide and maintain on the land such ablution facilities and take and maintain such hygienic measures as may be required by the said Medical Officer of Health;
    - Force the land with a good quality fencing, car parking spaces shall be provided as required by the Authority;
    - Loading and unloading facilities shall be provided within the boundaries of the land.
  - The Occupiers shall deliver to the Commissioner notification of disposition in prescribed form before or at the time the disposition is carried out together with the payment of all premia, taxes and dues prescribed in connection with that disposition.
  - The President may revoke the right for Good Cause and in Public Interest

**SCHEDULE**

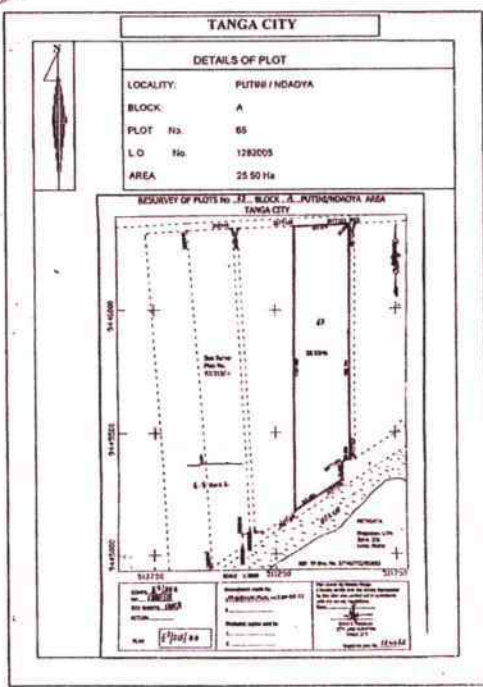
ALL that Land known as Plot No. 45 Block "A" situated at Pwani/Idaya Area in Tanga City Council containing twenty five decimal point five acres (25.50) Ha. shown for identification only edged red on the plan attached to this Certificate and defined on the registered Survey Plan Numbered 14444, deposited at the Office of the Director for Surveys and Mapping at Dar es Salaam.

Given under my hand and my official seal the day and year first above written.

ASSISTANT COMMISSIONER FOR LANDS

This, within named MILLENNIUM MASTERBUILDERS (T) hereby, accept the terms and conditions contained in the foregoing Certificate of Occupancy.

SEALED with the COMMON SEAL of the said MILLENNIUM MASTERBUILDERS (T) and DELIVERED in my presence of us this  
 This: 02 Day of SEPTEMBER, 2022  
 Witness's Name: JOHN BENAABU TUMBA  
 Signature: [Signature]  
 Postal Address: 71195 MR. EL SALAM  
 Qualification: DIRECTOR  
 Witness's Name: BENJAMIN LAHSE TUMBA  
 Signature: [Signature]  
 Postal Address: 71195 MR. EL SALAM  
 Qualification: DIRECTOR



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**Schedule II**

**PERMITTING AND LICENSING REQUIREMENTS**

| No. | Permit/License Registration   | Relevant Legislation  | Justification   | Issuing Authority   |
|-----|---|---|---|---|
| 1   | Building Permit   | Local Government (Urban Authorities) Act, Cap 288[R.E] 2019] & The Local Government (Urban Authorities Development Control) Regulation 2008 | The Local Government (Urban Authorities Development Control) Regulation 2008 prohibits the erection of any structure or building without a valid building permit issued by City Director.   | Tanga City Director   |
| 2   | Business License  | Business Licensing Act No. 25 of 1972   | The Business Licensing Act prohibits carrying out any business either as a principal or agent without having a valid business license unless issued in relation to that business: The business must be carried on at the place specified within the license. Where such business is carried out in any other place in addition to the principal place of business, a subsidiary business license must be obtained   | Business Registration and Licensing Agency (BRELA) under the Ministry of Industry, Trade and Investment |
| 3   | Petroleum Products (Retail) license   | Energy and Water Utilities Regularity Authority (EWURA) Act Cap 414 and the Petroleum Act 2008  | In terms of the Petroleum Act it's an offence to perform petroleum products supply operations without a valid license   | Energy and Water Utilities Regularity Authority (EWURA)   |
| 4   | Fire Safety Certificate   | The Fire and Rescue Services Act, 2007  | The Fire and Rescue Services Act, 2007, Fire and Rescue Services (Fire Certificate) Regulations, 2012 require any person being the owner or occupier of a building to ensure the same is inspected and issued with a fire and safety certificate.   | Ministry of Home Affairs – Office of the Commissioner General of Fire and Rescue Force                  |
| 5   | Certificate of Registration of a workplace and Certificate of Compliance            | The Occupational Health and Safety Act Cap 297 [R.E] 2019 "Occupational Act"  | Section 16(1) of the Occupational Act requires any person being the owner or occupier of workplace, to register such workplace before operations. The Occupational Act defines a "workplace" as "any premises or place where a person performs work in cause of his employment. Upon registration, the premises is subject to inspection on an annual basis and where the occupational health and safety requirements are met, the company is supposed to receive a compliance license upon payment of the prescribed compliance license fees | The Occupational Safety and Health Authority  |
| 6   | Environmental Impact Assessment (EIA) and Certificate of Registration of Compliance | Environmental Management Act, 2004 (the EMA)  | Section 81 of EMA read together with the Third Schedule to the EMA provides that any person who engages in storage of combustible or explosive fuels, is required to carry out an EIA at his own cost. The EIA must be conducted before the commencement of the undertaking, regardless of whether the proponent has in its possession or license for carrying out the undertaking.   | The Environmental Management Council  |