

LEASE AGREEMENT

This LEASE AGREEMENT ("Agreement") is made and entered into on this 1ST day of June, 2024, by and between:

Matondo Gold Processing Plant Limited, a company duly incorporated under the laws of Tanzania with its registered office at Plot No 1. Morani Street Matondo Area Chunya District, Mbeya, Tanzania (hereinafter referred to as the "Lessor"), which expression shall, where the context permits, include its successors and assigns.

AND

Morani Gold Mining Limited, a company duly incorporated under the laws of Tanzania with its registered office at Plot No 343 Oysterbay Dar es salaam Tanzania (hereinafter referred to as the "Lessee"), which expression shall, where the context permits, include its successors and assigns.

WHEREAS:

- The Lessor is the lawful owner of Plot No. 1, Morani Street, Chunya District, Mbeya, Tanzania, along with all machinery and equipment currently being used to operate the gold processing plant on-site (hereinafter referred to as the "Premises").
- The Lessee is desirous of leasing the Premises, including all machinery and equipment, from the Lessor for the purpose of operating the gold processing plant.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, the parties agree as follows:

1. LEASE OF PREMISES AND EQUIPMENT

The Lessor hereby leases to the Lessee, and the Lessee hereby takes on lease from the Lessor, the Premises, being Plot No. 1, Morani Street, Chunya District, Mbeya, Tanzania, together with all machinery and equipment currently being used to operate the gold processing plant on the Premises (hereinafter referred to as the "Leased Premises and Equipment").



2. TERM OF THE LEASE

The term of this Lease shall commence on the 1st day of June 2024 ("Commencement Date") and shall continue for a period of Five years, unless terminated earlier in accordance with the provisions of this Agreement.

3. RENT

The Lessee agrees to pay the Lessor rent for the Leased Premises and Equipment in the amount of Ten million Tanzanian Shillings per month, payable in advance on or before the first day of each calendar month.

4. SECURITY DEPOSIT

The Lessee shall pay a security deposit in the amount of Ten Million Tanzanian Shillings, which shall be held by the Lessor as security for the performance of the Lessee's obligations under this Lease. The security deposit shall be refunded to the Lessee, without interest, upon the expiration or termination of this Lease, provided the Lessee has fulfilled all its obligations under the Lease.

5. USE OF PREMISES

The Lessee shall use the Leased Premises and Equipment solely for the purpose of operating a gold processing plant. The Lessee agrees to comply with all applicable laws and regulations concerning the use and operation of the Premises and Equipment.

6. MAINTENANCE AND REPAIR

- The Lessee shall, at its own expense, maintain the Leased Premises and Equipment in good working condition and repair, except for normal wear and tear.
- The Lessor shall be responsible for any structural repairs to the Premises.
- Any major repairs or replacements of equipment that are necessary due to normal wear and tear shall be the responsibility of the Lessor.



7. INSURANCE

- The Lessee shall maintain insurance coverage for the Leased Premises and Equipment against fire, theft, and other risks customarily insured against for similar properties and operations.
- The Lessor shall maintain property insurance for the structural components of the Premises.

8. ALTERATIONS

The Lessee shall not make any alterations or additions to the Leased Premises or Equipment without the prior written consent of the Lessor. Any approved alterations shall be at the Lessee's expense.

9. SUBLETTING AND ASSIGNMENT

The Lessee shall not assign, transfer, or sublet the Leased Premises or Equipment, or any part thereof, without the prior written consent of the Lessor.

10. TERMINATION

This Lease may be terminated by either party in the event of the following:

- A material breach of this Agreement, provided that the breaching party fails to remedy the breach within thirty (30) days of receiving written notice from the non-breaching party.
- The Lessee's failure to pay rent within four days of the due date.
- The insolvency, liquidation, or bankruptcy of either party.

Upon termination, the Lessee shall vacate the Leased Premises and return all equipment in good working order, subject to normal wear and tear.

11. RETURN OF PREMISES AND EQUIPMENT

At the expiration or earlier termination of this Lease, the Lessee shall return the Premises and Equipment to the Lessor in the same condition as at the Commencement Date, subject to normal wear and tear.

12. GOVERNING LAW AND JURISDICTION

This Agreement shall be governed by and construed in accordance with the laws of the United Republic of Tanzania. Any disputes arising out of or in connection with this Agreement shall be subject to the exclusive jurisdiction of the courts of Tanzania.

13. ENTIRE AGREEMENT

This Agreement constitutes the entire understanding between the parties concerning the subject matter hereof and supersedes all prior agreements, negotiations, and understandings, whether written or oral, between the parties.

14. NOTICES

Any notice required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been sufficiently given when delivered personally or sent by registered mail to the addresses of the parties as set forth above.

IN WITNESS WHEREOF, the parties hereto have executed this Lease Agreement as of the day and year first written above.

Signed by the Lessor:

For and on behalf of Matondo Gold Processing Plant Limited

Name: KINJE MWIRU
Title: DIRECTOR HEWIRU
Date: 1/06/2024

Signed by the Lessee:

For and on behalf of **Morani Gold Mining Limited**

Name: THEDDY PATRICK
Title: DIRECTOR
Date: 01/06/2024

BEFORE ME
SIMON MAWALICA




