

LEASE AGREEMENT

BETWEEN

WORLD OIL (TANZANIA)LIMITED

AND

PANDA OIL COMPANY LIMITED



THIS AGREEMENT together with the appendices attached hereto are forming an integral part hereof is made between **WORLD OIL (T) LIMITED** a statutory body corporate of P. O. Box 75175, Kigamboni-Dar-es- Salaam Region in Tanzania (hereinafter referred to as '**the HOST**' which expression shall be deemed to include its successors and assignee) of the one part.

AND

PANDA OIL COMPANY LIMITED, a statutory corporate body with its registered office at Plot No. 33, Block D, Mikocheni 'A' Street, Mikocheni Ward at Dar es Salaam Region (hereinafter referred to as '**the GUEST**' which expression shall include its successors and permitted assignee) of the other part.

WHEREAS; The Host is the exclusive owner of the premises located at **DAR-ES-SALAAM REGION, VIJIBWENI WARD-KIGAMBONI DISTRICT, POSTAL CODE 17108, VIJIBWENI INDUSTRIAL AREA STREET, TIPPER ROAD, PLOT NO. 37, BLOCK NO. 36.**

WHEREAS; the Guest wishes to make use of the Host's facilities at the aforementioned location for the purposes of receiving, storing, handling and loading into road trucks (Throughput Hospitality) of Premium Motor Gasoline and Automotive Gas oil for both Local and Transit trade. The Host is willing to make available to the Guest and to charge the Guest for the use of their facilities for the purpose of Throughput Hospitality.

WHEREAS; In consideration of the Hospitality fee hereinafter reserved, settlement of all obligations imposed on Host for provision of these services, reimbursement of all third parties cost and of the covenants and agreements by the Guest hereinafter contained, the Host hereby **AGREES** to handle the said petroleum products on behalf of the Guest.

1. PLANNING FOR IMPORT NOMINATION

The Guest will be required to place in writing at least his fortnight requirement of products ullage at our Dar es Salaam terminal, in advance through the Import product nomination arrangements, specifying the volume of each product. The import nomination should be received in writing by the Host 7 days in advance of the arrival of the tank ship. The Guest will in writing confirm a one (1) month demand forecast to the Host for the import of planning purposes. This will enable the Host to plan the product receipt and avoid any product ullage problems. The Guest will submit in writing to the Host certificate of quality for the consignment intended to be stored in host's tanks within (7) working days before the delivery of the product.

The Host will respond in writing stating that whether the request has been accepted or not. The communication will specify products and quantities The Host is able to receive and store.

The Guest will ensure compliance with Customs and Excise Department of Tanzania Revenue Authority in respect of products owned by the Guest.

2. PRODUCT MEASUREMENT

All products delivered into Hosts tanks, whether by pump-over or by direct import by ship and or road, shall be accounted for in the following manner:-



- a) An independent Inspector will be requested to ascertain the quantities and grades received into tanks designated by HOST. The received amount shall be determined by the "before and after dip" of the product received into the tank in question, adjusted to (20) twenty degrees Centigrade. In case concerned government Authorities in Tanzania introduce any new mode for measuring the product, Host will abide to instructions accordingly. This amount shall be final and binding save of fraud or manifest error, all disputes relating to any receipt loss shall be resolved between Tanker ship/Road Tanker owner/independent Inspector and Guest only.
- b) When pump-over or direct imports are received in conjunction with receipts also destined for Host's own account, the received quantity will be that amount which appears on the appointed surveyor report save of fraud or pump-over instruction errors. This amount shall be final and binding and all disputes relating to any receipt loss shall be resolved between the appointed surveyor and Guest only.
- c) Tanzanian regulations require that the accounted volume shall be based on both meters and vehicle dipsticks dully calibrated by the Government Weights and Measure department, adjusted to (20) twenty degrees Centigrade. In case any changes in the current regulations will be introduced by the regulating authorities, Host will abide by the instructions accordingly.
- d) The stocks for the guest will be those as received in tank as certified by the nominated surveyor. The lifting of the Guest's product will be netted off the stocks held by the Host at Dar es Salaam and any other depot where the Host has storage facilities per terms and conditions as may be agreed between the parties. Positive balances will be carried forward to the following month. Negative balances will not be permitted, and should there not be sufficient stocks at Dar Es Salaam to recover the Guest's lifting, then those lifting will not be permitted unless the Guest requests for arrangements with the Host.

3. LIFTING PROGRAMME

- a) The Guest is required to give the Host an order for uplift one day in advance, the notice should include the registration numbers of the vehicles, name of the driver and the quantity required for each vehicle, number of vehicles to be loaded and the quantity required for each vehicle.
- b) All vehicles nominated by the Guest must meet the minimum standards as laid down by the Host and Government authorities, and will be subjected to a pre-loading inspection prior to every loading. Failure to comply with these minimum safety standards will result in the rejection of the vehicle in question.
- c) All loading to guest shall be restricted to normal working days (excluding public holidays).

Monday to Friday	08:00 am to 05:00 pm
Saturday	08:00 am to 01:00 pm

- d) To permit the Guest to collect or deal with the stored goods in any way that the Guest may deem fit, the Host shall release the stored goods to the Guest upon written demand by the latter duly endorsed by one of the two Guest's approved signatories (or their agent) whose sample signatures are reflected here below and signature may change from time to time but the guest will inform the Host in writing.

Ba Weli 巴伟力
(Name & Signature)

Liu Chuanwei 刘传威
(Name & Signature)

4. STOCK ACCOUNTING

- a) Host will prepare, maintain and deliver the stock records daily, and monthly product handling summary delivered to the Guest every month, indicating status of the physical stocks held in custody by Host for Guest's account. These records and summaries will be consolidated into a statement that will be finalized and supplied to the Guest by the end of the month.
- b) After agreeing the reconciliation by the parties, Host and Guest representatives will sign the document as evidence of agreement.
- c) For the purpose of accounting **STOCK** figures taken will be determined as follows: -

Prorated quantities as per Surveyor's report

Less: Standard Loss.....

Net Balance.....

The Net Balance arrived at, will serve as the opening balance of stocks.

5. LOSSES IN STORAGE /THROUGHPUT

Risk and Control - Risk and control of the product's quality passes from Guest to Host as soon as the products enter the depot and back to the Guest as domestic trucks leave the depot gates.

- a) The marine and pipeline losses, that are the difference between the Bill of Lading /Arrival quantity and the quantity received into Host's tanks, will be the responsibility of the Guest. The costs and losses associated with the SBM marine pipeline losses to KOJ Manifold and to the Kigamboni Manifold will be borne by the Guest. The Independent Surveyors will determine these losses.

- b) For the avoidance of doubt Host will only be responsible for any of the Guest's products losses whilst they are within the walls surrounding the Host compound. Host will not be responsible for any losses caused by the theft, fraud or negligence by the Guest or his agents wherever or whenever they occur.
- c) Any stock the Guest holds at World Oil Ltd's terminal will be subjected to main Standard Losses, each month, 0.5% for Premium Motor Gasoline and 0.3% for Automotive Gas oil.
- d) These rates will apply and charged on the total volume received in the depot tanks in any one month and adjusted to (20) twenty degree Centigrade as per surveyor report. These losses will be closely monitored and shall be adjusted in the stock account of the Guest, as reduction in stock.
- e) Parties understand that these losses will be closely monitored and may be subject to adjustment from time to time.

6. QUALITY OF PRODUCT

The quality of product to be laid down in the Host's location shall meet the minimum specifications as currently accepted by the industry in Tanzania. In order to ensure quality is maintained as discharged from the ship, Host shall provide segregated tank for the storage of Guest product. Any contamination of the Guest's product as a result of the Host discharging or supplying off-specification product into the segregated tanks, shall be deemed to be the fault of the Host, and all costs arising from such a contamination, including but not limited to the replacement of any Guest product so contaminated, shall be for the Host's account. Procedures for determination of quality will be as required by Tanzania Ministry of Energy and Minerals or any other recognized authority such as Energy and Water Utilities Regulatory Authority and Tanzania Bureau of Standards.

7. HEALTH, SAFETY AND ENVIRONMENT

The Guest plus any contractors operating on its behalf will be required to comply with all Host's site rules and regulations. Specifically, in this regard, no road tankers will be permitted access to Host loading facilities where the following are evident:

- Unsafe electrical wiring
- Fuel leaks
- Exhaust mounted in an unsafe position
- Inadequate / expired fire extinguishers

8. CHARGES - STORAGE/ HANDLING FEE

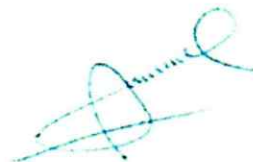
- a) The Host agrees that, Guest shall pay a storage/handling fee of US Dollars 6/M³ (USD FIVE PER METER CUBE) per month of the volume received at 20 (Twenty) degrees Centigrade.
- b) TUPER manifold fees, if applicable, will be on Guest's account. Quality monitoring and recertification fees will have to be borne by the Guest in case the receipt is for the Guest only. In case of many Receivers in Host's facilities, these fees will be prorated accordingly.
- c) Charges mentioned above will NOT apply if parcels are received under Financial Hold. For Financial Hold parcels, the industry standard Financial Hold rate of USD 8.00/M³ (US Dollars EIGHT PER CUBIC METER) will apply.
- d) Charges mentioned above are exclusive of any import taxes, duties and harbor dues. These charges will be the responsibility of the Guest.

9. PAYMENT

- a) Host shall raise invoice within 3 days after final out turn report for timely settlement of the same by the Guest. The Guest shall ensure that all payments due are paid in time.
- b) Both Storage Fee and Handling Fees will become due and payable 5 (Five days) from date of receiving the invoice or debit note.
- c) Late payments shall attract interest charges, currently levied at a rate of 1.5% per month.
- d) Storage, Handling and Deposit Fees shall be subject to a periodic review at intervals of not less than (12) months. Both the Guest and the Host shall have the right to call a meeting to discuss the Charges aforementioned.
- e) Should the two parties be unable to agree to any amendec Fee, then the Hospitality Agreement shall be deemed to have been terminated. The guest will then be required to remove any outstanding product remaining in the Host's tanks, as quickly as is practically possible, but in any event within a period not exceeding three months

10. DURATION

This hospitality arrangement shall run for a year from the date of its signature and shall be renewed on a mutually acceptable basis as agreed between the Host and the Guest. However, the Guest must ensure that at least one-month notice is given, should the Guest wishes either to extend the Agreement beyond the stated end of Agreement date, or to terminate the Agreement, prior to the stated end of Agreement date.



11. TERMINATION

- a) This Agreement may be terminated by either party upon 3 (three) months' written notice; or
- b) Termination of the Agreement may operate for reasons of breach of the obligations under this agreement, such as by bankruptcy, revenue recovery proceedings against and /or change of ownership.

12. ADMINISTRATION

To enable efficient stock planning and to reduce congestion on the loading facilities at the above mentioned Installation, the Guest is required to ensure that ample notice is given for planning lifting. The Host will bear no responsibilities for delays to loadings caused as a direct result of late information given by the Guest.

13. DOCUMENTATION

Current Industry standards shall apply for all documentation procedures. Orders will be submitted to the Host on official order Forms, in triplicate, and the Host requires a list of authorized signatories along with specimen signatures.

14. INSURANCE & LIABILITY

- a) It will be the responsibility of the Guest to ensure that the product, whilst in the Host's tanks, that the Guest will have arranged insurance of the products.
- b) The Host will ensure adequate insurance to Terminal premises.

15. INDEMNITY

- a) With respect of Hospitality for domestic distribution and Transit products, the Guest shall perform and observe all the covenant, conditions, stipulations, restrictions and provisions of the Agreement and shall indemnify the Host and its successors or assigns from and against all actions, proceeding, cost, expenses, damages, claims and demands in respect of or arising from any action or non performance by the Guest. If such actions or non performance constitute cause of a claim, demand, levy or execution against the Host by a third party, THEREAFTER, all expenses, cost and damages incurred by the Host by reason of any such action or non performance of obligation(s) shall be deemed to be expenses properly incurred by the Host in relation to performance of the Agreement and that the same shall be recoverable from the Guest within thirty (30) days from the date of written notice of reimbursement.
- b) In the event that the Guest is subject to similar claims, etc., stated above and which arise from the actions, non-performance or negligence of the Host, then any expenses (as specified above) may be similarly recoverable by the Guest from the Host.

16. APPLICABLE LAW

The construction, performance and interpretation of this Agreement shall be governed by the laws of the United Republic of Tanzania

All notices and communication to be given hereunder by either part to the other shall, unless otherwise specifically agreed, be given to party at its address as shown herein.

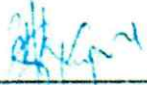
17. FORCE MAJEURE

Neither party shall be liable for damages nor otherwise for any failure or delay in performance of any obligation hereunder, other than obligation to make payment, where such failure or delay is caused by *force majeure*, being any event, occurrence, or circumstance reasonably beyond the control of that party. This shall include, but is not limited to failure or delays caused or resulting from Acts of God, strikes, fires, floods, embargoes, wars, civil disturbances, restrictions imposed by Governmental authorities. The Party affected by a force majeure event shall notify the other party as soon as it is practicable of the occurrences of the force majeure event and its effect on the party's ability to fulfill its obligations.

18. NOTICES

Any notice required to be given under this agreement and any notice or process required to be given or served on either party, unless specified otherwise, shall be deemed so given or served if sent by registered post or served in person at the parties respective registered offices seven days from the date of postage in case of registered post and same day in case of personal service.

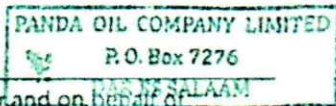
IN WITNESS WHEREOF, the parties hereto have duly executed these presents in the manner and on the days hereinafter appearing.


For and on behalf of
WORLD OIL (T) LIMITED


Witnessed by:

Name: MABRUCK CHANDE
Signature: 
DATE: 05/05/2025




For and on behalf of
PANDA OIL COMPANY LIMITED

Witnessed by:

Name: Ba Weili
Signature: 
DATE: 2025.5.08

Appendix

A. HOSPITALITY FEE

The guest shall pay the host a hospitality fee within the due dates as set out herein under.

Activity	Charges US\$/M ³
Hospitality fees for 30 days cycle US\$/M ³	6.0
Storage fees for Financial Hold Parcels	\$8.0/M3 for 30 days circle

(Note: VAT will be added on local product)

B. THIRD PARTY COSTS

The Guest shall pay the HOST all the prevailing third party handling charges upon presentation of invoices /debit notes and within the due date thereof, as per charges to be agreed upon by both parties.

C. DUTY

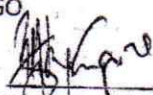
The Guest shall pay directly to the Government all prevailing Government duties, taxes, levies and other statutory taxes etc levied by a relevant authority.

D. STORAGE AND HANDLING LOSSES:

The storage and handling losses shall be borne by the guest each month at the rates tabulated hereunder:


PRODUCT % RATE OF THROUGHPUT

Premium petrol	0.5%
AGO	0.3%

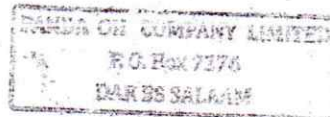

For and on behalf of
WORLD OIL (T) LIMITED

Witnessed by:

Name: MABRUCK CHABIR

Signature: 


DATE: 08/05/2025



For and on behalf of
PANDA OIL COMPANY LIMITED

Witnessed by:

Name: Ba Wasli

Signature: 

DATE: 2025.5.08