

THE COMPANIES ORDINANCE
(Cap. 212 of the Laws of Tanzania)

COMPANY LIMITED BY SHARES

Memorandum

and

Articles of Association

of

**MOUNT MERU PETROLEUM
LIMITED**

No. 34128

Incorporated this 10th day of June 1998

DRAWN BY:
D'SOUZA CHAMBERS
ADVOCATES
P.O.BOX 621,
ARUSHA.

Certified as True Copy of the Original
Florian Frances
Advocate, Notary Public & Commissioner
for Oath
Sign: *[Signature]*
Date: 24/02/025

THE COMPANIES ORDINANCE (CAP. 212)

COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

OF

MOUNT MERU PETROLEUM LIMITED

TANZANIA
120/2 PAID
06103953
STAMP DUTY S. 4
AN ORIGINAL RECEIPT No. 10/6/98
OF
STAMP DUTY OFFICER

TANZANIA
120/2
Stamp Duty S. 4
06103953
Paid 10/6/98
of
Receipt No. 9
Regist: Registrar of Companies

1. The name of the company is MOUNT MERU PETROLEUM LIMITED.
2. The registered office of the company will be situated in Tanzania.
3. The objects for which the company is established are:
 - a. To do business as importers, exporters, wholesalers, retailers, distributors for all types of petroleum products, lubricants and allied products through service stations, wholesale and retail outlets.
 - b. To engage in wholesale and retail trade for all types of goods and sundries, including building materials and general hardware.
 - c. To engage in the business of dealers in all types of motor spares and accessories, agricultural and industrial machinery and equipment, tools and allied products.
 - d. To engage in the business of repair, maintenance and hiring out of motor vehicles, tractors, agricultural and industrial machinery and equipment.
 - e. To carry on business of carriers, tour operators and transporters of every description and more.
 - f. To transact agency business of all kinds and to act as management agents, directors, management and marketing consultants.
 - g. To prospect for, process, buy, sell, distribute, import and export precious and semi-precious gems and metals.
 - h. To invest in and to hold, sell, deal with shares, stocks, bonds, debentures, debenture stock and securities of any government, state, company, corporation or other legal body or authority.
 - i. To promote, float, take part in the formation of, manage, supervise or control the business or operations of any enterprise or undertaking including but not restricted to financial, industrial, commercial, agricultural, forestry, fishery, mining, transport, tourism, housing, entertainment and hotel and lodge operations and to offer consultancy, technical, and managerial services to such undertakings and enterprises and to engage in such businesses in it's own name.

- j. To trade in commodities, merchandise, produce and allied goods of all types and quantities in the local and international markets.
- k. To procure, process, blend, pack, re-pack, distribute, import and export all types of minerals, natural resources, crops and horticultural produce.
- l. To establish, develop and run business centres, residential complexes, leisure and sports centres.
- m. To engage in mining, agriculture and utilization, procurement, processing, marketing, distribution and export of all types of mineral and natural resources and agricultural products.
- n. To involve in any other legal trade or business that may be carried on in Tanzania and which is capable of directly or indirectly benefiting the company.
- o. To acquire, build, maintain, alter, enlarge, pull down, remove or replace any buildings, mills, factories, offices, works, roads, railways, engines, walls, fences, banks, dams, sluices or watercourses; to clear sites for the same, and to join with any person, firm or company in doing any of the things aforesaid, and to work, manage and control the same or to join with others in so doing.
- p. To enter into any arrangements with any governments or authorities, supreme, municipal, local or otherwise, that may seem conducive to the company's objects or any of them, and to obtain from any such government or authority any contracts, rights, privileges or concessions which the company may think it desirable to obtain, and to carry out, exercise and comply with any such arrangements, contracts, rights, privileges and concessions.
- q. To adopt such means of making known the activities and products of the company as may seem expedient and in particular by advertising in the press, on radio or television, by circular, by purchase and exhibition of works of art or interest, by publication of books and periodicals and by granting prizes, rewards and donations.
- r. To acquire, carry on and undertake all or any part of the business, property and liabilities of any person or company carrying on business similar to that which this company is authorized to carry on, or possessed rights or property suitable for any of the purposes of this company, and to purchase, acquire, sell and deal with the shares and securities of any such person or company.





- s. To enter into partnership or into any arrangements for sharing profits, union of interests, co-operation, joint adventure, reciprocal concession or otherwise, with any person or company carrying on, or engaged in, or about to carry on or engage in any business or transaction which this company is authorized to carry on or engage, or any business or transaction capable of being conducted so as, directly or indirectly, to benefit this company; and to lend money to, guarantee the contracts of, or otherwise assist any such person or company and to take, purchase or otherwise acquire shares and securities of any company and to sell, hold, re-issue with or without guarantee, or otherwise deal with the same.
- t. To sell the property and undertaking of the company or any part thereof, for such consideration as the company may think fit, and in particular for shares, debentures or securities of any other company having objects of this company.
- u. To promote any other company for the purpose of acquiring all or any of the property and liabilities of this company, or for any other purpose which may seem directly or indirectly calculated to benefit this company, and to subsidize or otherwise assist any such company.
- v. To take or otherwise acquire and hold shares in any other company, having objects altogether or in part similar to those of this company, or carrying on any business capable of being conducted so as directly or indirectly to benefit this company.
- w. To amalgamate with any other company having objects altogether or in part similar to those of this company.
- x. To distribute any of the property of the company among the members in specie or in kind.
- y. Generally to purchase, take on lease or in exchange, hire or otherwise acquire any property, movable or immovable, or any interest therein and any rights or privileges which the company may think necessary or convenient for the purposes of its business, and in particular any land or buildings, and to pay for such properties, rights and privileges, either in cash or in stock or shares of this company, or partly in cash and partly in stock or shares or otherwise.
- z. To lend money to such persons and on such terms as may seem expedient, and in particular to customers and others having dealings with the company, and to guarantee the liabilities of and the performance of contracts by any persons whether customers and others having dealings with the company, or not.

- aa. To borrow or raise money in such manner as the company shall think fit, and in particular by the issue or debentures or debenture stock, perpetual or otherwise, either charged upon all or any of the company's property, both present and future, including its uncalled capital, or not so charged, or otherwise howsoever.
- bb. To pay out of the funds of the company all expenses of and incidental to its formation and registration and to remunerate any person or company either in cash or by the allotment of shares credited as fully or partly paid up, for services rendered in the formation of the company, or in placing or assisting to place any of the shares in the company's capital or in or about the promotion of the company or the conduct of its business.
- cc. To make, accept, endorse, execute and issue promissory notes, bills of exchange, debentures and other negotiable or transferable instruments.
- dd. To purchase or otherwise acquire any patents, brevets d' invention, licenses, concessions and the like, conferring any exclusive or non-exclusive or limited rights to use any invention which may seem capable of being used for any purpose of the company, or the acquisition of which may seem calculated, directly or indirectly, to benefit this company, and to use, exercise, and develop, or grant licenses in respect of, or otherwise turn to account, the property and rights so acquired.
- ee. To sell, improve, manage, develop, lease, mortgage or dispose of the whole or any portion of the property and rights of the company.
- ff. To invest the moneys of the company not immediately required in any manner.
- gg. To establish and support or aid in the establishment and support of associations, institutions, funds, trusts and conveniences calculated to benefit, and to grant pensions and allowances to Directors and ex-Directors and any persons who are or have been at any time employed by or in the service of the company or of any subsidiary, allied or associated company or of the predecessors in business of any such company or the dependants or connection of such persons and to make payments towards insurance for the purposes aforesaid.

4. The liability of the company is limited.

5. The nominal capital of the company is Shillings twenty million only (Shs. 20,000,000/-) divided into 100 ordinary shares of Shillings two hundred thousand (Shs. 200,000/-) each, with power for the company to increase or reduce the said nominal capital and to alter the nominal value of the shares and to convert the shares into stock and to issue any part or parts of such original or increased capital either at par or at a premium and with such preferential, deferred, qualified or special rights, privileges or conditions as the company may determine.

WE, the several persons whose names, addresses and description are subscribed below are desirous of being formed into a company in pursuance of this Memorandum of Association and we respectively agree to take the number of shares in the capital of the company set out opposite our respective names.

Name, Addresses and Description of Subscribers	Number of shares taken by each subscriber	Signature of subscriber
Mr. Tarsem Chand Aggarwal P.O. Box 7094 Arusha Businessman	one	
Mrs. Kantadevi Mittal P.O. Box 7094 Arusha Businesswoman	one	
Mr. Arvind Kumar Mittal P.O. Box 7094 Arusha Businessman	one	
Mr. Atul Kumar Mittal P.O. Box 7094 Arusha Businessman	one	

Dated this 25th day of May 1998

WITNESS to the above signatures:

D'Souza Chambers,
Advocates,
P.O. Box 621,
ARUSHA,
TANZANIA.




THE COMPANIES ORDINANCE (CAP. 212)

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

MOUNT MERU PETROLEUM LIMITED

PRELIMINARY

1. The Regulations contained in the Table "A" in the First Schedule to the Companies Ordinance (Cap. 212) (such Table being hereinafter called "Table A"), shall apply to the Company save in so far as they are excluded or varied hereby, that is to say, the Clauses of Table "A" numbered, 11, 28, 64, 69, 70, 72, 78, 92, and 102 shall not apply to this Company but, in lieu thereof, and in addition to the remaining Clauses of Table "A", the following shall be the regulations of the Company.

PRIVATE COMPANY

2. The Company shall be a private company and accordingly the following provisions shall have effect:
 - A. The Company shall not offer any of its shares or debentures to the public for subscription.
 - B. The number of the members of the Company (exclusive of persons who are in the employment of the company and of persons who, having been formerly in the employment of the Company, were, while in such employment and have continued after the determination of such employment to be members of the Company) shall not at any time exceed fifty.
 - C. The transfer of shares in the Company shall be restricted in the manner hereinafter provided.
3. The company shall be entitled to treat the persons whose name appears upon the Register in respect of any shares as the absolute owner thereof and shall not be under any obligation to recognize any trust or equitable claim to or partial interest in such share whether or not it shall have express or other notice thereof.

TANZANIA
 STAMP DUTY PAID
 STAMP DUTY No. 00003953
 ON ORIGINAL RECEIPT No. 10/6/98
 OF
 STAMP DUTY OFFICER

TANZANIA
 Stamp Duty No. 00003953
 of 10/6/98
 Receipt No. 9

Asst. Registrar of Companies

Certified as True Copy of the Original
 Florian Frances
 Advocate, Notary Public & Commissioner
 for Oaths
 Sign: [Signature]
 Date: 26/02/025

Certified as True Copy of the Original
 Florian Frances
 Advocate, Notary Public & Commissioner
 for Oaths
 Sign: [Signature]
 Date: [Date]

4. The company may pay a commission to any person in consideration of his subscribing or agreeing to subscribe whether absolutely or conditionally, for any shares in the Company rate not exceeding one percent of the nominal amount of shares subscribed, or the subscription whereof is procured or agreed to be procured.

SHARES

5. The shares shall be under the control of the Directors, who may allot and dispose of or grant options over the same to such persons on such terms and in such manner as they think fit. Shares may be issued at par or at a premium and the Directors at any time in their absolute discretion refuse to register any transfer of shares. Clause 19 of table 'A' shall be modified accordingly.
6. Any member or other person (hereinafter called the holder) desiring to dispose of any shares shall intimate to the Secretary the number of such shares and the price at which he is willing to sell the same, and the Secretary shall then inform all the other members of the proposed sale and offer the said shares to the other members at the price named. Any member desiring to purchase shall notify the Secretary in writing, within one month from the date of such offer, of the number of shares which he is willing to purchase and, at the expiration of the said period, the Secretary shall give notice to the holder of the number of shares which members of the company are willing to purchase and shall allocate those shares to or amongst the member or members who shall have expressed his or their willingness to purchase as aforesaid and, if more than one, as far as may pro rata according to the number of shares held by them respectively provided that no member shall be obliged to take more than the number of shares notified by him as aforesaid. Upon such allocation being made the holder shall be bound, on payment of the price to transfer the shares to the purchaser or purchasers, and if he shall make default in so doing, the Secretary may receive and give a good discharge for the purchase money on behalf of the holder and may enter the name of the purchaser in the register of members as holders by transfer of the shares purchased by him. Where the vendor and of any shares are unable to agree on the purchase price for the shares being sold the same shall be fixed by three arbitrators, one chosen by the vendor, one by the purchaser and the third by the first two arbitrators. No shareholder may sell his shares to any person not already a shareholder in the company without the consent in writing of the Board of Directors.

12. A Register of the holders of the debentures of the company shall be kept at the Registered Office of the company and shall be open to the inspection of the registered holders of such debentures and of any member of the company, subject to such restrictions as the company in general meeting may from time to time impose. The Directors may close such Register for such period or periods as they may think fit, not exceeding in the aggregate thirty days in each year.

MEETINGS

13. The quorum for the transaction of business at any General Meetings shall be two third of the members personally present or represented by proxy, and Clause 45 of Table "A" shall be modified accordingly.

VOTES OF MEMBERS

14. On a show of hands or on a poll every member entitled to a vote shall have one vote for each share of which he is a holder.

DIRECTORS

15. (a) The number of Directors shall be not less than two and not more than ten.
- (b) The first directors shall be:
- i. Mr. Tarsem Chand Aggarwal
 - ii. Mrs. Kantadevi Mittal
 - iii. Mr. Arvind Kumar Mittal
 - iv. Mr. Atul Kumar Mittal
16. A Director shall not require any share qualification.
17. The quorum of Directors for transacting business shall unless otherwise fixed by the Directors, be two.
18. A memorandum in writing signed by all the Directors for the time being and pasted in or attached to the Minute Book shall be as effective for all purposes as a resolution of the Directors passed at a meeting duly convened, held and constituted.
19. A Director may, in addition to his directorship, be employed by and may hold any office or place of profit or otherwise under the company (except that of Auditor) upon such terms as to remuneration and otherwise as the Directors may arrange. A Director of the company may also accept office as a Director of any company promoted by the company or in which the company is interested, and may subscribe or otherwise acquire shares in such company and shall not be accountable for any benefits received by him as a Director or member of such company. A Director may act by himself or his firm in a professional capacity for the company and he or his firm shall be entitled to remuneration for his service as if he were not a Director.

CALLS ON SHARES

7. The Directors may make a call or calls upon the members in respect of any money unpaid on their shares and each member shall subject to receiving at least fourteen days notice specifying the time or times of payment, pay to the Company at the time or times so specified the amount called on his shares.
A call may be made by instalments.

FORFEITURE OF SHARES

8. When any shares have been forfeited any entry shall forthwith be made in the Register of Members of the company recording the forfeiture and the date thereof and as soon as the shares so forfeited have been sold or otherwise disposed of an entry shall also be made of the manner and date of the sale or disposal thereof.
9. This lien conferred by Clause 7 of Table "A" shall attach to fully paid up shares and to all shares registered in the name of an person indebted or under liability to the Company, whether he shall be the sole registered holder thereof or one of several joint holders.
10. Any entry in the Minute Book of the Company of the forfeiture of any shares or that any shares have been sold to satisfy a lien of the Company shall be sufficient evidence as against all persons claiming to be entitled to such shares that the said shares were properly forfeited or sold; and such entry and the receipt of the Company for the price of such shares shall constitute a good title to such shares and the name of the purchaser shall be entered in the Register as a member of the Company and he shall not be bound to see to the application of the purchase money, nor shall his title to the said shares be affected by irregularity or invalidity in the proceedings in reference to the forfeiture or sale. The remedy, if any, of the former holder of such shares and of any person claiming under or through him shall be against the Company and in damages only.

BORROWING POWERS

11. The Directors may raise or borrow for the purpose of the Company's business such sums of money as they think fit and may secure the repayment of or raise any such sum or sums as aforesaid by mortgage or charge upon the whole or any part of the property and assets of the company, present and future, including its uncalled or unissued capital, or by the issue at such price as they think fit of bonds or debentures, either charged upon the whole or any part of the property and assets of the company, present and future, including its uncalled or unissued capital, or not so charged, or in such other way as the Directors may think expedient.

20. A Director or intending Director shall not be disqualified by his office from entering into a contract or agreement with the company, either as vendor, purchaser, manager, agent, broker or otherwise and no such contract or arrangement or any contract or arrangement entered into by or on behalf of the company with any person, firm or company in which any Director shall be in any way interested, shall be avoided, nor shall any Director holding such office or so contracting or being so interested be liable to account to the company for any profit realised by any such contract or arrangement by reason of such Director holding the office of Director or of the fiduciary relation thereby established. Any Director so contracting or being so interest as aforesaid shall disclose at the Board Meeting at which the contracting or arrangement is determined upon the nature of his interest as aforesaid and if he does so his vote shall not be counted, but this prohibition shall not apply to any contract by or on behalf of the company to give to the Directors or any of them any security by way of indemnity or security for advances or to a settlement or set off cross-claims, and it may at any time be suspended or relaxed by a General Meeting and shall be so suspended and relaxed as long and during any period in which the number of Directors does not exceed two. A general notice that a Director is a member of any specified firm or company and is to be regarded as interested in any transaction with such firm or company, shall be sufficient disclosure under this clause, and after such general notice it shall not be necessary to give any special notice relating to any particular transaction with such firm or company as aforesaid.

ALTERNATIVE DIRECTORS

21. Each Director may nominate a person who shall be unanimously approved of by the other Directors, to act as Alternate Director in his place during his absence or inability to act as such Director. Alternate Director shall not require any share qualification but shall be subject in all other respects to the terms and conditions existing with reference to the Directors of the company, and such Alternate Director, when acting shall exercise and discharge all the duties and functions of the Director whom he shall represent and in the case of an Alternate Director being unable to act during the absence or inability to act of the Director whom he represents he may, with the like approval, appoint another person to act in his place.

DISQUALIFICATION OF DIRECTORS

22. The office of Directors shall be vacated:
- A. If he becomes bankrupt or insolvent or compounds with his creditors.
 - B. If he becomes prohibited from being a Director by order made under section 213 of the Ordinance.
 - C. If he becomes of unsound mind or be found lunatic.
 - D. If he gives the Secretary notice in writing that he resigns his office.
 - E. If the company by extraordinary resolution resolves to determine his appointment as Director.

But any act done in good faith by a Director whose office is vacated as aforesaid shall be valid unless, prior to the doing of such act, written notice shall have been served upon the Directors or any an entry shall have been made in the Directors' Minute Book stating that such Director has ceased to be a Director of the company.

MANAGING DIRECTOR

22. The Directors may from time to time entrust and confer upon the Managing Director or Manager all or any of the powers of the Directors (excepting the power to make calls, forfeit shares or issue debentures) that they may think fit but the exercise of all powers by the Managing Director or Manager shall be subject to such regulations and restrictions as the Directors may from time to time be withdrawn, revoked or varied.

CAPITALISATION OF RESERVES

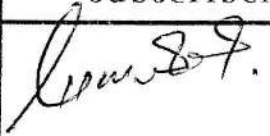

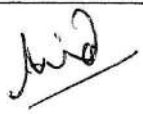
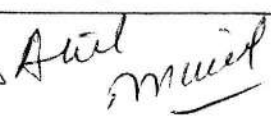
23. Any General Meeting may resolve that any money, investments, or other assets forming part of the undivided profits of the company standing to the credit of the reserve fund, or any capital redemption reserve fund, or in the hands of the company and available for distribution be capitalised and distributed amongst such of the shareholders as would be entitled to receive the same if distributed by way of dividend and in the same proportions on the footing that they become entitled thereto as capital and that all or any part of such capitalised fund be applied on behalf of such shareholders in paying up in full either at par or at such premium as the resolution may provide, any unissued shares or debentures or debenture stock of the company which shall be distributed accordingly or in or towards payment of the uncalled liability on any issued shares or debentures or debenture stock, and that such distribution or payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalised sum.

WINDING UP

24. With the sanction of an Extraordinary Resolution of the members any part of the assets of the company, including any shares in or securities of other companies, may be divided among the members of the company in specie, or may be invested in trustee for the benefit of such members, and the liquidation of the company for the benefit of such members, and the liquidation of the company may be closed and the company dissolved, but so that no member shall be compelled to accept any shares whereon there is any liability.

INDEMNITY

25. Subject to the requirements of Section 153 of the Companies Ordinance, Cap. 212 of the Laws of Tanganyika, every Director or other officer of the company shall be entitled to be indemnified out of the assets of the company against all losses or liabilities which he may sustain or incur in or about the execution of his duty, and no Director or any other officer shall be liable for any loss which may be incurred by the company in the execution of his office or in relation thereto.

Name, Addresses and Description of Subscribers	Number of shares taken by each subscriber	Signature of subscriber
Mr. Tarsem Chand Aggarwal P.O. Box 7094 Arusha Businessman	one	
Mrs. Kantadevi Mittal P.O. Box 7094 Arusha Businesswoman	one	* 
Mr. Arvind Kumar Mittal P.O. Box 7094 Arusha Businessman	one	
Mr. Atul Kumar Mittal P.O. Box 7094 Arusha Businessman	one	

Dated this 25th day of May 1998

WITNESS to the above signatures:

D'Souza Chambers,
Advocates,
P.O. Box 621,
ARUSHA,
TANZANIA.

