

AGRICULTURAL FARMING JOINT VENTURE CONTRACT

BY AND BETWEEN

KENEDY MUSHANYURI I.D.# 27-086819-T-27

THE LANDHOLDER

(hereinafter called the "LH")

and

Letsgrow (Pvt) Ltd - A Private Company with Limited Liability incorporated in accordance with the Laws of Zimbabwe represented herein by Marius Grove I.D. # 58-192595-V-00, he being duly authorized thereto by a resolution of the Directors Dated 12 August 2015

THE JOINT VENTURE PARTNER

(hereinafter called the "JVP")

PREAMBLE

WHEREAS the Landholder has the right in terms of Government's Land Reform and Resettlement Program (Model A2) to occupy and use a certain piece of land in the District of Chegutu in Mashonaland West Province described as 'REMAINING EXTENT OF BALCLUTHA OF GOODHOPE' (BALCLUTHA FARM), measuring approximately 400 ha in extent together with all improvements thereon as particularised in a copy of the offer letter in the Landholder's name a copy of which annexed as Annexure 1 for the purpose of conducting farming operations; Offer Letter # LLRR704 of 11 September 2008.

AND WHEREAS pursuant to Government's goal to maximise productivity on the Land and to ensure food self-sufficiency the Landholder and the Joint Venture Partner with reference to pronounced Government Policy on such ventures hereby enter into and conclude an Agreement for the purpose of maximization of arable land for the mutual benefit of the Parties;

AND WHEREAS the Land Holder and Joint Venture Partner wishes to renew their current agreement that was signed on 15th September 2016 and approved by then Minister of Lands and Rural Resettlement, Honourable Dr D.T. Mombeshora (MP) which is now due for renewal.
ANNEXURE 2

AND WHEREAS the Landholder wishes to enter into an Agreement in respect of a certain part of the "FARM" comprising 3 fields totalling about 140 hectares and which is more properly delineated on the plan attached as ANNEXURE 3 to this Agreement (the "FARM");

AND WHEREAS as the Parties wish to reduce this Agreement in writing for the record and reference purposes.

KM
①

MF
Rug

WITNESS

1. AGREEMENT

The "LH" has entered into an exclusive agreement with the "JVP" who will exclusively provide expertise and extension services for the production and cultivation of various crops on "The Farm." The Land Holder agrees NOT to enter into a JV on any portion of the leased land with any other party for the duration of this agreement.

The LH has the right to farm the area excluded from this JV on their own accord.

2. DURATION

This Agreement is for 5 (five) years

The Agreement will be subject to renegotiation at least six months before the end of the agreement season with an option for the "JVP" to renew for a further five years.

3. JOINT VENTURE

Throughout the term of this contract, the "JVP", working in agreement with the "LH" shall undertake the following services:

3.1 the assumption, management and provision on a continuous basis of all normal farming operations;

3.2 the direction supervision and control of all matters connected with farming crops thereupon;

3.3 the procuring and making available of financial arrangements for farming operations and the repayment of any loans raised;

3.4 the management of all finances relating to farming operations on the farm.

3.5 the management of all labour relating to the farming operations with the assistance of the LH as necessary;

3.6 the provisions, maintenance and repair of machinery and equipment necessary to conduct farming operations;

3.7 the marketing of the crops grown and the collection of monies there from;

3.8 such other services as shall be reasonably necessary to ensure that operations upon "The Farm" are carried out efficiently.

3.9 Any reference to 'JVP' in this agreement shall include any approved manager contracted by the JVP to implement and facilitate compliance with this agreement to the extent that such manager is permitted to undertake the agricultural activities envisaged pursuant to this agreement.

4. OBLIGATIONS, UNDERTAKINGS AND CONDITIONS The Parties agree that:

4.1.1 all moveable equipment brought onto "The Farm" by the "JVP" is owned by the "JVP" and shall remain the sole property of the "JVP", and shall be removed from "The Farm" at the termination of the contract, for whatsoever reason. This includes moveable equipment such as centre pivots, pumps, dryers, tractors and equipment

4.1.2 all immovable property such as underground pipelines, electric cables, fences, shall remain the property of the "LH" and the "JVP" shall not be subject to compensation at the termination or cancellation of the Agreement.

4.2 all moveable equipment on "The Farm" belonging to the "LH" shall remain the sole property of the "LH". All moveable equipment owned by the "LH" to which the JVP is to use is shown at ANNEXURE 4;

4.3 the "LH" will have the offer of first refusal to purchase any moveable equipment brought to "The Farm" at the termination of the contract provided a price is agreed between the "LH" and the "JVP";

4.4 The "JVP" will work towards empowering the "LH" or his/her management representative with the necessary skills, during the currency of the Agreement, so that at the end of the agreement The "LH" will be able to stand on his own and continue to grow crops at the same level or even higher;

4.5 The "LH" acknowledges and accepts that the "JVP" shall have unfettered discretion to erect and establish irrigation equipment's and accessories including- but without limitation – centre pivots, water pumps, electric motors, irrigation pipes, tobacco curing facilities and the like as well as the right to introduce and store farm materials and other equipment on the property including tractors, disc harrows, combine harvesters, rippers, trailers and other kinds of materials to generally facilitate and promote the farming endeavours on the farm;

4.6 The "JVP" shall observe and comply with all relevant water rights pertaining to the farm and in that regard he shall pay all required water rates and fees to the relevant water catchment authority for the use of such water;

4.7 The "LH" on commencement of this agreement is to ensure all outstanding balances owed to: any employees (including entitlements to retrenchment packages; leave, notice periods and severance packages); ZINWA; ZETDC and any other persons or authorities in respect of the "Farm" are settled by the "LH" (the "Debts"). However, should there be any "Debts" which have not been settled, or any losses, liabilities or expenses deriving therefrom, the "JVP" may, at its sole discretion, offset immediately and without further reference or notice to the "LH" against the immediately succeeding instalment of the Gross Profit Share payable in terms of this Agreement and all other succeeding instalments of the Gross Profit Share until the "Debt" has been extinguished;

4.8 The "JVP" will not be responsible for any outstanding debits that might be held against "The Farm" and/or the "LH" as far as they relate to the "Farm" only;

4.9 The "JVP" shall be responsible for the payment of electricity consumed in regard to the Joint Venture operations on the "Farm" and shall remain responsible for the readings of all the electricity meters and power supply points for the project;

4.10 Pursuant to any necessary applications for electricity supply, the establishment of alternative power points on the "Farm", or any other services for the purpose of the joint venture, the "LH" agrees to fully cooperate and use his best endeavours to facilitate these applications to the appropriate authority upon request of the "JVP";

4.11 The "LH" acknowledges and accepts that the "JVP" shall be entitled to full and exclusive use and access to all established workshop facilities, tobacco curing facilities, storage sheds, water and living quarters on the "Farm";

4.12 The "LH" acknowledges and accepts that the "JVP" shall have unfettered access to reside on the "Farm";

4.13 The Joint Venture shall operate without interference on the agreed hectareage. The "JVP" shall have uninterrupted usage and unfettered access to the Farm;

4.14 In the event that the Agreement is not renewed in accordance with clause 2.2 of this Agreement, or it is terminated for whatever reason, then all costs associated with the growing of any crops on the farm up to the date of termination of the Agreement incurred will be deducted from The "LH's" "Gross Profit Share" from the Joint Venture where this falls due. Such Costs shall include, but not be limited to: liming, ploughing, fumigation, fertilizers, seed, and chemicals and associated labour costs, all costs of land preparation, irrigation and seedbeds (the "Costs"). Where a "Gross Profit Share" does not fall due then the "JVP" shall either elect to continue to farm the crops until they are harvested, in which case, a "Gross Profit Share" will fall due or request that "LH" pay the "Costs" up to and including the date of termination of the Agreement.

4.15 The Landholder is fully responsible for his own tax affairs (ZIMRA). Both parties shall be tax compliant with respect to the laws of Zimbabwe.

5. FINANCIAL PROVISIONS / GROSS PROFIT SHARE

5.1 The "LH" at the end of each cropping season shall be paid a Gross Profit Share of NINE percent (9%) of the fixed average yield for the crops grown. This would guarantee the "LH" return on land planted under the Joint Venture agreement, negating any potential loses should the desired yields not be achieved.

Maize 6.0 t/ha, Soya Beans 2 t/ha, Sorghum 3.0 t/ha, Sugar Beans 1.5 t/ha, Wheat/Barley 5.5 t/ha Potatoes 25 t/ha Paprika 3.0 t/ha, Sugar Beans 1.5 t/ha, Seed Maize Based on the SeedCo Production Budget Yield and Price.

(i.e. 9 % of Price, determined from the sales receipt or average market price, at the above specified yields per hectare of area planted/harvested is to be paid to the "LH".)

5.2 The Gross Profit Share for all and any other Crops which are grown on the "Farm" shall be agreed between the Parties in advance and be reduced to writing and be incorporated into the main agreement as an addendum and so for all other variations thereof.

5.3 All payments pertaining to the "Gross Profit Share" shall be paid into the account of:

Account Name: KENEDY MUSHANYURI

Bank and Branch: CBZ AVONDALE

Account Number: 030 226 886 500 12

5.4 The "LH" shall be liable for any statutory deductions, which fall due on the "Gross Profit Share" which he receives. Further, that the LH indemnifies the "JVP" against any liability in this regard.

5.5 Payment shall be effected no later than thirty (30) days from the date upon which the final sale is effected from the farm except in the case of Seed Maize which will be effected upon receipt of payments for the crop from the Seed House. Traditionally this has been around September to October.

5.6 This Agreement shall not be terminated by the "LH" at any time before crops under the management of the "JVP" have been harvested and/or prior to the "JVP" having been paid in full for the crop.

6. DISPUTE RESOLUTION

Any dispute between parties hereto in regard to:

6.1 the interpretation of; or

6.1.1 the effect of; or

6.1.2 the implementation of; or

6.1.3 the existence, validity of termination of; or

6.1.4 any other matter arising directly or indirectly out of this Agreement shall be discussed between The "LH" and the "JVP" with a view to resolution. If the said parties are able to reach agreement on the resolution of the dispute, then such resolution shall be final and binding on the parties and shall be carried into effect by them.

1.5 If the matter cannot be amicably resolved within 72 hours of the notification of the dispute the dispute shall be referred forthwith for adjudication by a single arbitrator who shall:-

If the question is primarily an accounting matter, an independent chartered accountant of not less than ten (10) years standing; or

If the question is primarily a legal matter, a practicing legal practitioner of not less than ten (10) years standing; or

Any other matter, a suitably qualified person

6.2 Should the said parties be unable to reach an agreement as aforesaid within fourteen (14) days after its referral to them, the dispute shall be referred to and finally resolved by arbitration with the following provisions:-

6.2.1 the arbitrator shall be chosen by the parties. In the event that the parties are unable to agree on the appointment of the arbitrator, the appointment shall be made by the Commercial Arbitration Centre in Harare on the written request of either of the parties;

6.2.2 notwithstanding that the place of arbitration shall be Harare, the parties may agree, or failing such agreement, the arbitrator may direct, that any hearing/s or proceeding/s be held elsewhere;

6.2.3 the language to be used in the arbitration proceedings shall be English;

6.2.4 any arbitration in terms of this Clause 6 shall be administered by the Commercial Arbitration Centre in Harare. The administrative procedures and schedule of costs of the Commercial Arbitration Centre in Harare in force at the time of the commencement of the arbitration shall be applicable;

6.2.5 the parties hereby irrevocably agree that the decision of the arbitrator in any such arbitration shall be final and binding and shall be carried into effect by them.

6.2.6 UNREASONABLE TERMINATION – if the agreement is to be unreasonably terminated by either party, the party terminating shall be obligated and required to compensate the non-terminating party, the total contract value plus 15% of the contract value, as punitive damages at a rate calculated using the remaining years on the contract at the time of unreasonable termination. The test for unreasonableness will be objective.

7. DOMICILLIA CITANDI ET EXECUTANDI

7.1 The parties choose as their domicilia citandi et executandi for all purposes under this agreement, whether in respect of Court process, notices or other documents or communications of whatsoever nature the following addresses:

The Landholder: Chooses his address at: BALCLUTHA FARM, CHEGUTU

Email: kenijames1967@gmail.com

Cell: 0774 529 965

The Joint Venture Partner: Chooses his address at ... 56 SUNRIVER BORROWDALE BROOKE HARARE

Email: letsgrow@zol.co.zw

Cell: 0773 515 205

7.2 Any notice or communication required or permitted to be given in terms of this Agreement shall be valid and effective;

7.3 Any notice to the party which is:

7.3.1 delivered by hand to a responsible person during ordinary business hours at its domicilium citandi et executandi shall be deemed to have been received on the day of delivery; or

7.4 Notwithstanding anything of the contrary herein contained, a written notice or communication proved to have been received by a party shall be an adequate written notice or communication to it notwithstanding that it was not sent to or delivered at its chosen domicilium citandi et executandi.

8. GENERAL

The "LH" and the "JVP" acknowledge and agree that:-

8.1 This agreement constitutes the entire contract between them relating to the subject matter hereof and that no provisions, terms, conditions, stipulations, warranties or representations of whatsoever nature, whether express or implied, have been made by either of the parties or on their behalf except as may be recorded herein;

8.2 no alteration, variation, amendment or purported consensual cancellation of this Agreement or any deletion there from shall be of any force or effect unless reduced to writing and signed by or on behalf of the parties hereto;

8.3 no relaxation, extension of time, latitude or indulgence which either party ("the Grantor") may show, grant or allow to the other ("the Grantee") shall in any way constitute a waiver by the Grantor of any of the Grantor's rights in terms of this Agreement and the Grantor shall not hereby be prejudiced or stopped from exercising any of its rights against the Grantee which may have then already arisen or which may arise thereafter;

8.4 both parties have undertaken to each other to do all such things, take all such steps and to procure the doing of all such things and the taking of all such steps as may be necessary, incidental or conducive to the implementation of the provisions, terms, conditions and import of this Agreement.

8.5 Neither of the Parties to this Agreement shall sign, cede or transfer or purport to assign, cede or transfer any of its rights or obligations under this agreement without the prior written consent of the other.

8.6 This agreement shall be governed by and construed in accordance with the laws of Zimbabwe and the parties hereby submit to the exclusive jurisdiction of the Zimbabwean Courts.

8.7 Succession – This agreement and its annexures shall be binding on all heirs, successors and assigns of the JVP and LH.

9. TERMINATION

9.1 The "JVP" may terminate the Agreement automatically in the event that:

9.1.1 the Farm is expropriated;

9.1.2 the "JVP" is frustrated from being unable to use the farm for the purpose envisaged in accordance with the terms of this Agreement;

9.1.3 the financing for the Farm ceases to exist.

9.2 The Agreement will terminate automatically at the election of the affected Party where the other Party commits a breach of any terms of the Agreement and in the case of a breach which is capable of remedy fails to make good any such breach within 14 days of being requested to do so by written notice from the affected party;

9.3 The Agreement will terminate automatically at the election of one party in the event that the other party commits a material breach of any of the terms of this Agreement.

10. CONFIDENTIALITY

The parties shall keep confidential and shall not disclose to any person, except as permitted in writing by the other, nor shall any party use for its own benefit and all information, material and data, whether of a business, technical, financial or operational, administrative, marketing or other nature in respect of the other party or its operations which is disclosed to it by the other party or any third party or it has acquired (whether before or after the date of this agreement) in connection with or in the course of this agreement (collectively referred to as Confidential Information).

THUS DONE AND EXECUTED AT HARARE THIS 25 DAY OF August 2021 IN THE PRESENCE OF THE UNDERSIGNED WITNESSES

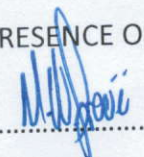

For and on behalf of The Landholder

AS WITNESSES:

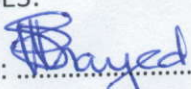
1. Signature:  Name: CHENGETO DUBE I.D No: 08-595062 H27

2. Signature: Name: I.D No:

THUS DONE AND EXECUTED AT HARARE THIS 15 DAY OF AUGUST 2021 IN THE
PRESENCE OF THE UNDERSIGNED WITNESSES


For and on behalf of The Joint Venture Partner

AS WITNESSES:

1. Signature:  Name: PATTY M. SAYED ID No: 58-137825 moo

2. Signature: Name: ID No:


AND APPROVED BY THE MINISTRY OF LANDS, AGRICULTURE, WATER AND RURAL
RESETTLEMENT SIGNED:

MINISTRY OF LANDS, AGRICULTURE, FISHERIES
WATER AND RURAL RESETTLEMENT

10 SEP 2021

No. 1 LIBERATION LEGACY WAY
P.O. BOX 7701, CAUSEWAY
HARARE, ZIMBABWE

Name:

Title:

Date:

Joint Venture Number:

Farm Name:

Allocated Monitoring and Evaluation Officer:

ANNEXURE 4

LIST OF 'LH' EQUIPMENT ON FARM TO BE USED BY JVP AS PER AGREEMENT CLAUSE 4.2

1 x Red YTO Tractor

1 x Disc Plough

6 x Diesel Tanks

8 x Seed Maize Cleaners

GOOD HOPE FARM / BALCUTHA FARM

AND



Handwritten notes and signatures in the bottom right corner, including the word "Kw" and a signature.