

AGRICULTURAL FARMING JOINT VENTURE AGREEMENT

Made and entered into by and between: -

MILDRED RWODZI [I. D. No. 63 - 1139470 M 47]

of

Plot 39
Kintyre Estates
NORTON

[herein after called "LANDHOLDER" "LH" of the one part]

and

AVANTE AGROVENTURE (PRIVATE) LIMITED

Herein represented by Lloyd House [I. D. No. 75 - 2013184 J 00]
in his capacity as a Director thereof, he being duly authorised hereto

of

No. 62
Quorn Avenue
Mount Pleasant
HARARE

[hereinafter referred to as "THE JOINT VENTURE PARTNER" "JVP" of the other part]

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RECITALS:

- A. WHEREAS Mildred Rwodzi is the user of : -
 certain piece of land situated in the District of Zvimba, in Mashonaland West Province, measuring 10 hectares in extent registered as remainder of Kintre Estates Farm and together with all improvements situated thereon (hereinafter referred to as "the land"). The site plan to the land is attached hereto as Schedule for the purpose of conducting farming operations;
- B. AND WHEREAS Avante Agroventure (Private) Limited, is a company duly incorporated in Zimbabwe in accordance with the Companies and other Business Entities Act [Chapter 24:31]. Avante is involved in agricultural investment business.
- C. AND WHEREAS the foregoing parties have resolved to form a joint venture in terms of which the landholder's certain part of the "LAND" comprising of 10 hectares in extent and which is more properly delineated on the plan attached at Schedule to this Agreement (the "FARM"), will be utilised for the purposes of one or more agricultural production for the parties mutual benefit.
- D. AND WHEREAS the Parties wish to reduce this Agreement in writing for the record and reference purposes.

NOW THEREFORE, IT IS AGREED AS FOLLOWS: -

1. DEFINITIONS AND RULES OF INTERPRETATION

- "Agricultural production" means the production of crops;
- "Day" means any day, other than a Saturday, Sunday and Public holidays, when the commercial banks of Zimbabwe are ordinarily open for a full range of business;
- "Effective Date" means the date upon which this Agreement is executed by the Party executing last in time and shall mark the start of the Exclusivity Period;
- "Intellectual Property" means any property, rights over which have been defined as Intellectual Property Rights;
- "Intellectual Property Rights" means:

- (i) Patents, trademarks, service marks, registered designs, applications for any of those rights, trade and business names, unregistered trademarks and service marks, copyrights, know how, rights in designs and inventions;
- (ii) rights and licences, consents, orders, statutes or otherwise in relation to a right described in paragraph (i) above; and
- (iii) rights of the same or similar effect to or nature as those described in paragraphs (i) and (ii) above,

"JVC" means the company to be incorporated pursuant to the terms of this Agreement;

"Month" means a period beginning at 00:00 hours on the first day and ending at 24:00 hours on the last day of the calendar month in question;

"Party" or "Parties" mean the signatories to this Memorandum and any other Person who, after the Execution Date, becomes a party to this Memorandum pursuant to the terms of this Memorandum;

"Person" means any individual, company, corporation, firm, partnership, joint venture, undertaking, organisation, trust, government authority or government department (in each case whether or not having separate legal personality);

"Project" means the means any project that the parties may embark on.

"Project Authorisations" means all rights, permits, licences, consents, permissions, exemptions and approvals which are needed to be put in place by the Parties for the successful implementation of the Project;

"Project Documents" shall mean all agreements, prepared for execution by the Parties, for the implementation of the Project, including financing arrangements, and any other agreement designated from time to time by the Parties as a Project Document;

2. HEADINGS

Clause headings used in this Memorandum are for convenience only and will have no effect on the interpretation or construction of any of the terms of this Memorandum.

3. INTERPRETATION

In this Memorandum, unless provided otherwise: -

- 3.1. The use of the singular form of a word includes the plural form and the use of the plural form includes the singular;
- 3.2. any word or expression, cognate with respect to a word or expression defined in this Memorandum shall bear a corresponding meaning;
- 3.3. the words "include" and "including" are to be construed without limitation; wherever provision is made for the giving or issuing of any notice, decision, consent, acceptance, agreement, expression of satisfaction, endorsement, approval, certificate, instruction or determination by any Person, unless otherwise specified, such notice, decision, consent, acceptance, agreement, expression of satisfaction, endorsement, approval, certificate, instruction or determination shall be in writing (and writing shall be inclusive of mail transmitted electronically) and the words "notify", "decide", "consent", "accept", "agree", "endorse", "approve", "certify", "instruct" or "determine" and other cognate expressions shall be construed accordingly;
- 3.4. references to materials, information, data and other records shall be to materials, information, data and other records whether stored in electronic, written or other form;
- 3.5. No rule of construction arising in law shall be applied to the disadvantage of any Party because that Party was responsible for or participated in the preparation of this Memorandum or any part of it.

ESTABLISHMENT OF THE JVC

4. AGREEMENT

The Landholder has entered into an exclusive agreement with the Joint Venture Partner who will exclusively provide expertise and extension services for agricultural production on "The Farm."

5. SUPREMACY OF AGREEMENT

The Parties hereby agree that the terms and conditions of this Agreement shall govern their relationship as shareholders in the JVC and that such terms and conditions shall prevail over any other terms and conditions or other constitutional documents of the JVC should there be any conflict between the two.

6. JOINT VENTURE

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

Joint Venture Agreement | Mildred Rwodzi & Avante Agroventure (Private) Limited

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- 6.1. the assumption, management and provision on a continuous basis of all normal farming operations;
- 6.2. the direction supervision and control of all matters connected with farming thereupon;
- 6.3. the procuring and making available of financial arrangements for farming operations and the repayment of any loans raised;
- 6.4. the management of all finances relating to farming operations. These should be in line with the agreed cash flow;
- 6.5. the management of all labour relating to the farming operations with the assistance of the LH as necessary;
- 6.6. the provisions, maintenance and repair of machinery and equipment necessary to conduct farming operations;
- 6.7. the marketing of the entire crops and any other crops grown and the collection of monies there from;
- 6.8. such other services as shall be reasonably necessary to ensure that operations upon "The Farm" are carried out efficiently.

7. OBLIGATIONS, UNDERTAKINGS AND CONDITIONS

The Parties agree that: -

- 7.1. 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. All moveable equipment owned by the "JVP" as at the commencement of this Agreement shall be listed and updated upon delivery. The guaranteed area of "The Farm" shall be five (5) hectares whilst the other five (5) hectares may be made available upon special agreed periods and conditions.
- 7.2. 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" as at the commencement of this Agreement shall be listed and updated upon delivery.

- 7.3. the "LH" will have the right 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";
- 7.4. 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;
- 7.5. 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;
- 7.6. 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;
- 7.7. The "JVP" will not be responsible for any outstanding debts that might be held against "The Farm" and/or the "LH" as far as they relate to the "Farm" only;
- 7.8. 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;
- 7.9. 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

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cooperate and use his best endeavours to facilitate these applications to the appropriate authority upon request of the "JVP";

- 7.10. 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";
- 7.11. The "LH" acknowledges and accepts that the "JVP" shall have unfettered access to reside on the "Farm";
- 7.12. The Joint Venture shall operate without interference on the agreed hectareage. The "JVP" shall have uninterrupted usage and unfettered access to the Land;
- 7.13. In the event that the Agreement is not renewed, or it is terminated for whatever reason, then all costs associated with the growing of any crops on the land 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 "LH" 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.

8. FINANCIAL PROVISIONS

- 8.1. The "LH" at the end of each cropping season shall be paid eight percent (8%) of the gross earnings derived from any agricultural crops produced on "The Farm" by the "JVP" (the "Gross Profit Share").
- 8.2. The Gross Profit Share for all and any other Crops which are grown on the "Farm" shall be agreed between the Parties in advance.
 - 8.2.1. All payments pertaining to the "Gross Profit Share" shall be paid into the account of: -

Account Name: Mr. I. & Mrs M. Rwodzi
 Bank: Standard Chartered
 Branch: Priority
 Account Number: RTGS 01002 20447500
 USD 87401 20447500

- 8.2.2. 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.
- 8.3. Payment shall be affected no later than thirty (30) days from the date upon which the final sale is affected from the farm.
- 8.4. The "LH" shall be entitled personally or through a nominee to monitor the harvesting and marketing of such produce for the purpose of verification and payment. Additionally, the "JVP" shall forthwith - upon written request of the "LH" provide or make available as proof of any transactions and/or delivery of production produced on "The Farm".
- 8.5. 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.

GENERAL

9. TERM

- 9.1. This Agreement shall come into effect on the date of signature of the agreement by the Party last signing it ("the Effective Date").
- 9.2. This Agreement shall terminate automatically upon the either of the following: -
- 9.2.1. the Parties agree in writing that it should be terminated;
 - 9.2.2. any Party commits an act of insolvency as defined in relevant legislation;
 - 9.2.3. any Party goes into sequestration;
 - 9.2.4. if any Party commits any serious or continued breach of any of the provisions of this Agreement and fails to remedy it within fourteen (14) days after being given a written notice containing full particulars of the breach and requiring it to be remedied;
 - 9.2.5. one Party buys out the entire shareholding of the other.

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9.2.6. the date on which the Company is liquidated.

9.3. Upon the termination of this Agreement for any reason: -

9.3.1. any provision of this Agreement which is expressed to continue in force after termination shall continue in full force and effect; and

9.3.2. except in respect of any accrued rights, the Parties shall not be under any further obligation to each other.

10. NO PARTNERSHIP OR AGENCY

Nothing in this Agreement shall be deemed to constitute a partnership between the Parties or constitute either Party the agent of the other Party for any purpose or entitle either Party to commit or bind the other Party in any manner.

11. MUTUAL CONSULTATION AND GOOD WILL

The Parties confirm their intention to promote the best interest of the JVC and to consult fully on all matters materially affecting the development of the business. Each party shall act in good faith towards the other party in order to promote the success of the JVC.

12. CONFIDENTIALITY

The Parties hereto acknowledge and agree that all and any information which they may obtain in the course of their dealings with or concerning the Company is to be treated as strictly confidential. Such information may not be used, revealed or in any way made benefit of by any Shareholder or any person in any way related to or connected with or employed by that Shareholder.

13. ASSIGNMENT

Neither of the Shareholders shall assign or transfer, or purport to assign or transfer, any of his/its rights or obligations under this Agreement without the prior written consent of the other Shareholders.

14. SUCCESSORS AND ASSIGNS

This Agreement shall operate for the benefit of, and shall be binding on, the successors in title and permitted assigns of each Shareholder.

15. SEVERABILITY

Joint Venture Agreement | Mildred Rwodzi & Avante Agroventure (Private) Limited

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If any of the provisions of this Agreement, or any part thereof, is or becomes invalid, illegal or unenforceable, the validity, legality or enforceability of the remaining provisions shall not in any way be affected or impaired. The Parties shall nevertheless negotiate in good faith in order to agree upon the terms of a mutually satisfactory provision, achieving as nearly as possible the same commercial effect, to be substituted for the provisions so found to be void or unenforceable.

16. GOVERNING LAW

The Agreement shall be governed by and interpreted in accordance with the laws of the Republic of Zimbabwe as amended from time to time.

17. RESOLUTION OF DISPUTES

17.1. The Parties shall use their best efforts to resolve all disputes by amicable resolution.

17.2. In the event that any such dispute (including any question or claim arising out of, in relation to, or in connection with this Memorandum or the activities to be carried out hereunder related to without limitation the existence, construction, validity, interpretation, enforceability or breach of this Memorandum) is not settled by amicable resolution, within 5 (five) days from the date of reference or submission for this by either Party to the other, any Party to the dispute may refer the dispute to arbitration.

17.3. The composition of the arbitration tribunal shall be agreed by the Parties within fourteen (14) days of the declaration of the dispute or, failing such agreement, shall be appointed by the head, for the time being, of the Commercial Arbitration Centre in Harare.

17.4. The award rendered by the arbitrator shall be final and binding upon all Parties, only subject to review/appeal in terms of the Arbitration Act, Chapter 7:15.

17.5. Nothing in this Memorandum shall prevent either Party from seeking provisional measures from any court of competent jurisdiction, and any such request shall not be deemed incompatible with the agreement to arbitrate or a waiver of the right to arbitrate.

17.6. The provisions of this clause 11 shall be severable from and survive the termination of this Memorandum.

18. WAIVER OF RIGHTS

No waiver by a Party or failure by the other Party to perform any provision of this Agreement shall operate or be construed as a waiver in respect of any other failure whether of a like or different character.

19. **REQUISITE AUTHORITY**

19.1. Each of the Parties hereby warrants to and in favour of the other that it, and the Person signing this Agreement on its behalf, has the legal capacity and has taken all necessary corporate action required to empower and authorise it to enter into this Agreement.

19.2. This Agreement the negotiations and discussions about or in connection with the execution of this Agreement or the consummation of the Project Documents contemplated by this Agreement, all documents provided in connection with the negotiations and discussions about, or in connection with this Agreement or the Project contemplated by this Agreement did not and do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statement contained herein and therein in light of circumstances under which they were made, not misleading.

19.3. Each representation and warranty shall survive the execution and performance of this Agreement.

20. **AMENDMENTS**

This Agreement may be amended only by an instrument in writing signed by duly authorized representatives of each of the Parties.

21. **DOMICILIUM CITANDI ET EXECUTANDI**

21.1. The Parties hereto choose as their *domicilium citandi et executandi* for all purposes under this Agreement, whether in respect of court process, notices, other documents or communications of whatsoever nature, the following addresses: -

21.1.1. **Joint Venture Partner**
Avante Agroventure (Private) Limited
62 Quorn Avenue
Mount Pleasant
Harare
Zimbabwe

21.1.2. Landholder
Mildred Rwodzi
Plot 39
Kintyre Estates
Harare, Zimbabwe

21.2. Delivery of notices shall be by hand-delivery to a responsible person at the domicilium citandi et executandi and the delivering party shall keep, as proof of delivery, a signed note by the person receiving notice on behalf of the other party or, if such signature is refused, record the fact of delivery, date and time on the return copy of the notice so delivered.

21.3. It is expressly agreed that the parties may utilise electronic methods (including telefacsimile and email) for the transmission or delivery of notices, acceptances, demands and other communications, but no presumption of delivery shall arise if any such other means or method is used.

22. WHOLE AGREEMENT

22.1. This Agreement represents the entire Contract between the parties, warranties or stipulations other than those recorded may be imported to it or govern the parties.

22.2. No addition to or variation, deletion, or agreed cancellation of all or any clauses or provisions of this Agreement will be of any force or effect unless in writing and signed by the Parties.

22.3. All provisions and the various clauses of this Agreement are, notwithstanding the manner in which they have been grouped together or linked grammatically, severable from each other. Any provision or clause of this Agreement which is or becomes unenforceable in any jurisdiction, whether due to voidness, invalidity, illegality, unlawfulness or for any other reason whatever, shall, in such jurisdiction only and only to the extent that it is so unenforceable, be treated as *pro non scripto* and the remaining provisions and clauses of this Agreement shall remain of full force and effect. The Parties declare that it is their intention that this Agreement would be executed without such unenforceable provision if they were aware of such unenforceability at the time of execution hereof.

22.4. This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the

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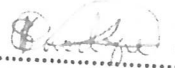
same Agreement as at the date of signature of the Party last signing one of the counterparts.

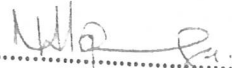
23. Execution

THUS DONE and SIGNED at HARARE on this 12th day of OCTOER 2021 in the presence of the undersigned witnesses.

AS WITNESSES: -

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For and on behalf of
SKINDAT INVESTMENTS (PRIVATE) LIMITED

THUS DONE and SIGNED at HARARE on this 16th day of OCTOBER 2021 in the presence of the undersigned witnesses.

AS WITNESSES: -

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For and on behalf of
AVANTE AGROVENTURE (PRIVATE) LIMITED