

HEADS OF AGREEMENT, BETWEEN

Inzalo Crushing and Aggregates (Pty) Ltd
REG.. NO. 2008/008952/07
Herein represented by

SANDILE MAZIBUKO

(Director Operations)

He being duly authorized thereto by resolution

Of

93 Maple Street, Pomona
P O Box 26730, East Rand 1462
Fax no (011) 979 1125

AND

JACOB PETRUS COETZEE

ID NO. 551102 5033 086

Of

25 Rulten Street
P O Box 5
Parys 9585
Fax no (056) 8112239

For the re-establishment of a quarry on the farm Bloemhof no. 14 situated in the Parys Magisterial District.

Mr. Jacob Petrus Coetzee (*Owner*) hereby give permission to Inzalo Crushing and Aggregates (Pty) Ltd. (*Contractor*) to extend the existing quarry on his farm for the purposes of constructing, tar roads in the Parys and Koppies region under the following conditions:



1. The quarry will be extended on the southern side towards the N1 National Road.
2. The area used during the construction period will be completely fenced off with a suitable stock proof fence. On completion of operations the quarry (the existing quarry as well as new additions thereto) will again be fenced off in a similar manner as present. The temporary stock proof fence will then be removed. An access gate for the Owner, similar to the existing gate, will again be placed in the fence and the Contractor will see that the Owner has access to the water level by vehicle as discussed.

In addition:

The Contractor will see that there is no trespassing by his employees onto the property of the Owner. Such employees will also not be entitled to utilize any amenities of the Owner. The Contractor indemnifies the Owner for any damages in this regard.

The Contractor shall undertake all the activities referred to in this agreement and all costs in this regard shall be borne and paid by the Contractor.

3. The area will only be used for the purposes of crushing and stockpiling of aggregates. The asphalt plant will not be erected on the property.

Access to the quarry will only be through the existing access to the existing quarry.

4. In addition to its other responsibilities/duties as herein set out and as laid down by law, the Contractor shall at all times:

- 4.1 be cognizant of the fact that the property is used by the Owner for purposes of farming and bass fishing;
- 4.2 exercise its rights expeditiously and in such manner as to cause the minimum disturbance to the activities of the Owner;
- 4.3 as far as possible comply with nature conservation principles;
- 4.4 be responsible for the conduct of its representatives, employees or invitees, and indemnifies the owner in respect of any damages arising from the conduct of any such representatives, employees or invitees;
- 4.5 take whatever reasonable steps as may be necessary to secure the safety and well-being of the animals and people on the property. All costs incurred in this connection shall be borne and paid by the Contractor;
- 4.6 ensure that the Property is restored to a condition which is, according to the EMP, conducive to the safety and well-being of the animals and people on the property;
- 4.7 clean up all areas attended and remove all waste matter including wiring and rubble after completion of the agreement, should their operations cause stones/rocks to fall outside the quarry area, such stones/rocks shall also be removed by the Contractor at his costs after completion of the contract.



5. A royalty of R5.00 (Five Rand) exclusive of VAT, for each ton sold by the Contractor will be paid to the Owner for the rights to the land and tone. All amounts will exclude VAT. The actual quantity of material sold will be weighed over a weighbridge and the totals given to the Owner monthly in arrears. The Owner will then submit a Tax Invoice from a registered VAT vendor for payment within 7 (Seven) days.
6. The Contractor will pay compensation to the Owner in the amount of R70 000,00 (Seventy Thousand Rand) plus VAT to restock the quarry with fish at the end of the contract period. Payment of this amount shall be effected within 7 days after the Contractor having completed his crushing operations.

Upon payment of the amount set out herein, the Contractor will be exonerated of all liability regarding the handling and replacement of any fish that may reside in the water of the quarry.

7. This agreement will run concurrent with the Mining Licence/Mining Right. Once our project has been secured, a program may be agreed. The intent is to target projects in the area as they become available.
8. The access road from Parys Greenlands (R723) turn-off to the quarry must be maintained during the whole operation of the quarry as well as during the period when material is being drawn from it. The access road shall be maintained and eventually returned to at least the same standard as it was found in on date of signing of this Agreement. All costs will be for the Contractor.

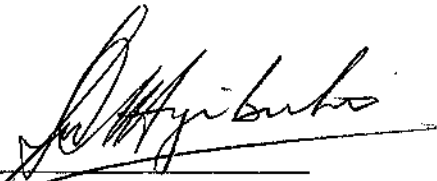
All period of time to be calculated as from date of notice shall be calculated as from the date of porting of such notice or the handing over thereof in terms of this sub-paragraph.

This agreement is signed by the Owner at Parys on 27 March 2018

This agreement is signed by the Contractor at Pomona on 4 APRIL 2018



JP COETZEE



INZALO CRUSHING AND AGGREGATES
(PTY) LTD.



WITNESS



WITNESS

RESOLUTION

Resolution passed at a meeting of the Board of Directors of
INZALO CRUSHING AND AGGREGATES (PTY) LTD

REGISTRATION NUMBER 2008/008952/07

held at Pomona on the 4th April 2018.

RESOLVED:

THAT the Company hereby authorized Wellington Sandile Mazibuko (ID No. 760715 5326 08 8) to sign the Head of Agreement between Inzalo Crushing and Aggregates (Pty) Ltd. and Jacob Petrus Coetzee (Owner) on behalf of Inzalo Crushing and Aggregates (Pty) Ltd.

Signed by the majority of the Board of Directors.



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DIRECTOR