

INVESTMENT, EXPLORATION AND PRODUCTION JOINT VENTURE AGREEMENT

This Investment, Exploration and Production Joint Venture Agreement ("this Agreement") is made on this 7th day of December, 2023.

BETWEEN

THE L COMPANY LIMITED, a limited liability company registered under the laws of the United Republic of Tanzania under Registration Number 162803441 whose address for the purposes of this Agreement is Plot No. 1660 Msasani Peninsula P. O. Box 1258, Dar es Salaam, Tanzania (hereinafter to be referred to as "**the Company**") of the one part;

AND

GAUDENCE ALBERT KALYALYA a natural person living and residing at Mwanza and whose address for the purposes of this Agreement is P. O. Box 11578, Mwanza, Tanzania (hereinafter to be referred to as "**the Licenses Holder**") of the other part;

The Company and the Licenses Holder are hereinafter individually referred to as "**the/a Party**" and collectively referred to as "**the Parties**".

WHEREAS;

- A. The Licenses Holder is the legal owner of Prospecting Licenses ("the PLs") and Primary Mining Licenses ("PML"), collectively to be referred to as "the Licenses" as more particularly described in **Schedule "A"** to this Agreement and in respect of the lands situated in Singida and Dodoma Regions in the United Republic of Tanzania shown on the map attached as **Schedule "B"** to this Agreement ("the Licenses Area"); and
- B. The Parties intend to set out in this Agreement the terms and conditions upon which the Company will acquire from the Licenses Holder seventy-five per centum (75%) interest in the Licenses and thereafter participate with the Licenses Holder for the purpose of further exploration, development and other related work on the Licenses and, if warranted, the operation of one or more mines resulting from the Licenses.



NOW THIS AGREEMENT WITNESSES as follows:

1. Definitions and Interpretations

1.1 Definitions

- 1.1.1 **"Agreement"** means this Agreement which sets forth the business arrangement between the Parties as regards the modality of the Jointure Venture.
- 1.1.2 **"Due Diligence Period/Option Period"** means on or within ninety (90) days from the date of the execution of the agreement;
- 1.1.3 **"Execution Date"** means the date of signature of this Agreement by the Parties;
- 1.1.4 **"Hazardous Substances"** means any liquids gases, or solids which can harm people or pose risk of injury or damages on the Licenses Area;
- 1.1.5 **"Licenses Area"** means the areas located in Singida and Dodoma as shown in the map attached in the second(2nd) Schedule hereto;
- 1.1.6 **"Licenses Area Data"** means any information (including but not limited to reports) obtained regarding the Licenses Area
- 1.1.7 **"Licenses Holder"** means Gaudence Albert Kalyalya of P. O Box 11578, Mwanza.
- 1.1.8 **"Initial Payment"** means payments made by the Company to the Licenses Holder to acquire a 75% interest in the Licenses as provided under Clause of this Agreement;
- 1.1.9 **"The Company"** means The L company Limited registered under the laws of the United Republic of Tanzania under Registration Number 162803441 and of P. O. Box 1258, Dar es Salaam.



1.2 Interpretation

- 1.2.1 In this Agreement any reference to any document means that document as is supplemented, amended or varied from time to time between the Parties thereto in accordance with the terms (if applicable) hereof and thereof.
- 1.2.2 In addition to the definitions in clause 1.1 in this Agreement, unless the context requires otherwise:
- 1.2.3 the singular shall include the plural and vice versa;
- 1.2.4 if figures are referred to in numerals and in words and there is any conflict between the two, the figures in words shall prevail;
- 1.2.5 All the headings and sub-headings in this Agreement are for convenience only and are not to be taken into account for the purposes of interpreting it.

2. Consensus

The Parties hereby agree that, subject to the terms and conditions set out hereinafter, particularly subject to the provisions of Clause 5 hereinafter as regards payment, the Company shall acquire seventy five per centum (75%) interest in the Licenses and thereafter participate with the Licenses Holder in the furtherance of exploration, development and other related work on the Licenses and, if warranted, the operation of one or more mines resulting from the Licenses.

3. Representations and Warranties

3.1 The Licenses Holder represents and warrants to the Company that:

- 3.1.1 The Licenses are in good standing with respect to the performance of the obligations spelt out thereunder (including, without limitation payment of mining duties, fees and area charges and filing of reports with respect to exploration work) applicable under all laws of the Republic of Tanzania (including, without limitation applicable mining and environmental laws and regulations) and are exclusively owned by and duly registered in the name of the Licenses Holder as



described in Schedule "A", free and clear of any encumbrances, royalties or underlying interests whatsoever. The Licenses Holder has not granted the right, nor does any third party have the right, to acquire the whole or any portion of the Licenses;

- 3.1.2 The Licenses permit the Licenses Holder to grant to the Company the exclusive right to carry out prospecting, exploration, feasibility, development, and production activities on the Licenses Area as to all minerals until the respective dates specified in each of the Licenses and any subsequent renewals;
- 3.1.3 True and complete copies of the Licenses are attached to Schedule "A" and that there are no adverse claims or challenges to the interest of the Licenses Holder in the Licenses;
- 3.1.4 The Licenses Holder, validly exists and has full right and authority to enter and accept the terms of this Agreement and to carry out the transactions contemplated herein;
- 3.1.5 This Agreement has been duly authorized, executed and delivered by the Licenses Holder, and the obligations of the Licenses Holder hereunder are enforceable in accordance with their terms;
- 3.1.6 The Licenses Holder has not assigned, encumbered or promised to assign or encumber his interest in the Licenses or the rights which derive therefrom, and the Licenses Holder has not acquired, with respect to third parties, any obligation whatsoever which would prevent the Licenses Holder from entering into this Agreement;
- 3.1.7 Upon receipt of the first payment payable by the Company in accordance with Clause 5 below, the Licenses Holder shall surrender forthwith the legal title to the Licenses or facilitate transfer if so required to the Company to be held by the Company subject to the terms and conditions of this Agreement, and subject to the obligation to return the title of the Licenses to the Licenses Holder, in good



standing, if and when the Company should decide to abandon exploration, development or mining on the Licenses Area that forms the subject of any one or more of the Licenses;

3.1.8 All approvals and consents required in order for the Licenses Holder to enter into this Agreement and carry out its obligations hereunder have been obtained or will be obtained;

3.1.9 The Licenses Holder has no information or knowledge pertaining to the Licenses or the lands comprising the Licenses Area or substances thereon, therein or therefrom not disclosed in writing to the Company which, if known to the Company might reasonably be expected to deter the Company from completing the transactions contemplated hereby on the terms and conditions contained herein;

3.1.10 There are no actions, suits, investigations or proceedings before any court, arbitrator, administrative agency or other tribunal or governmental authority, whether current, pending or threatened, which directly or indirectly relate to or affect the Licenses or the lands comprising the Licenses Area nor is the Licenses Holder aware of any facts which would lead it to suspect that the same right might be initiated or threatened;

3.1.11 To the best of the knowledge, information and belief of the Licenses Holder, neither the Licenses Holder nor any other person has directly or indirectly caused, permitted or allowed any contaminants, pollutants, wastes or toxic substances (collectively "Hazardous Substances") to be released, discharged, placed, escaped, leached or disposed of on, into, under or through the (including watercourses, improvements thereon and contents thereof) comprising the Licenses Area or nearby areas and, so far as any of them are aware after reasonable inquiry, no Hazardous Substances or underground storage tanks are contained, harboured or otherwise present in or upon such

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lands (including watercourses, improvements thereon and contents thereof or nearby areas);

3.1.12 To the best of the knowledge, information and belief of the Licenses Holder, there are no outstanding obligations or commitments for reclamation, closure or other environmental corrective, clean-up or remediation action directly or indirectly relating to the Licenses or the lands comprising the Licenses Area;

3.1.13 The activities directly or indirectly relating to the Licenses and the use of the lands comprising the Licenses Area by the Licenses Holder and by any other person, have been in compliance with all the laws of the United Republic of Tanzania and Licenses Holder has not received any notice nor is the Licenses Holder aware after reasonable inquiry of any such breach or violation having been alleged;

3.1.14 No environmental audit, assessment, study, or test has been conducted in relation to the Licenses Area by or on behalf of the Licenses Holder nor is the Licenses Holder aware of any of the same having been conducted by or on behalf of any other person (including any government authority);

3.1.15 The Licenses Holder shall abide by all the obligations of this Agreement signed with the Company.

3.2 The Company represents and warrants to the Licenses Holder that:

3.2.1 The Company's details set out in the Parties clause are true and correct;

3.2.2 The Company is a private limited liability company incorporated in Tanzania under the Companies Act [CAP 212 R.E 2002];

3.2.3 The Company has the capacity to enter this transaction by virtue of its Memorandum and Articles of Association and authority obtained from its Director's Board Resolution;



3.2.4 The entry into and performance by the Company of its obligations under this Agreement do not and will not conflict with:

- (a) any existing law or regulation or judicial or official order to which it is subject;
- (b) its constitutional documents; or
- (c) any contractual obligation of the Company or any document which is binding upon the Company.

4. Conditions Precedent:

4.1 The Company's obligations pursuant to this Agreement shall be subject to the following conditions:

4.1.1 The Company shall conduct a due diligence investigation on title to the Licenses, the environmental condition of the Licenses Area, the status of the required permits and the results of operations to date on the Licenses Area and any other matter in connection therewith, which shall be satisfactory to the Company, in its sole discretion, and without waiver of any rights it shall otherwise have in this regard, which investigation shall be completed within the Due Diligence Period;

4.1.2 If at any time during the Due Diligence Period, the Company, based on its due diligence investigations as at that time decides in its sole discretion to terminate this Agreement, it shall do so by notice to the Licenses Holder within the Due Diligence Period, and thereafter this Agreement shall be terminated and the Company shall have no further obligations to the Licenses Holder whatsoever.

5. Payments

5.1 The Licenses Holder hereby grants to the Company, in relating to the Licenses Area, the sole and exclusive right and option ("the Option") to acquire at any time during the Due Diligence Period, by means of making the first payment as set out in the table contained in Clause 5.2 below, an undivided seventy five percent (75%) beneficial interest in and to such Licence (with, for greater certainty, the result that



on exercise of the Option, the Company will hold a seventy five percent (75%) interest and Licenses Holder a twenty five percent (25%) interest in the Licenses on the terms and conditions specified herein;

5.2 In order to maintain its 75% interest in respect of all the Licenses, the Company shall pay the Licenses Holder the Initial Payment being the investment payment for acquiring interest in the Licenses. The said Initial Payments shall be made on or before the dates set out below:

Date	Payments
<p>Within seven (14) days of execution date of the agreement, the Company will pay 25% of the Initial Payment.</p> <p>Prospecting License No: PL 12601/2023 (Ref: PL 21411/2022)</p> <p>Prospecting License No: PL 12602/2023 (Ref: PL 21986/2022)</p>	<p>25% of the Initial Payment per PL)</p> <p>Amount per PL:</p> <p>USD 3,750</p> <p>USD 1,875</p>
<p>On or before ninety (90) days from the date of execution of the agreement (Option period) for completion of the Due Diligence Investigation, the Company will pay 75% of the initial payment.</p> <p>Prospecting License No: PL 12601/2023 (Ref: PL 21411/2022)</p> <p>Prospecting License No: PL 12602/2023 (Ref: PL 21986/2022)</p>	<p>75% of Initial Payment per PL)</p> <p>Amount per PL:</p> <p>USD 11,250</p> <p>USD 5,625</p>
<p>On or before the 1st anniversary of execution date of the agreement, if the Company opts to maintain its 75% interest, in any of the tenements herein below:</p> <p>Prospecting License No: PL 12601/2023 (Ref: PL 21411/2022)</p> <p>Prospecting License No: PL 12602/2023 (Ref: PL 21986/2022)</p>	<p>Equivalent to 100% Initial Payment per PL)</p> <p>Amount per PL:</p> <p>USD 15,000</p> <p>USD 7,500</p>

<p>On or before the 2nd Anniversary of the execution date of the agreement, if the Company is to maintain its 75% interest, in any of the tenements herein below:</p> <p>Prospecting License No: PL 12601/2023 (Ref: PL 21411/2022)</p> <p>Prospecting License No: PL 12602/2023 (Ref: PL 21986/2022)</p>	<p>(Equivalent to 100% Initial Payment per PL)</p> <p>Amount per PL:</p> <p>USD 15,000</p> <p>USD 7,500</p>
<p>On or before the 3rd anniversary of the execution date of the agreement, if the Company opts to maintain its 75% interest, in any of the tenements herein below:</p> <p>Prospecting License No: PL 12601/2023 (Ref: PL 21411/2022)</p> <p>Prospecting License No: PL 12602/2023 (Ref: PL 21986/2022)</p>	<p>(Equivalent to 100% Initial Payment per PL)</p> <p>Amount per PL:</p> <p>USD 15,000</p> <p>USD 7,500</p>
<p>Total</p>	<p>USD 90,000.00</p>

5.3 The above payments shall be exclusively for investment purpose by the Company for the prospecting works on the Licenses Area and shall be paid back from the sale of the minerals after obtaining mining license(s) resulting from prospecting on the Licenses Areas;

5.4 In order to maintain its 75% beneficial interest in respect of each Licence comprising part of the Licenses Area, the Company shall be obliged to make all required payments and perform all required actions to keep the Licenses in good standing under prevailing law;

5.5 The Company shall, upon making the payments as described in Clause 5.2 above maintain its 75% beneficial interest in all the Licenses in respect of which the Company opts to hold the said 75% beneficial interest;

- 5.6 The Licenses Holder shall, for as long as the Company maintains it's 75% beneficial interest acquired under the provisions of clause 5.1. above, not have the right to in any manner dispose of its 25% interest without offering the same to the Company first and on terms and conditions that are the same or similar to those that any third party may have offered the Licenses Holder for its 25% interest. The Licenses Holder will only be free to dispose of its 25% interest to such a third party in the event that the Company declines, in writing, to exercise its first right of refusal granted under this clause and which the Parties hereby agree, the Company will have to exercise within ninety (90) days from receiving such an offer from the Licenses Holder.
- 5.7 Upon decision by the Company to go into production by getting a mining licence the Company will have the option to acquire the remaining 25% interest from the Licenses Holder. The Licenses Holder will provide the remaining 25% of its rights to the Company. In exchange the Licenses Holder will receive the market value of its 10% in cash and further 10% in shares in the company and the remaining 5% interest of the Licenses Holder shall be converted into 1% royalty of the gross return upon commencement production.
- 5.8 Upon the Company acquiring 75% beneficial interest in the Licenses, if necessary, the Licenses may be transferred into the Company's name and in which case the Company will hold 25% beneficial interest of the Licenses Holder.

6. Contributions to Costs

- 6.1 The Company shall be responsible for the cost of all production and exploration programs conducted on the Licenses Area and all Maintenance Costs required to keep the tenements in good standing recovered from the sales of the minerals, until either:
- a) The Company continues to hold the licenses and it is carrying on with production on the license(s); or
 - b) The Company has abandoned work on the License and transferred title in the Licence back to License Holder; whichever occurs first;



- 6.2 The Licenses Holder and the Company shall be responsible for all expenditures on the Licenses Area, including the costs of exploration, production and development of the mine in proportion to their respective beneficial interests in the License. The Company shall determine such costs in its sole discretion and provide the funding which will be recovered from the funds generated by production of mineral ore from these licenses.
- 6.3 If the Licenses Holder elects in its discretion not to participate in its portion of the funding pursuant to Clause 6.2 above or any part thereof, its beneficial interest shall automatically convert to pro rata residual value in the project or to 2.5% royalty whichever is applicable at the Licenses Holder's discretion.

7. Flow of Information

- 7.1 The Company shall maintain clear and well-documented technical data and cost records and compiled interpretations and reports thereof and shall provide the Licenses Holder with copies. Copies of all progress, review, technical and cost reports shall be furnished by the Company to the Licenses Holder on a three-month basis.
- 7.2 The Licenses Holder shall have free access to the Joint Venture operations and Joint Venture records of the Company provided such access shall be carried out with reasonable notice and in such a manner so as not to disrupt the smooth and efficient running of Joint Venture activities.

8. Confidentiality

Information concerning this Agreement or any other matters arising from or in connection therewith (including, without limitation, any Licenses Area Data (hereinafter defined) received by Licenses Holder pursuant to this Agreement) shall be treated as confidential by the Parties and shall not be disclosed by any party to any other person (other than an affiliate or any legal, accounting, financial or other professional advisor of the disclosing party or its affiliate) except as permitted hereby without the prior written consent of the



other parties, such consent not to be unreasonably withheld, except to the extent that such disclosure may be necessary for observance of applicable laws.

9. Applicable Law and Jurisdiction

- 9.1 The validity, interpretation and performance of this Agreement shall be governed according to the laws of the United Republic of Tanzania;
- 9.2 If any provision, in whole or in part, of this Agreement is held to be in conflict or inconsistent with any applicable law, rule or regulation, then such provision shall be severed from this Agreement and an equitable adjustment shall be made and such necessary further provisions agreed upon so to give effect to the intention of the parties evidenced in this Agreement at the time of its execution.

10. Dispute Resolution

Any dispute, controversy or claim arising out of or relating to this Agreement or the breach, termination or invalidity of same shall be settled by arbitration under the rules of the London Court of International Arbitration, which rules are deemed to be incorporated by reference into this clause. The tribunal shall consist of three arbitrators, one of whom shall be nominated by each party to this agreement and the third to be appointed by the London Court of International Arbitration. The arbitration shall take place at London and the language of the arbitration shall be English. The parties shall abide by and perform any award rendered by the arbitrators and a judgment may be rendered upon the award in any court having jurisdiction. The cost of arbitration proceedings shall be shared equally by the parties including the administrative costs.



11. GENERAL

- 11.1 Nothing in this Agreement shall be deemed to constitute either party, the partner, agent or legal representative of the other or to create any fiduciary relationship between them, for any purpose whatsoever;
- 11.2 Either the Licenses Holder or the Company shall make an application for registration of this Agreement to the Mining Commission as required by the Mining Act.
- 11.3 If the Licenses are brought into commercial production, it may be operated as a single operation with other mining properties owned by third parties or in which the third party has an interest, in which event, the Parties agree that (notwithstanding separate ownership thereof) ores mined from the mining properties (including the Licenses Area) may be blended at the time of mining or at any time thereafter, provided, however, that the respective mining properties shall bear and have allocated to them their proportionate part of costs incurred related to the bringing of such single operation into commercial production and thereafter operating the same, and shall have allocated to each of the proportionate part of the revenues earned relating to such single operation. The Company shall ensure that reasonable practices and procedures are adopted and employed for weighing, sampling, and determining recovery factors;
- 11.4 Within ten (10) days from the Execution Date, the Licenses Holder shall disclose and deliver all information and data, including, without limitation, all historical documentation with respect to title, all geological, geophysical and assay results, maps, environmental studies, tests and assessments and notifications from regulatory authorities, concerning the Licenses Area and prior exploration, development, reclamation and remediation work carried out thereon and within its knowledge;



11.5 Any notice, commitment, election, consent or any communication required or permitted to be given hereunder by any party hereto to another party, in any capacity (hereinafter called a "Notice") shall be in writing and shall be deemed to have been well and sufficiently given if mailed by prepaid registered mail return receipt requested, telefaxed or delivered, to the address of such other party hereinafter set forth:

If to the Company:

THE L COMPANY LIMITED

P. O. Box 1258

Dar es Salaam

Tanzania

Attention: Mr. A. Dhanani

Mobile No: +255 (0) 754 770 780

Email Address: alhusseindhanani@gmail.com

If to the Licenses Holder:

Mr. Gaudence Albert Kalyalya

P.O. Box 856

Dar es salaam,

TANZANIA.

Attention: Mr. Gaudence Albert Kalyalya

Mobile Number: +225 (0) 755 749 395

Email address: gakexplmin@gmail.com

Or to such substitute address as such party may from time to time direct in writing, and any such Notice shall be deemed to have been received, if mailed, on the date noted on the return receipt, if telefaxed, on the first business day after the



date of transmission, and if delivered, upon the day of delivery or if such day is not a business day, then on the first business day thereafter;

- 11.6 This Agreement shall ensure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns;
- 11.7 Each party hereto shall promptly do and provide all acts and things and shall promptly execute and deliver such deeds, bills of sale, assignments, endorsements and instruments and evidences of transfer and other documents and shall give further assurances as shall be necessary or appropriate in connection with the performance of this Agreement;
- 11.8 This Agreement contains the entire understanding between the Parties hereto dealing with the subject matter hereof and supersedes and replaces all negotiations, correspondence and prior agreements or understandings relating thereto;
- 11.9 This Agreement may be executed in counterparts and counterpart may be delivered by facsimile transmission, and all counterparts shall be considered to be one and the same agreement and shall become a binding agreement when one or more counterparts have been signed by each of the Parties and delivered to each of the other parties;
- 11.10 If the performance of its obligations pursuant to this Agreement by any Party (the "Affected Party") is prevented or delayed in whole or in part by Force Majeure, this Agreement shall nevertheless continue and remain in full force and effect and the Affected Party shall not be in default under this Agreement by reason thereof. For the purposes of this Agreement, Force Majeure is defined as preventions or delays in any Party carrying out its obligations under this Agreement because of war, civil unrest or natural disasters or any other unforeseen and irresistible event over which the affected party has no reasonable control and which is of such a nature as to delay, curtail or prevent timely action by such party"; and



Wherefore this Agreement has been executed in the manner and on the date shown herein below:

SEALED with the **COMMON SEAL** of the said **THE L COMPANY LIMITED** and **DELIVERED** at Dar es Salaam in our presence this 7th day of December 2023.

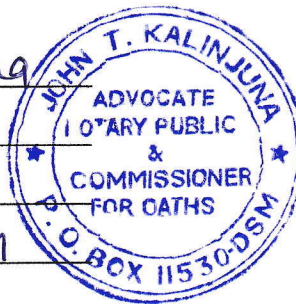


Names: Alhussein Juma Dhanani
Authorised Signatory: *Alhussein Dhanani*
Designation: **COMPANY DIRECTOR**

SIGNED by the said **GAUDENCE ALBERT KALYALYA** who is known to me personally/ identified to me by Alhussein Dhanani the latter known to me personally and **DELIVERED** at Dar es Salaam this 7th day of December 2023.

[Signature]
Licenses Holder

Before me:
Names: John. T. Kalinjuna
Signature: *John T. Kalinjuna*
Address: P.O. Box 11530
Dar-es-Salaam
Designation: **ADVOCATE**



Schedule A

THE LICENSES

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Schedule B

MAP

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