



DEED OF LEASE

MEMORANDUM OF AGREEMENT ENTERED INTO BY AND BETWEEN

MUNICIPAL COUNCIL OF OTJIWARONGO

Herein duly represented by **MOSES MATYATY** in his capacity as Chief Executive Officer and **GODHARD HOKO** in his capacity as Chairperson of the Management Committee acting as such in terms of Section 31(A)(a) of the Local Authority Act (Act 23 1992).

of Physical address : 2 Kreft Street
Otjiwarongo
Postal address : Private Bag 2209
Otjiwarongo
Tel no : 067-30 2231
Fax no : 067-30 2098
(hereinafter referred to as the "**LESSOR**")

and

OMUTI BIOMASS

herein represented by SHAFI SHAIMEMANYA in his capacity as Chief Operations Officer and duly authorized thereto

of
Postal address : P O Box 3902
WINHOEK
Tel no : 081 812 8181

(hereinafter referred to as the "**LESSEE**")

1. DESCRIPTION OF LEASED PREMISES

- 1.1 The Lessor herewith lets to the Lessee who herewith leases Erf 3112 situated in Extension 11 Otjiwarongo measuring 31,774.43 M² on the terms and conditions as mentioned herein.

(hereinafter referred to as the Leased Premises)

2. DURATION

- 2.1 The duration is one (1) year, renewable subject to Council discretion.
- 2.2 The contract shall commence on 01 February 2022
- 2.3 The contract will expire on 31 January 2023
- 2.4 The parties to this agreement shall be entitled to, at any time during the duration hereof, give three (3) months' notice of cancellation of the agreement.

3. RENTAL

- 3.1 The Municipality leases the Leased Premises to the Lessee for the amount of N\$ 20,000.00 per month (VAT Included).
- 3.2 The rent of the leased property shall be billed separately.

4. TITLE AND CONDITIONS

- 4.1 The Leased Premises is leased subject to the title conditions pertaining to the Leased Premises and subject to the conditions of the Municipality.

5. CONDITION OF PREMISES

- 5.1 The Lessee acknowledges that he has inspected the premises and that the condition thereof is such that the Municipality is not obliged to make any improvements thereto before the Lessee takes occupation.

6. MAINTENANCE AND ALTERATION OF PREMISES

- 6.1 The Lessee is not entitled to effect any structural changes to the Leased Premises without the prior written consent obtained from the Municipality.
- 6.2 The Lessee shall keep the Leased Premises clean and in a tidy condition and free from all refuse, to the satisfaction of the Municipal Authority.
- 6.3 Any damage caused to the Leased Premises for which the Lessee is liable in terms of a provision hereof or which is attributed to the negligence or conduct of the Lessee and/or his/her

employee will be repaired by the Lessee at own cost, failing which, the Municipality shall be entitled to have same repaired, costs of such repair to be for account of the Lessee.

7. LIABILITY OF LESSEE

- 7.1 Electricity is to be provided by CENORED (PTY) Ltd. with whom the Lessee must engage directly, should there be a need.
- 7.2 Security of the area to be at the Lessee's cost.
- 7.3 Lessee has a duty to comply with all relevant national laws and regulations before commencing to utilize the property for the purpose applied for.

8. DESTRUCTION OF PREMISES

- 8.1 In the event of the Leased Premises being totally destroyed or so damaged as to render them incapable or satisfactory beneficial occupation this lease shall *ipso facto* be terminated by reason of such destruction or damage.

9. SUB-LEASE, CESSION AND ALIENATION OF RIGHTS

- 9.1 The leased premises will solely be utilized for the purposed it is intended for namely, charcoal processing and auxiliary services to this cause.
- 9.2 The Lessee may not cede or assign, pledge or make over any of its rights acquired in this agreement to any third party. If the Lessee changes ownership, the contract will become invalid immediately.

10. BEHAVIOR OF THE LESSEE

- 10.1 The Lessee shall not do or allow to be done anything on the Leased Premises which constitutes a nuisance or which may prejudice the rights of other occupiers or neighbors.

11. BEHAVIOR OF THE MUNICIPALITY

- 11.1 Only the Chief Executive Officer is entitled to act on behalf of the Municipality and will have the authority to hand in complaints at the Lessee.

12. EXCLUSION OF WARRANTIES

- 12.1 The Leased Premises are only suitable and are only to be used for the purpose for which it is leased, namely:
 - a) Charcoal Processing.

13. INSPECTION

- 13.1 The Chief Executive Office may authorize an official to enter the Premises at any reasonable time in order to:
 - a) inspect same;
 - b) show the premises to any proposed lessee or buyer.

