

MEMORANDUM OF AGREEMENT FOR THE PROPOSAL FOR THE RE-
DEVELOPMENT, UPGRADING AND OPERATING OF MAZAMBALA PREMESIS IN
THE MAYUNI CONSERVANCY

Made and entered into by and between

THE MAYUNI CONSERVANCY

Herein represented by Geoffrey Tukurupwile,

he warranting to be duly authorised thereto.

(hereinafter referred to as the "Conservancy")

And

LOSANGE LODGES (PTY) LTD

t/a BUSCH CAMP

Herein represented by BERENGERE BAUTIER.

(hereinafter referred to as the "Operator")

DATE: 18 Nov. 2018

MEMORANDUM OF AGREEMENT

Definitions:

AGREEMENT	Shall mean this agreement and any Annexures hereto.
CONSERVANCY AREA	Shall mean the geographical area registered as the Mayuni Conservancy.
DAYS	Shall mean a calendar day.
PREMISES	: The property as indicated on the attached Diagram as Annexure B (which will be measured in the process of registering the Land Lease), being the area identified by the Conservancy as the area in which the Operator may conduct its tourism activities and over which area the Operator may apply for a right of Sublease.
IMPROVEMENTS	Shall mean any current or future fixed assets on the premises.

In this agreement headings shall not influence the interpretation of Clauses.

WHEREAS;

- a) The Conservancy has the objective of conserving the natural and cultural heritage of the conservancy are for the benefit and the employment of its residents and visitors.
- b) The Conservancy wishes to generate income and community benefits from tourism developments and activities in the area by creating camp sites and a traversing area for reputable tourism operators and well as a possible lodge site.
- c) The Operator will apply for the Right of Lease over the premises in terms of the **Communal Land Reform Act of 2002**, and sublease the Premises to the Operator.
- d) The Operator has the appropriate expertise in the provision of tourist accommodation and related activities and services, and wishes to develop and operate a campsite at the area identified by the parties as the premises.
- e) The Operator submitted a proposal to the Conservancy (Annexure A) for the purpose of operating at the premises and utilising the river and the surrounding area.

Sm7 31

- f) The Operator wishes to enter into an agreement for the purpose of operating at the premises and surrounding area.

1. FRAMEWORK

- 1.1 The Operator shall apply for the Right of Sublease. The Conservancy in conjunction with the traditional authority will have the obligation of helping the Operator to obtain the right of a Sublease and will do everything in its power to expedite the application.
- 1.2 The Conservancy shall support the Operators' application with the appropriate information and consent needed to acquire the Right of a Sublease.
- 1.3 The Operator will be responsible for payment of the lease fees to the Land Board in according with regulations of the **Communal Land Reform Act of 2002**, which fees are to be paid to the fund established for regional development.
- 1.4 The Conservancy, with the permission of the traditional authority grants the Operator the right to operate at the premises. The Operators' rights and obligations originate from this agreement and are subject to this agreement.
- 1.5 This agreement of lease will be for a period of 25 years with the option to renew for another 25 years. The agreement will be reviewed after 10 Years from Date of Signature.
- 1.6 The Operator may develop additional tourism related infrastructure within the premises, that it deems essential for successful operation of the tourism activities. When necessary the Operator will first obtain written permission from the Conservancy, who will not withhold such consent unreasonably.

2. OBLIGATIONS OF THE CONSERVANCY

The Conservancy will be responsible for:

- 2.1 The management of the Conservancy Area in a manner that will support the Operators business as provided for in this agreement, including the management of wildlife and natural resources.
- 2.2 Prohibiting any form of hunting within 1.5 kilometres of the premises, except in the event that an animal is sick, injured, wounded or declared as a problem animal. In these circumstances management of the premises will be notified in advance, if possible.
- 2.3 Develop, implement and enforce a management strategy for excluding any settlements, cattle, other domestic animal, tree cutting, burring, ploughing or any other agreed activities from the exclusive area / the premises.

Gm7 31

- 2.4 Ensure that the Operator, any other tourism operators and Trophy hunters who are using the Conservancy Area meet with the Conservancy once every quarter of a year to coordinate activities and the use of the specific areas within the Conservancy.
- 2.5 Monitor the compliance of the Operator with its Environmental Management Plan and Empowerment plan.
- 2.6 Ensure that they comply with all obligations conferred upon the Conservancy in terms of the **Communal Land Reform Act of 2002**.

The Conservancy undertakes to:

- 2.7 Assume responsibility for controlling tourism activities within the Conservancy Area in accordance with any applicable legislation and this agreement.
- 2.8 Reject other Operators and or private individuals from building and/or operating tourism activities within a radius of 500 meters of the Premises.
- 2.9 Assist the Operator to resolve any problems it may encounter with the traditional authority, local residents or domestic livestock within the Conservancy area.

3. OBLIGATIONS OF THE OPERATOR

- 3.1 To allow the Conservancy reasonable access, through its duly authorised representative to inspect the premises, provided that the Conservancy has provided the Operator with written notice of its intention to do so. The Conservancy and Operator will agree on a date and time for the inspection and the Operator will not withhold its consent unreasonably.
- 3.2 Be responsible for all the maintenance and repairs of the fixed improvements within the Premises in accordance with generally accepted industry standards.

The Operator undertakes to:

- 3.3 Dispose of any waste associated with or relating from the construction and operation of the premises.
- 3.4 Implement and adhere to an approved Environmental Management Plan covering the operation and management of the premises in order to obtain an Environmental Clearance certificate.

Gmt 31

7. JOINT MANAGEMENT COMMITTEE

- 7.1 The Operator and the conservancy agree to establish a Joint Management Committee, which will be done within 90 days of signature of this agreement.
- 7.2 The parties shall agree on the members of the joint management committee which will be two representatives of each party, and a quorum at a meeting will require all 4 representatives.
- 7.3 The joint management committee should meet once every three months on 7 days' notice from the one party to the other requesting the committee to meet for any specified reason.
- 7.4 The parties shall take minutes at every meeting and shall afterwards ensure that both parties receive and keep a copy of all such minutes
- 7.5 If deemed necessary, meetings of the committee may be facilitated by a mutually agreeable, neutral facilitator.
- 7.6 The main purpose of the Joint Management Committee shall be the following;
- To take responsibility for implementing this agreement and ensuring the commitment of both parties are met.
 - To negotiate and agree on any issue not covered by this agreement and to record any decision reached in writing, provided that both parties reserve the right to take the matter back to their members/shareholders for a discussion prior to reaching any agreement.
 - Nominate and recommend candidates for employment at the Premises, provided that the final decision on such matters will be with the Operator.
 - Facilitate the resolution of any disputes that may arise between the parties, its members, employees, representatives, members of the traditional authority etc.
 - To resolve issues of concern to the parties such as the conduct of the members of the conservancy, traditional authority or local residents when it is in conflict with the tourism activities of the Operator or the conduct of the Operator's employees/guests when it is in conflict with the Conservation or community development related to the objectives of the Conservancy.
 - Discuss grievances and propose solutions for any conflicts or disputes that may arise out of the implementation of this agreement.

8. DOMICIL AND NOTICES

The parties choose as the *domicilium citiandi et executandi* the addresses mentioned hereinafter, provided that the *domicilium* of either party may be changed by written

GMT 

- 3.5 To adhere to the provisions of the **Labour Act 11 of 2007** and the **Communal Land Reform Act of 2002** and any amendments or replacements thereof.
- 3.6 Pay lease fees to the Conservancy in the amount of N\$ [REDACTED]
The lease fees will increase by [REDACTED] as from the date of signature every 2 Years.
- 3.7 The lease fees are to be paid into the following bank account;
- Bank:
- Account:
- Branch:

4. LOCAL EMPOWERMENT

- 4.1 Whenever possible the Operator shall employ members of the Conservancy at the Premises and where specific skills are required that are not immediately available among the members of the Conservancy, provide such training if possible.
- 4.2 The Operator shall draw up and implement an Empowerment plan which will include the skills development and training of its staff.
- 4.3 The Operator shall provide adequate accommodation facilities for those employees whose responsibilities require them to stay at the Premises overnight.

5. LIABILITIES

- 5.1 The Conservancy shall not be liable to the Operator for any claims of any nature arising out of loss, damage or injury that the Operator, its employees or guests may suffer within the Conservancy Area for any cause beyond the Conservancy's control.
- 5.2 The Operator shall not be liable to the Conservancy for any claims of any nature arising out of loss, damage or injury that the Conservancy or its members may suffer as a result of a cause beyond the control of the Operator.

6. SUBLETTING AND CHANGE IN CONTROL

The Operator shall not cede its rights or obligations in terms of this agreement to another, sub – let the premises or give up occupation or possession thereof or part thereof, without the prior written consent of the Conservancy.

Gmt ZH

notice from one party to the other with effect from the date of receipt by the latter of such notice.

THE CONSERVANCY: Mayum Conservancy
THE OPERATOR: Losange Lodges (Pty) LTD

9. WARRANT OF AUTHORITY

The persons signing this agreement on behalf of the parties expressly warrants their authority to do so.

Thus done and signed at Bush Camp on this the 18 day
August 2018

WITNESSES:

1. Maun'soli

[Signature]
FOR CONSERVANCY

2. SSK

Thus done and signed at Bush Camp on this the 18 day
August 2018

WITNESSES:

1. [Signature]

[Signature]
FOR OPERATOR

2. [Signature]

Annexure A

**Proposal for the re-development, upgrading and operating
of the place known as Mazambala Camp site but hereafter
referred as**

Bush Camp by Camp Kwando

Revised August 1, 2018

Zi CNT.

1. Back ground of Mazambala

Following the loss, due to Fire of Mazambala Lodge and Mazambala Camping, it is a loss for the Community in terms of income. As a result of the present economic conditions it could take years to change this situation.

In the meantime, the landowner, the conservancy and the community at large are all in a disadvantaged position due to the fact that both entities are not generating any income at present.

It is therefore in the interest of all roll players to treat the two entities as separate or individual concerns and continue with the running of Mazambala camp sites on its own as before. In order to enhance its own brand and establish its own identity it is envisaged to change the name to Bush Camp by Camp Kwando.

This will be more appropriate and reflects the redevelopment in partnership with Camp Kwando (Losange Lodges (PTY) LTD) better. This new name will also ensure the new place to benefit from the good reputation of Camp Kwando in the market and make marketing of this place more efficient.

2. Brief history of Camp Kwando

Losange Lodge (PTY) LTD is operating under the name of Camp Kwando since 2003. The lodge includes 14 chalets, 6 luxury tree houses, a campsite and 4 private campsites. The amenities also include a bar, a restaurant and 2 vegetable gardens. On date hereof 46 employees are working at Camp Kwando and 90% of them are from the community of the Mashi conservancy.

The management is assured by 4 people. Two of them are from the local community (1 from Lizauli area, 1 from Mayuni area).

Camp Kwando is proud to be member of the Black Economic Empowerment Plan (BEE) put up by the Government of Namibia and does its best to improve the skills of its employees.

Camp Kwando is well known in the tourism industry and has increased its occupancy rate every year since it opened.

The lodge is now at a point where it has reached a level of skills and reputation where it is ready to develop its business in other places, taking for granted that the values it strives for remains the same; aiming to develop economic activities that can profit all the concerned parties: the investors, the community and the environment.

3. Development plan for the place known as Bush Camp by Camp Kwando PHASE 1

Losange lodges (PTY) LTD did already renovate the actual campsite and build 4 up market private campsites, each of one will include a shower, a toilet and a braai area underneath a Thatched Roof.

The private campsite were built to guarantee a "wilderness feeling" for the visitors and therefore was prioritise the use of local natural resources as much as possible. The actual buildings used as ablution blocks was removed. The area was cleared and grass will be planted.

A solar power system was installed and a building was erected to host all the necessary equipment.

Sceptic tanks did replace the current drain, and new piping and plumbing was installed to insure eco-friendly treatment of the water.

31 GmT

A small bridge will be built to ensure the access to the island at all times and a small bar will be installed on the island to offer drinks to the visitor at sunset to let them enjoy the fantastic view over the flood plain.

An office with a store room will also be constructed.

Staff quarters have been erected so as to ensure permanent presence on the site and efficient service to the guests.

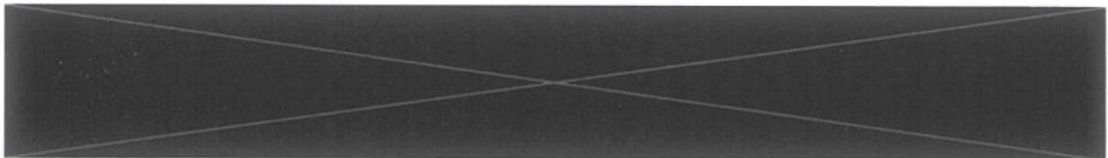
Furthermore a vegetable garden will be built so as to offer the possibility to sell fresh vegetables to the guest but also to offer job opportunities to the community.

Three permanent employees from the Mayuni Conservancy were hired and trained during the building process in building, plumbing, woodwork, electric and all skills needed to maintain the Campsite.

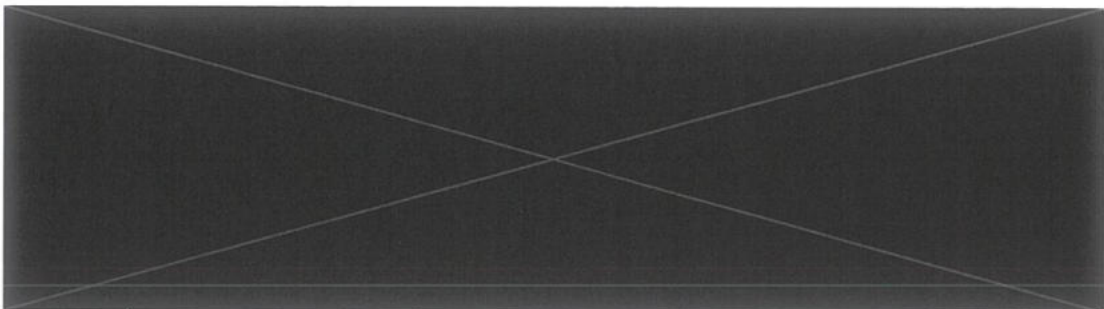
The Activity Manager Nelson Walubita, member of the Mayuni Conservancy was trained at Camp Kwando for the past 9 years and now moved over to Bush Camp by Camp Kwando into his new Position of Camp Manager. He was well trained in the past 12 months in the office in accounting as well as in all necessary parts of Management.

Losange lodges (PTY) LTD will apply for an environment clearance certificate from the relevant authorities.

PHASE 2



PHASE 3



4. Aim of the project

As already mentioned above, the objectives of this project are to benefit all interested parties.

It includes but is not limited to the following:

- To contribute to the Mayuni Conservancy's ability to become more financially independent by developing (through the lease agreement and mutual co-

31 Gmt

operation), a prestige tourism facility within the Mayuni Conservancy and the neighbouring National Parks;

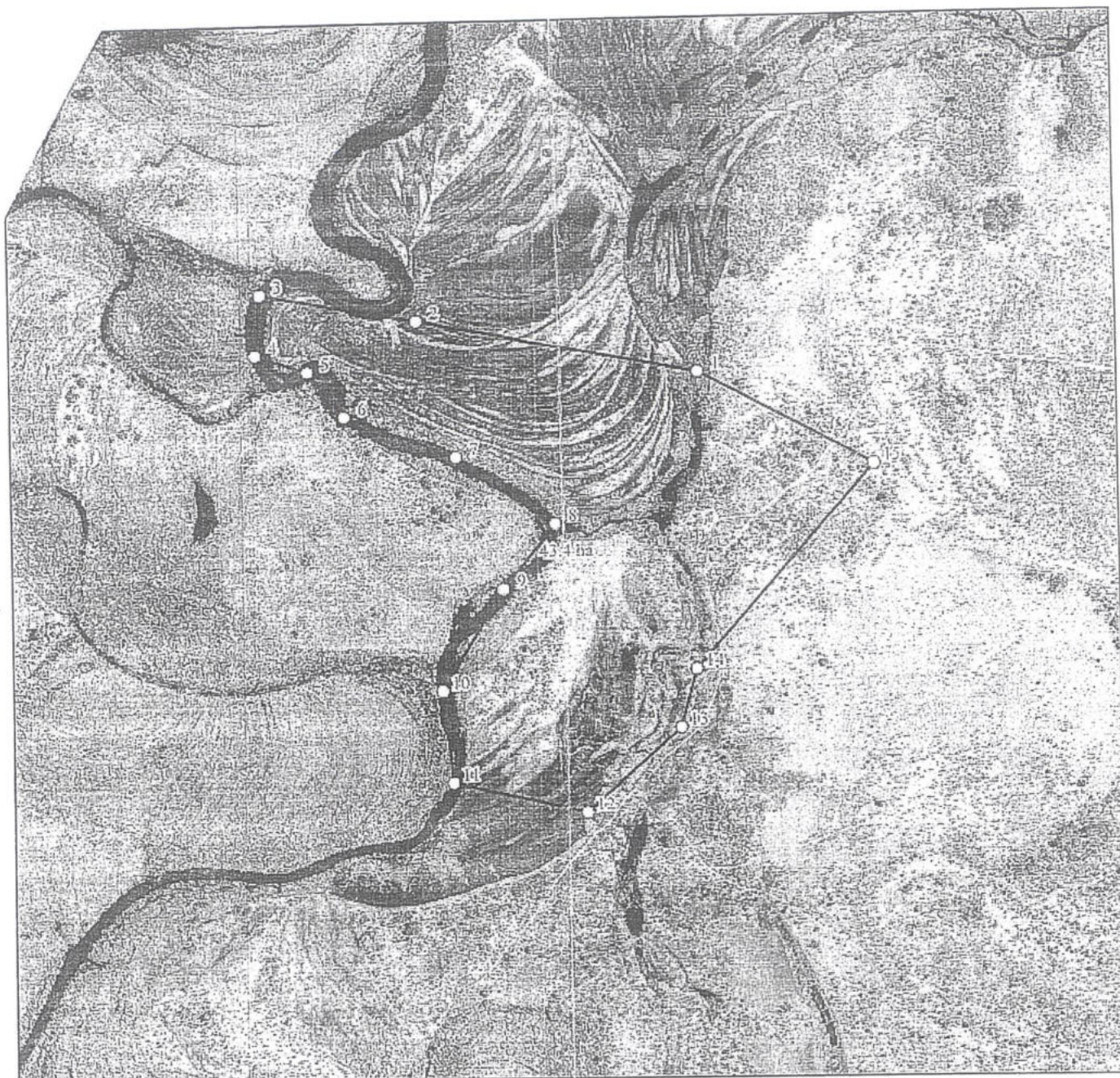
- To exceed visitor's expectations for an authentic bush and wildlife experience in an exclusive area.
- Recruit, train and develop staff from the community; and
- To conserve the existing wildlife in the area.

In summary, the Camp Kwando bush camp's mission is to become a destination of choice for visitors to Kaza, whom are looking for a place to experience and enjoy a true wilderness, river, bush and wildlife experience.

5. Operating fee

Starting from the effective date, the Operator will pay the Conservancy a lease fee as regulated by the Lease agreement between the parties and will make a monthly contribution to the Traditional Authority to be regulated in a separate Memorandum of Understanding.

ZI GMT



The figure above represents parcel:

UPI: KONGLA100394

Size: 43.4 ha



1 centimeter = 100 meters
scale: 1:10 000

Corner points and map display:
Projection: Geographic
Datum: WGS84
Units: Decimal Degree

Corner points:

Point	Latitude	Longitude	Point	Latitude	Longitude	Point	Latitude	Longitude	Point	Latitude	Longitude
1	-17.80685	23.34571	2	-17.80614	23.34104	3	-17.80578	23.33847	4	-17.80673	23.33841
5	-17.80698	23.33927	6	-17.80768	23.3399	7	-17.80829	23.34174	8	-17.8093	23.3434
9	-17.81035	23.34256	10	-17.81197	23.34159	11	-17.81342	23.3418	12	-17.81384	23.34404
13	-17.81244	23.34555	14	-17.81152	23.34578	15	-17.80825	23.34861			

QMT 31