

LEASE AGREEMENT

1. PARTIES:

The parties entered into by and between:

1.1 Johannes Francois Hattingh

Identity number: 780725 5006 08 3

Physical Address: (Farm) Tweevley, Harrismith, Free State

Contact number: 083 659 4250

E-mail: rozelle@megatel.co.za

(hereinafter called "the Lessor")

- and -

1.2 Hanzel Trust

IT number: IT325/08

Physical Address: (Farm) Tweevley, Harrismith, Free State

Contact number: 083 659 4250

E-mail: rozelle@megatel.co.za

Herein represented by Johannes Francois Hattingh who is duly authorised thereto

(hereinafter called "the Lessee")

2. INTERPRETATION:

2.1 In this **AGREEMENT** the following terms and expressions shall have the meanings ascribed to them hereunder unless the context specifically requires otherwise –

2.1.1 the **LESSOR**

The **PARTY** referred to in clause 1.1;

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2.1.2 the **LESSEE**

The **PARTY** referred to in clause 1.2;

2.1.3 the **PROPERTY**

Approximately 500 (FIVE HUNDRED) hectares of grazing / veld; as inspected, viewed and agreed between the **PARTIES**, situated on the farms: Tweevley no. 508, Moddervley no. 1106, Waterloo no. 993, and Kleintje 1001, Harrismith District (the aforesaid farms is all held collectively at present under Title Deed no. T471/2008);

(hereinafter called "**the PROPERTY**")

2.1.4 the **PARTIES**

A collective reference to the **LESSOR** and **LESSEE**, and "**PARTY**" means one of them;

2.1.5 a **DAY**

Any day of the week excluding Saturdays, Sundays and Official Public Holidays of the Republic of South Africa;

2.1.6 the **SIGNATURE DATE**

the date of signature of the **AGREEMENT** by the **PARTY** last signing.

2.1.7 Where necessary the masculine gender shall include the feminine and the singular shall include the plural and the plural shall include the singular.

3. **LETTING AND HIRING:**

3.1 The **LESSOR** hereby lets to the **LESSEE** and the **LESSEE** hereby hires from the **LESSOR** the **PROPERTY**.

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4. **USE:**

4.1 The **PROPERTY** shall be used by the **LESSEE** for agricultural (animal husbandry) purposes.

5. **LEASE PERIOD (DURATION):**

5.1 The Lease shall commence on **01 JANUARY 2022** and shall terminate on **31 AUGUST 2027**, notwithstanding the **SIGNATURE DATE**.

6. **RENT:**

6.1 The **PARTIES** agree that the rental shall be paid **monthly** in the amount of **R12,500.00 (TWELVE THOUSAND AND FIVE HUNDRED RAND), EXCLUDING VALUE ADDED TAX (VAT)**.

6.2 The monthly rental shall be payable as the **LESSOR** may from time to time direct.

6.3 The **LESSEE** shall be responsible to keep and maintain the fencing, gates and other improvements on the **PROPERTY** in good repair in respect of any damages which may be caused by the **LESSEE's** livestock.

7. **GRAZING CONDITIONS (LIVESTOCK):**

The **LESSEE** undertakes and binds itself to:

7.1 Take all such steps as may be necessary to prevent soil erosion.

7.2 Keep and maintain the **PROPERTY** hereby let free from all noxious weeds and shrubs which have already been declared such or which may at any time during the existence of this lease be declared such.

7.3 The **LESSEE** shall be responsible to keep and maintain the fencing, gates and other

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improvements on the **PROPERTY** in good repair, normal wear and tear excluded, in respect of any damages which may be caused by the **LESSEE's** farming activities.

- 7.4 Not to do anything or allow anything to be done whereby any Insurance Policy in respect of the **PROPERTY** may adversely be affected or whereby an increase in the rate thereof be caused.
- 7.5 To allow only its *bona fide* servants, employees and contractors on the **PROPERTY**.
- 7.6 The **LESSEE** shall at all times properly and intelligently conduct the farming operations and follow correct farming practice. The **LESSEE** shall specifically not overgraze the **PROPERTY**;
- 7.7 The **LESSEE** shall not be entitled, except with the prior written consent of the **LESSOR**, to:
- 7.7.1 Cede or assign all or any of the rights and obligations of the **LESSEE** under this lease;
- 7.7.2 Sublet the **PROPERTY** in whole or part; or
- 7.7.3 Give up possession of the **PROPERTY** to any third party.

8. **DAMAGES SUFFERED BY THE LESSEE:**

- 8.1 The **LESSOR** shall not be liable for any damage or loss the **LESSEE** may suffer for any reason, e.g. drought, hail, theft, veld fires, etc.

9. **OCCUPIERS:**

- 9.1 It is agreed between die **PARTIES** that the **LESSEE** shall not, during the currency of the lease, without the permission of the **LESSOR**, allow the **PROPERTY** to be occupied by any persons. The aforesaid condition will, however, not be applicable to any occupiers which already occupied the **PROPERTY** at the beginning of the lease period or who were allowed

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to occupy the **PROPERTY** before the commencement of this lease.

10. LESSEE'S RIGHTS OF ACCESS AND EXECUTION OF WORK:

- 10.1 The **LESSEE's** representatives, agents, servants and contractors will at all reasonable times, have access to the **PROPERTY**.

11. INSPECTION:

- 11.1 The **LESSOR** and/or his representative and/or his agents shall have the right at all reasonable times to enter and inspect the **PROPERTY**.

- 11.2 The **LESSOR** and / or his authorised agents and / or representatives and / or employees are entitled, at all reasonable times, to do all necessary repairs, additions or changes to the **PROPERTY**, which the **LESSOR** may deem necessary, in such a manner as to cause the minimum disturbance to the **LESSEE'S** right of use and enjoyment of the **PROPERTY**.

12. DOMICILIUM CITANDI ET EXECUTANDI:

- 12.1 The **PARTIES** hereby choose *domicilium citandi et executandi* in any action in terms of this agreement at the addresses cited respectively in clauses 1.1 and 1.2 above.

13. JURISDICTION OF THE MAGISTRATE'S COURT:

- 13.1 The **PARTIES** consent to the jurisdiction of the Magistrate's Court in respect of any action in terms of this agreement.

14. MISCELLANEOUS:

- 14.1 No provision of this agreement (including, without limitation, the provisions of this clause) may be amended, substituted or otherwise varied, and no provision may be added to or



incorporated in this agreement, except (in any such case) by an agreement in writing signed by the **PARTIES**.

- 14.2 Any relaxation, indulgence or delay (collectively referred to as "indulgence") by either **PARTY** in exercising, or any failure by either **PARTY** to exercise, any right under this agreement shall not be construed as a waiver of that right and shall not affect the ability of that **PARTY** subsequently to exercise that right or to pursue any remedy, nor shall any indulgence constitute a waiver of any other right (whether against that party or any other person).
- 14.3 The waiver of any right under this agreement shall be binding on the waiving **PARTY** only to the extent that the waiver has been reduced to writing and signed by the waiving **PARTY**.
- 14.4 This agreement supersedes all prior agreements, representations, communications, negotiations and understandings between the **PARTIES** concerning the subject matter of this agreement.
- 14.5 Whenever possible, each provision of this agreement shall be interpreted in a manner which makes it effective and valid under applicable law, but if any provision of this agreement is held to be illegal, invalid or unenforceable under applicable law, that illegality, invalidity or unenforceability shall not affect the other provisions of this agreement, all of which shall remain in full force.
- 14.6 All notices and any other communications whatsoever (including, without limitation, any approval, consent, demand, query or request) by either **PARTY** in terms of this agreement or relating to it shall be given in writing.
- 14.7 By entering into this agreement, the **PARTIES** warrant that there are no impediments or restrictions to their doing so and that this agreement does not violate the provisions of any agreement between any one of the **PARTIES** and any third parties.

SIGNED at HARRISMITH on this 10 day of DECEMBER 2021

AS WITNESSES:

1. S. Hattings
2. [Signature]

[Signature]
LESSOR

SIGNED at HARRISMITH on this 10 day of DECEMBER 2021

AS WITNESSES:

1. S. Hattings
2. [Signature]

[Signature]
LESSEE