

<u>CLUASE DESCRIPTION</u>	<u>SALE OF BUSINESS AS A GOING CONCERN (ASSET SALE)</u>	<u>SALE OF SHARES</u>
INTRODUCTION	This non-binding terms of reference is indicative of the commercial terms on which a sale and purchase transaction will be negotiated.	
1. SELLER	Erindi Ranch (Proprietary) Limited (the "Company")	Collective shareholders of Erindi Ranch (Proprietary) Limited
2. CONDITIONS PRECEDENT	<p>i) Statutory merger approval from Competition Authorities.</p> <p>ii) Statutory approval for the acquisition of agricultural land.</p> <p>Costs related to statutory filings are usually paid in equal parts by the seller and purchaser.</p>	<p>i) Statutory merger approval from Competition Authorities.</p> <p>iii) Statutory approval for the acquisition of agricultural land.</p> <p>Costs related to statutory filings are usually paid in equal parts by the seller and purchaser.</p>
3. DUE DILIGENCE	The purchaser shall be afforded sufficient due diligence investigation opportunity.	The purchaser shall be afforded sufficient due diligence investigation opportunity.
4. SALE AND PURCHASE	The parties shall negotiate and enter into a Sale of Business as a Going Concern (Asset Sale) Agreement.	The parties shall negotiate and enter into a Sale of Shares Agreement.
5. PURCHASE PRICE	USD 160,000 (one hundred and sixty million American Dollar)	USD 160,000 (one hundred and sixty million American Dollar)
6. VALUE ADDED TAX	The transaction is classified as 0% VAT rated.	VAT is not applicable on a sale of shares transaction.
7. TRANSFER COSTS	Transfer costs related to the transfer of agricultural land to another entity, shall be calculated at 12% of the purchase price and payable	Transfer costs related to the transfer of shares, shall be calculated at 0,2% of the purchase price and payable

	by the purchaser.	by the purchaser.
8. EMPLOYEES	The purchaser shall have the option to retain or retrench the current employees.	The employees shall remain in the employ of the Company, regardless of ownership.
9. COMMISSION	A commission equal to 4% of the purchase price shall be payable by the seller to the agent.	A commission equal to 4% of the purchase price shall be payable by the seller to the agent.
10. GOVERNING LAW	Namibian Law	Namibian Law