

**THE GOVERNMENT OF SOUTHERN SUDAN  
CENTRAL EQUATORIA STATE  
MINISTRY OF PHYSICAL INFRASTRUCTURE  
DIRECTORATE OF LANDS ADMINISTRATION AND PHYSICAL PLANNING**

REF: MPI/DLAe&PP/CES/38.A.1

date: 1. 9. 2008

The Accountant,  
Revenue Authority,  
Central Equatoria State  
Juba

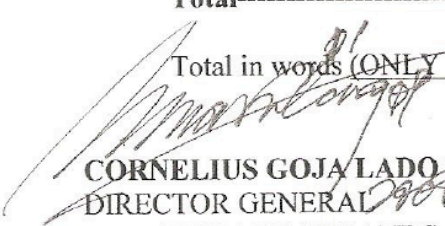
1. Please collect from the CHAIRMAN, MUKAYA PAYM COOPERATIVE the sum of : SDG 75,00.00 being land charges for 6,000,000,000 square meters of AGRO FORESTRY land \_N0. 1 BLOCK I at MUKAYA PAYAM – LANYA COUNTY.  
Preferential allotment with premium
2. The Accountant of: Juba, Lanya, Morobo, Terekeka, Yei and Kojakaji Counties to collect Rent payable in Advance
3. The Survey to collect Survey Fee;
4. The Registrar of Land to collect Registration Fees;
5. The Revenue Authority to credit the Land Charges to the Bank Account of the Revenue Authority, Ministry of Finance Economic Planning and Manpower.

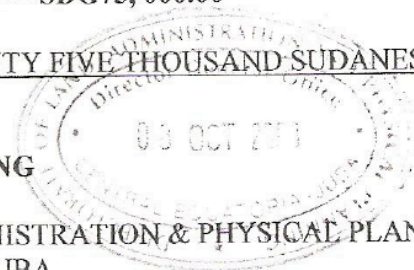
LAND CHARGES BEAKENDOWN

1. Premium Reserve Fund: .....SDG 26,250.00
2. Essential Works Charges: .....SDG 35,750.00
3. Administrative and Planning Fee  
Fees: .....SDG 15,000.00

**Total-----SDG75, 000.00**

Total in words (ONLY SEVENTY FIVE THOUSAND SUDANESE POUNDS)

  
**CORNELIUS GOJA LADO KULANG**  
DIRECTOR GENERAL  
DIRECTORATE OF LANDS ADMINISTRATION & PHYSICAL PLANNING  
CENTRAL EQUATORIA STATE / JUBA



CC: - Registrar of Land, CES / Juba  
CC: - Director Juba / Lanya / Morobo / Tereka / Yei / Kojakaji / CES Counties  
CC: - Director of Survey Department, CES / Juba  
CC: - Chairman Mukay Payam Cooperative

## LEASE AGREEMENT

This Lease Agreement ("Lease") is made this 11<sup>th</sup> day of March, 2008 by and between

**MUKAYA PAYAM COOPERATIVE**, an authorized territorial subdivision of Southern Sudan (for itself and its successors, hereinafter, the "Cooperative" or "Lessor"),

and

**NILE TRADING & DEVELOPMENT, A DELAWARE CORPORATION**, a corporation organized in the State of Delaware, for itself and its successors and assigns (for itself and its successors, hereinafter, the "Company" or "Lessee").

### RECITALS

**WHEREAS**, the Cooperative is a territorial subdivision of Southern Sudan authorized by the Government of Southern Sudan; and

**WHEREAS**, the Company is a corporation duly incorporated in the State of Delaware, United States of America, with an address at 10694 Pagewood Drive, Dallas, Texas 75230; and

**WHEREAS**, the Cooperative has the right and power, pursuant to the authority granted it by the Government of Southern Sudan, to lease land within its boundaries (the "Cooperative Territory") and to grant valuable concessions (as further defined below, the "Concessions") in the Cooperative Territory to third parties in respect of the development and operation of certain businesses; and

**WHEREAS**, the Company wishes to obtain a land lease within the Cooperative Territory from the Cooperative, and the Cooperative wishes to lease land within the Cooperative Territory to the Company.

**NOW, THEREFORE**, in consideration of the premises and the mutual promises herein contained, the Cooperative and the Company hereby agree as follows:

1. The Lease. (a) The Cooperative hereby agrees to lease to the Company one or more parcels of forested land within the Cooperative Territory with an aggregate area of no less than 600,000 hectares (with further extension to 1,000,000 hectares). The Cooperative shall use its commercially reasonable best efforts to provide the Company with a legal description of the Cooperative Territory and/or its boundaries. Upon receipt of such information, the Company shall use its commercially reasonable best efforts to perform a land survey of the Cooperative Territory and to compare the results of such land survey to maps of such territory prepared by the United Nations and/or archived in the United Kingdom. Upon completion of such land survey and comparison, the Cooperative and the Company shall, in good faith, determine the actual parcel or parcels within the Cooperative Territory to be leased by the Cooperative to the Company (hereinafter, the "Leased Land"), a legal description of which shall be annexed to this Lease and made a part hereof (hereinafter, the "Addendum").

 Yousia Ramdalla  

(b) The initial term of such lease shall be forty-nine (49) years, beginning from and after the date of execution of the Addendum.

(c) The Cooperative hereby agrees that the Company shall have the right to engage in the following activities on the Leased Land:

- (i) The development, production and/or exploitation of timber/forestry resources, including without limitation, the harvesting of current tree growth, the planting and harvesting of megafolia-paulownia, palm oil trees and other hardwood trees and the development of wood-based industries; and
- (ii) Agriculture, including the cultivation of the jetropha plant and palm oil trees (and the exploitation of any resulting carbon credits).

The Company agrees that the substantially majority of the land within the Leased Land from which trees are harvested shall be subject to a reforestation or agricultural cultivation programme.

The Cooperative acknowledges and agrees that the Company may undertake any other activity permitted by the laws of Southern Sudan on the Leased Land. Without limiting the foregoing, the Cooperative acknowledges that the Company may seek to explore, develop, mine, produce and/or exploit (x) petroleum, natural gas and other hydrocarbon resources, for both the local and export markets, and (y) other minerals, and may also seek to engage in power generation activities on the Leased Land. The Cooperative hereby agrees that it shall not oppose the undertaking of any such activities by the Company on the Leased Land and shall cooperate with the Company in any efforts undertaken by the Company to obtain one or more concessions therefor from the Government of Southern Sudan.

\* (d) The Cooperative acknowledges and agrees that the Company shall have the right to sublease any part or all of the Leased Land or sublicense any right to undertake activities on the Leased Land to third parties. Without limiting the foregoing, the Company hereby agrees to use its commercially reasonable best efforts to engage in the development, production and/or exploitation of the timber/forestry resources within the Leased Land and to engage in agricultural cultivation. In addition, the Cooperative acknowledges and agrees that the Company shall have the right to assign this Lease to any affiliated entity (that is, any entity controlled by the Company or whose shareholders are the same as the Company's shareholders), provided that the Company give written notice of such assignment to the Cooperative.

(e) The Cooperative hereby agrees that this Lease will not conflict with any other lease granted by the Cooperative or result in a violation or breach of any other agreement to which the Cooperative is a party.

2. Royalties/Benefits to the Cooperative. (a) Any profits generated by the Company in respect of the Leased Land shall initially, and through 2012, be divided 60% to the Company and 40% to the Cooperative, such profits to be calculated in accordance with generally accepted accounting principles, consistently applied, after all costs, expenses and taxes are paid. From 2013-2017, the profits generated by the Company shall be distributed 58% to the Company and 42% to the Cooperative; from 2018-2022, the profits generated by the Company shall be distributed 56% to the Company and 44% to the Cooperative; from 2023-2027, the profits generated by the Company shall be distributed 54% to the Company and 46% to the Cooperative; from 2028-2032, the profits generated by the Company shall be

*Handwritten signature*



and their respective successors and assigns. No waiver of any provision hereof shall be effective unless made in writing and signed by the waiving party. The failure of any party to require the performance of any term or obligation of this Lease, or the waiver by any party of any breach of this Lease, shall not prevent any subsequent enforcement of such term or obligation or be deemed a waiver of any subsequent breach. If any provision of this Lease shall to any extent be declared illegal or unenforceable by a court of competent jurisdiction, then the remainder of this Lease, or the application of such provision in circumstances other than those as to which it is so declared illegal or unenforceable, shall not be affected thereby, and each provision of this Lease shall be valid and enforceable to the fullest extent permitted by law.


This Lease may be executed in two or more counterparts, including telecopied and emailed facsimiles, each of which shall be an original and all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, this Lease has been made and executed by the parties on the date first above written.

For and on behalf of

MUKAYA PAYAM COOPERATIVE

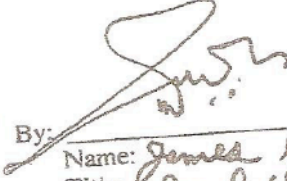
By:

  
Name: SC Opiet  
Title: *SC Opiet*  
Passport Number: 80969704  
Country of Issuance: *paramount chief*

WITNESSED BY:

*Sunday*  
Name: Samuel T Youzied  
Address: Ministry of Housing, Land, & Public Utilities  
Government of Southern Sudan  
Juba - Sudan

By:

  
Name: James Yosia Ramedalle  
Title: 2nd. Class Judge.  
Passport Number:  
Country of Issuance:

*Out of*

WITNESSED BY:

Lawrence Korbarely  
Name:

Address:

For and on behalf of

**NILE TRADING & DEVELOPMENT, A DELAWARE CORPORATION,**  
a corporation organized in the State of Delaware

By:

Leonard Thatcher  
Name: Leonard Thatcher  
Title: Chairman of the Board  
Passport Number: 400740322  
Country of Issuance: United Kingdom

WITNESSED BY:

P. Osborne  
Name: P. Osborne  
Address: 101, Buckingham Palace Rd  
SW1W 0ST

By:

Maryanne Sebag  
Name: Maryanne Sebag  
Title: Vice President  
Passport Number: 094559646  
Country of Issuance: United Kingdom

WITNESSED BY:

P. Osborne  
Name: P. Osborne  
Address: Grosvenor Hotel,  
101, Buckingham Palace Rd  
SW1W 0ST

[Signature]  
[Signature]