NOTARIAL DEED OF LEASE

BE IT HEREBY MADE KNOWN:

THAT on this 15th day of SEPTEMBER 2008 before me,

JACOBUS ADRIAAN LOUW DE WAAL

Notary Public, by lawful authority duly sworn and admitted, practicing at Stellenbosch in the Province of Western Cape, personally came and appeared in the presence of the undersigned witnesses:

AREND LEOPOLD DE WAAL of Stellenbosch, he, the said Appearer, acting herein on behalf of the Parties to this Lease; being duly authorised thereto by:

A Special Power of Attorney executed at GROOT-DRAKENSTEIN on 8 September 2008 by:
ANDREW CHRISTOFFEL NISSEN, in his capacity as Director of BOSCHENDAL (PROPRIETARY) LIMITED, NO. 2002/023534/07 duly authorised thereto in terms of a Resolution of the Board of Directors taken at Boschendal, Groot-Drakenstein on 2 June 2008.

(Hereinafter referred to as “The Landlord”)

And furthermore, duly authorised thereto by a Special Power of Attorney executed at GROOT-DRAKENSTEIN on 8 September 2008 by:

CLIVE BRUCE VENNING, in his capacity as Director of BOSCHENDAL WINERY (PROPRIETARY) LIMITED, NO. 2004/020895/07 duly authorised thereto in terms of a Resolution of the Board of Directors taken at Boschendal, Groot-Drakenstein on 6 June 2008;

(Hereinafter referred to as “The Tenant”)

certified copies of which Special Powers of Attorney and Resolutions have on this day been exhibited to me, the Notary, and now remains filed in my Protocol;

AND THE APEARER DECLARED THAT:

WHEREAS: the Landlord is the registered owner of the undermentioned immovable property, namely:

FARM NO 1685 BOSCHENDAL in the Municipality of STELLENBOSCH, Division PAARL, Province of the WESTERN CAPE
IN EXTENT: 420,2110 (FOUR HUNDRED AND TWENTY COMMA TWO ONE ONE ZERO) Hectares

HELD by Certificate of Consolidated Title No T /2008

Excluding the Developable Areas as described in 2.10.5 below.

(Hereinafter referred to as “The Leased Land”)

AND WHEREAS: the Tenant wishes to lease the Leased Land and carry out farming activities thereon;

NOW THEREFORE THE PARTIES HAVE AGREED AS FOLLOWS:

1 THE PARTIES

The parties to this Lease are:

1.1 THE LANDLORD:

BOSCHENDAL (PROPRIETARY) LIMITED, NO. 2002/023534/07 including its successors-in-title, herein represented by ANDREW CHRISTOFFEL NISSEN in his capacity as Director, duly authorised thereto in terms of a Resolution of the Board of Directors taken at Boschendal, Groot-Drakenstein on 2 June 2008.

Postal address: P O Box 25, Groot-Drakenstein, 7680
Physical address: Le Rhone, Pniel Rd (R310, 1.5km from junction with
R45), Groot-Drakenstein, Cape, South Africa

Telephone: 021-874 1163
Telefacsimile: 021-874 2893
E-Mail: venningc@boschendal.co.za

AND

1.2 THE TENANT:

BOSCHENDAL WINERY (PROPRIETARY) LIMITED, NO. 2004/020895/07 including its successors-in-title; herein represented by CLIVE BRUCE VENNING in his capacity as Director, duly authorised thereto in terms of a Resolution of the Board of Directors taken at Groot-Drakenstein, Western Cape on 6 June 2008.

Postal address: P O Box 25, Groot-Drakenstein, 7680
Physical address: Le Rhone, Pniel Rd (R310, 1.5km from junction with R45), Groot-Drakenstein, Cape, South Africa

Telephone: 021-874 1163
Telefacsimile: 021-874 2893
E-Mail: venningc@boschendal.co.za

SCHEDULE
<table>
<thead>
<tr>
<th>Headings</th>
<th>Details</th>
<th>Clause no.</th>
</tr>
</thead>
<tbody>
<tr>
<td>A Initial Period:</td>
<td>“Commencement Date” notwithstanding the date of signature hereof, the 1st day of July 2007. (Two Thousand and Seven)</td>
<td>4.1.1</td>
</tr>
<tr>
<td></td>
<td>“Expiry Date” 30th day of June 2106 (Two Thousand One Hundred and Six)</td>
<td>4.1.1</td>
</tr>
<tr>
<td>B Right of First Refusal</td>
<td>Commencement Date: In terms of the Offer or New Lease</td>
<td>4.1.2</td>
</tr>
<tr>
<td></td>
<td>Expiry Date: In terms of the Offer or New Lease</td>
<td>4.1.2</td>
</tr>
<tr>
<td>C Use of Leased Land:</td>
<td>For Farming purposes as is further set out in 4.6 and Annex D</td>
<td>4.6</td>
</tr>
<tr>
<td>D Rental for Initial Period</td>
<td>25% (twenty-five percent) of the Taxable Income of the Tenant per year, payable within 90 (ninety) days of the end of each Financial Year of the Tenant for the duration of the Lease.</td>
<td>4.2</td>
</tr>
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2 DEFINITIONS AND INTERPRETATION

In this Lease, unless the context otherwise indicates:

2.1 NOTICES
Any notices for all purposes of this Lease, including the cancellation thereof, shall:

2.1.1 be in writing;

2.1.2 be sent by hand; or registered post, or telefacsimile machine; or electronic mail.

2.1.3 be addressed to the respective parties at their chosen *domicilium citandi et executandi* in terms of this Lease; and

2.1.4 be deemed to have been received by the party to whom it is addressed:

(a) at the time of delivery thereof; or

(b) on the 14th (fourteenth) day following the posting thereof, excluding the day upon which it is posted, in the Republic of South Africa; or in the case of a telefacsimile or electronic mail, on date of written acknowledgement thereof from the addressee.

A notice received by a party shall be deemed to be a notice in terms of this clause, notwithstanding that it was not sent in terms of the aforesaid provisions.

2.2 HEADINGS / TYPE SIZE OR FONT / EMPHASIS

2.2.1 The Headings to the respective clauses are for reference purposes only. They shall not be taken into account in the interpretation of this Lease.

2.2.2 No provision of this Lease shall be accorded any significance merely because it is different in any manner from any other provision, including as a result of:

2.2.2.1 Type size or font; and

2.2.2.2 Emphasis in any manner including, underlining or “bolding” or highlighting or using capital letters or words in inverted commas.
2.3 CONSENT OR APPROVAL OR SATISFACTION

If any consent or approval is required for any act by a party, or any act is to be to the satisfaction of a party, such consent or approval, or expression of satisfaction shall:

2.3.1 be in writing and signed by the other party or his authorized agent;
2.3.2 not be unreasonably withheld; and
2.3.3 in the case of a consent or approval, be given prior to the party taking such action.

2.4 SINGULAR / PLURAL / MALE / FEMALE / NEUTER GENDERS

The singular shall include the plural and vice versa. The male gender shall include the female and neuter genders and vice versa.

2.5 UNENFORCEABLE

Should any provision of this Lease be unenforceable as being contrary to any law, then such provision shall be deemed to be separated and several. The validity of the remaining provisions of this Lease shall remain unaffected.

2.6 ANNEXES

The annexes and the Schedule are deemed to be part of this Lease, as if specifically therein embodied.

2.7 SUCCESSORS-IN-TITLE

The rights and obligations of any party arising from this Lease shall devolve upon and bind its successors-in-title.

2.8 IMPOSING RIGHTS
If any provision in this clause or the Schedule, is a provision imposing rights or obligations on any party, then notwithstanding that it is contained in this clause or the Schedule, effect shall be given to it as if it were a substantive provision in the body of the Lease.

2.9  **DEEM/DEEMED**

Where the word “deem or deemed” is used in this Lease, it shall be conclusive of that to which it refers as a fact, regardless of the objective truth thereof.

2.10  **WORDS AND EXPRESSIONS**

The following words and expressions, unless the context indicates or requires otherwise, shall bear the meanings assigned to them in this Lease, as set out hereunder:

2.10.1  **AGRICULTURAL APPROVAL** – the approval by the Department of Agriculture, in terms of the Subdivision of Agricultural Land Act, No. 70 of 1970, for the consolidation of the farms comprising the Consolidated Land, and the sub-division thereof into 19 (nineteen) sub-divisions:

- of which 18 (eighteen) sub-divisions are Founders’ Estates; and
- of which one sub-division is described as the Farm Management Centre,

a copy of which Consent is annexed marked Annex A.

2.10.2  **BANK** – any bank as defined in the Banks Act no 94 of 1990.

2.10.3  **BOSCHENDAL LAND** - the leasehold area over the Farm No 1685 Boschendal registered in the name of the Landlord, more fully described in Annex B hereto and as depicted on the Leasehold Diagram SG No 3515/2008 annexed hereto, marked Annex C.

2.10.4  **CHARGES** – any charges, including any levies, all taxes including statutory taxes, fees or other amounts payable by the Landlord to any
authority having jurisdiction over the Leased Land, and that arise from the occupation including ownership and/or use of the Leased Land. This includes any payment for any services or supply of whatsoever nature or rendered by any person, including the Landlord, including the supply of electricity, water, or sewage.

2.10.5 DEVELOPABLE AREA/S – those areas which are excluded from the leasehold area, more fully described on Annex B hereto as depicted on Leasehold Diagram SG No 3515/2008 annexed hereto, marked Annex C.

2.10.6 EQUIPMENT – means all plant or equipment used by the Tenant, and being the Tenant’s property or in any other manner in possession of the Tenant, including on loan or on lease, which the Tenant reasonably requires to operate the Leased Land as a farm in terms of this Lease.

2.10.7 EXPIRE – expiry by effluxion of time only.

2.10.8 FARMING OPERATIONS – as more fully described in Annex D hereto;

2.10.9 FINANCIAL YEAR – the “financial year” of the Tenant as defined in Section 1 of the Income Tax Act, 1962 running from the 1st July in each year and terminating on the 30th June of the next year, provided that the first Financial Year of the Tenant, for the purposes of this Lease, shall run from the 1st July 2007 to 30th June 2008.

2.10.10 FOUNDERS’ ESTATE/S – the sub-division of the consolidation of Portions 2, 5, 8 and 9 of the Boschendal Land, into 18 (eighteen) sub-divisions.

2.10.11 INFRASTRUCTURE – all the improvements of a permanent nature on the Leased Land. This includes buildings, installations, fences, irrigation works and systems, structures, dams and roads. This in turn again includes any plant, machinery or Equipment, which forms an integral part of the Infrastructure, but excludes the Equipment.

2.10.12 LEASE – this Agreement, the Schedule and the Annexes.

2.10.13 LEASED LAND – the leasehold area over the Farm No 1685 Boschendal as morefully described in Annex B hereto and depicted on
the Leasehold Diagram No 3515/2008 annexed hereto marked Annex C:

- as sub-divided into the 18 Founders' Estates; and
- excluding the Developable Areas,

as indicated on and defined in Annex B and C.

2.10.14 LEASE PERIODS – the following Lease Periods namely:

2.10.14.1 Initial Period – The Initial Period as set out in the Schedule.

2.10.14.2 Right of First Refusal Period – Such Period as may be contained in the “Offer” or the “New Lease”, as the case may be, as defined in 4.4.

2.10.15 REPUBLIC – The Republic of South Africa.

2.10.16 SAHRA – The South African Heritage Resources Agency, constituted in terms of Section 11 of the National Heritage Resources Act, No. 25 of 1999.

2.10.17 TAXABLE INCOME – “taxable income” as defined in Section 1 of the Income Tax Act, No. 58 of 1962, prior to the calculation or the determination of the rental for the purposes of this lease pursuant to 4.2

3 BACKGROUND CIRCUMSTANCES

3.1 The Landlord is the registered owner of the Leased Land;

3.2 The Leased Land is part of the Boschendal Land;

3.3 In terms of the Agricultural Approval, this Lease must be entered into; and

3.4 The Landlord wishes to lease the Leased Land to the Tenant who wishes to lease the Leased Land.

4 LEASE
The Landlord leases the Leased Land to the Tenant, subject to the following:

4.1 COMMENCEMENT DATE AND EXPIRY DATE

4.1.1 Initial Period

The Initial Period shall commence on the Commencement Date and Expire on the Expiry Date, as set out in A of the Schedule.

4.1.2 Right of First Refusal Period

The Right of First Refusal Period shall commence and Expire on such dates as are set out in B of the Schedule, and more particularly in terms of either the Offer or the New Lease, referred to in 4.4.

4.2 RENTAL AND PAYMENT THEREOF

4.2.1 The Rental for the Initial Period is an amount equivalent to 25% (twenty-five percent) of the Taxable Income of the Tenant per annum.

4.2.2 The Rental is payable within 90 (ninety) days of the end of each Financial Year of the Tenant commencing with the Financial Year ending on 30 June 2007, and thereafter on or before the 90th (ninetieth) day of the end of each subsequent Financial Year of the Tenant.

4.3 LEASED LAND

The Leased Land, excluding the Developable Areas, as set out in Annex B and C hereto.

4.4 RIGHT OF FIRST REFUSAL AND EXERCISE THEREOF

If the Landlord, during the Initial Period, and this Lease is in force at that time:
• either decides to lease [the “New Lease”] the Leased Land or part thereof, or the Leased Land together with any other part of the Boschendal Land [the “New Leased Land”]; or

• receives an offer to lease the New Leased Land, and such offer is acceptable to the Landlord (“the Offer”),

then in either event, the Landlord grants the Tenant the right of first refusal (the “Right of First Refusal”) to lease the New Leased Land, and the following shall apply:

4.4.1 In the case of the New Lease, the Landlord shall notify the Tenant thereof, subject to the following:

4.4.1.1 The notice shall contain all the provisions of the New Lease and identify the New Leased Land;

4.4.1.2 The Right of First Refusal shall commence on the Commencement Date of this Lease hereof and endure only for the Initial Period, provided that the period with respect to the Right of First Refusal shall only commence after expiry of the Initial Period;

4.4.1.3 The notice by the Landlord in terms of this clause may be given at any time during the Initial Period;

4.4.1.4 The decision of the Landlord to lease the New Leased Land in terms of the New Lease, is entirely within the discretion of the Landlord; and

4.4.1.5 The Tenant shall, within 30 (thirty) days of receipt of the notice in this clause, exercise the Right of First Refusal by notifying the Landlord of its acceptance, subject to the following:

4.4.1.5.1 The notice shall be signed by the Tenant, and witnessed by two witnesses. The signature of the Tenant shall be authenticated by a Commissioner for Oaths; and

4.4.1.5.2 If the Tenant is a legal persona there shall be attached to the notice a certified resolution from the lawfully
constituted representatives of legal persona, both authorising the acceptance and appointing the signatory to sign on behalf of the legal persona.

4.4.2 In the case of the Offer the Landlord shall notify the Tenant thereof, subject to the following:

4.4.2.1 The notice shall be accompanied by a copy of the Offer.

4.4.2.2 The Tenant shall, within 30 (thirty) days of receipt of the notice in this clause, exercise the Right of First Refusal by:

Notifying the Landlord of its acceptance, subject to the following:

(a) The notice shall be signed by the Tenant and witnessed by two witnesses. The signature of the Tenant shall be authenticated by a Commissioner for Oaths; and

(b) If the Tenant is a legal persona there shall be attached to the notice, a certified resolution from the lawfully constituted representatives of legal persona, both authorising the acceptance, and appointing the signatory to sign on behalf of the legal persona.

4.4.3 The parties record that the acceptance by the Tenant of the provisions of the New Lease or Offer must be accepted by the Tenant unequivocally. This includes without any variation any condition.

Without affecting the generality of the afore-going, any variation shall be deemed to constitute a counter-offer by the Tenant and as such must be in writing. Furthermore any acceptance by the Seller of the counter-offer must also, for the same reason, be in writing. The offer/s and counter-offer/s shall be regarded, for all purposes of this Lease, to be a variation of the New Lease/Offer as if they were a variation in terms of and pursuant to
4.5 TRANSFERABILITY

The Right of First Refusal is not transferable, save with the consent of the Minister of Agriculture, the Stellenbosch Municipality and SAHRA or their successors-in-title.

4.6 USE OF THE LEASED LAND DEALING WITH THE LEASED LAND & WARRANTY

4.6.1 The use of the Leased Land is more fully set out in Annex D.

4.6.2 The Leased Land may only be dealt with by the Landlord as a composite indivisible entity. Landlord includes any person or persons standing in the Landlord’s shoes by operation of law, including any owner or owners of the Leased Land or any part thereof, including any subdivision thereof.

4.6.3 The Landlord does not warrant that the Leased Land is fit for the purpose for which it is leased.

4.7 INSURANCE

The Tenant shall at own expense obtain the following insurances from an insurance company registered in terms of the Insurance Act No. 1998, subject to the following:

4.7.1 Both the Infrastructure and the Equipment shall be “comprehensively” insured. This risks against which the Equipment and Infrastructure are to be insured must at least include:

- fire and storm; and

- theft, in the case of the Equipment.

4.7.2 The Infrastructure and Equipment shall be insured for an amount equal to the full replacement value thereof.

4.7.3 The Tenant shall obtain Public Liability Insurance with such insurance company, in respect of its farming operations on the Leased Land.
4.7.4 The Tenant shall, upon notice from the Landlord, furnish the Landlord by notice with any information regarding the insurances, including without limitation the name of the Insurer, the amount insured, and the risks against which the Equipment and Infrastructure are insured.

4.7.5 The Tenant shall, to the satisfaction of the Landlord, upon notice from the Landlord increase the sum insured, or the risks against which the Equipment and Infrastructure were insured.

4.7.6 Upon notice from the Landlord the Tenant shall produce proof to the Landlord that he/she/it has complied with the provisions of this clause.

4.7.7 In the event that the Tenant fails to comply with its obligations in terms of this clause, the Landlord may either take out such insurance as it deems fit, or pay the premiums in respect of the existing Insurance on behalf of the Tenant or increase the sums insured, or change the risks against which the Equipment or Infrastructure are insured.

The Landlord shall be entitled to recover any amount paid by the Landlord in terms of the foregoing from the Tenant, which shall be paid to the Landlord within the 60 (sixty) days of the Landlord having notified the Tenant. Any amount paid by the Landlord in terms of this Lease in this regard shall be deemed to be an arrear amount from the date of payment by the Landlord, and be subject to the provisions of 4.14.7 and 4.14.8.

4.8 DAMAGE

Should the Leased Land be destroyed or damaged:

- Either, so that the Leased Land as a whole cannot be used by the Tenant for the purposes of this Lease; or

- can be used by the Tenant in part;

this Lease shall remain in force, and the Tenant shall restore the Leased Land within a reasonable period, and the Tenant shall not be entitled to any remission of rental and be obliged to fulfil its obligations in terms of this Lease.
4.9 PARTIES RIGHTS AS A RESULT OF DEFAULT BY THE TENANT

4.9.1 Subject to:

- 4.9.2;
- 4.9.3; and
- 4.9.4,

and in the event of the Tenant failing to comply with its obligations in terms of this Lease, the Landlord shall be entitled to claim specific performance from the Tenant.

4.9.2 Subject to 4.9.4 the Landlord shall not be entitled to exercise its rights in terms of 4.9.1 or, where applicable, its right to cancel the Lease pursuant to and in terms of 4.9.3, unless it has:

- notified the Tenant of the breach, requested the Tenant to remedy the breach, and the Tenant has failed to comply with such notice; and
- notified the Minister of Agriculture, Stellenbosch Municipality and SAHRA.

The notice referred to in this clause shall contain:

4.9.2.1 A detailed description of the Tenant’s alleged breach; and
4.9.2.2 A demand that the Tenant remedy the alleged breach within 60 (sixty) days of receipt of the notice.

4.9.3 The Tenant is only entitled to cancel this Lease, with the consent of both the Minister of Agriculture, Stellenbosch Municipality and SAHRA or their successors-in-title. The consent shall be given provided the Leased Land remains a composite indivisible entity including that it is not fragmented or divided in any way.

4.9.4 In the event of:

4.9.4.1 either positive mal performance; or
4.9.4.2 the Tenant being unable to remedy the breach within the period of 60 (sixty) days referred to in 4.9.2.2, the parties rights shall be as follows:

4.9.4.3 Where 4.9.4.1 applies, the Landlord shall not be entitled to cancel the agreement if the Landlord can be adequately compensated by an award of damages.

4.9.4.4 Where 4.9.4.2 applies the period of 60 (sixty) days shall be extended to such period as is reasonable to enable the Tenant to remedy the breach.

4.10 PARTIES RIGHTS AS A RESULT OF DEFAULT BY THE LANDLORD

4.10.1 Subject to:

- 4.10.2; and
- 4.10.3;

and in the event of the Landlord failing to comply with its obligations in terms of this Lease, the Tenant shall be entitled to claim specific performance from the Landlord.

4.10.2 The Tenant shall not be entitled to exercise its rights in terms of 4.10.1, or, where applicable, its right to cancel this Lease pursuant to and in terms of 4.10.3, unless it has:

- notified the Landlord of the breach, requested the Landlord to remedy the breach, and the Landlord has failed to comply with such notice; and
- notified the Minister of Agriculture, Stellenbosch Municipality and SAHRA.

The notice referred to in this clause shall contain:

4.10.2.1 A description of the Landlord alleged breach; and
4.10.2.2 A demand that the Landlord remedy the alleged breach within sixty (60) days of receipt of the notice.

4.10.3 The Landlord is only entitled to cancel this Lease, with the consent of the Minister of Agriculture, the Stellenbosch Municipality and SAHRA.

4.11 DETERMINATION OF DISPUTES

4.11.1 Unless provided for elsewhere and subject to 4.11.12, any dispute arising from or connected with this Lease, including, but not limited to any dispute arising in connection with the interpretation, application, effect of any of the terms, conditions if any, or restrictions imposed, or any procedure to be followed under this Lease, except where an interdict is sought or urgent relief may be obtained from a Court of competent jurisdiction, must be determined in terms of this clause.

4.11.2 If a dispute arises, the relevant party must notify other parties. Should the dispute not be resolved between the parties within 14 (fourteen) days of such notice, either of the parties may refer the dispute for determination in terms of 4.11.3.

4.11.3 If a party exercises its rights in terms of 4.11.3 to refer the dispute for determination, such dispute shall be referred to such person appointed by the parties to the dispute. If the parties cannot agree on such person within 7 (seven) days after the dispute has been referred for determination, the person shall be either:

4.11.3.1 a practicing attorney; or

4.11.3.2 practicing advocate of not less than 10 years standing, and appointed by the chairman of the Cape Bar Council, or the Society of Advocates, or the President of the Law Society of South Africa, as selected by the party so exercising its rights.

4.11.4 Any person agreed upon or appointed as aforesaid (the “Expert”), shall, subject to 4.11.5 and 4.11.6, in terms of either the common or statute law of the Republic of South Africa, in all respects act as an expert and not an arbitrator.
4.11.5 Subject to 4.11.4, the Expert shall be bound to follow the general principles of substantive South African Law. A party may be represented.

4.11.6 The Expert shall be vested with the entire discretion as to the procedure and manner to be followed in arriving at his decision including that the Expert shall not be bound by any of the principles or statutes of South African Law, regarding procedure and evidence.

4.11.7 As soon as possible, after the Expert has been appointed, the parties shall and if requested by the Expert, and in such form as is requested by the Expert, prepare terms of submission to him/her, setting out, *inter alia*:

- The nature of the dispute, the issues to be decided by the Expert and their proposal as to the procedure to be followed:
  - in connection with the submission of pleadings or the issues to the Expert; and
  - the procedure and manner to be followed by the Expert at arriving at his decision.

The Expert shall then make a decision in this regard and notify the parties. This decision shall be final and binding on the parties.

Should the Expert deem it necessary to obtain technical or other advice on any matter relating to the dispute, he/she shall be entitled to obtain such advice, in any manner, from any person.

4.11.8 The Parties shall endeavour to the best of their ability to procure that the decision of the Expert shall be given as soon as is possible after notice in terms of 4.11.3. The Expert's decision shall be in writing and signed by the Expert, unless the terms of submission and as accepted by the Expert provide otherwise.

The Expert may order specific performance, in any circumstances in terms of which any court of law would have the power to do so. The Expert’s decision shall be final and binding on all parties. The decision shall not be subject to appeal, and all parties to the dispute shall abide by
and comply with the Expert’s decision in accordance with the terms thereof.

4.11.9 Where the Expert’s decision carries the payment of a sum of money, including damages such sum shall, unless the decision provides otherwise, carry interest as from the date the money became due or the date of the cause of action which gave rise to the payment of the sum of money, in terms of the Prescribed Rate of Interest Act, 1975.

The Expert’s decision may not order a payment of penalty unless provided for in terms of law. The Expert may correct any clerical mistake or any patent error arising from any omission or commission.

4.11.10 The provisions of this clause:

4.11.10.1 Constitutes the irrevocable consent by the Parties to any proceedings in terms thereof. None of the parties shall be entitled to withdraw therefrom or claim at any such proceedings that it is not bound by such provisions; and

4.11.10.2 Such provisions are divisible and severable from the rest of this agreement as if these provisions Land been agreed to independently of the other provision of this Agreement. They shall remain in effect even if this Agreement is declared invalid or terminated or cancelled for any reason whatsoever.

4.11.11 If permitted by law, the decision may, on an application to a court of competent jurisdiction by any party to the dispute, after notice to the other party, be made an order of that court.

4.11.12 The Landlord shall have the election to proceed in terms of this clause or 4.9. The Tenant shall be obliged to proceed in terms of this clause, in respect of any dispute arising from the exercise by the Tenant of his /her/its rights in terms of 4.10.

4.12 COSTS, STAMP DUTY AND REGISTRATION OF LEASE

4.12.1 The costs of:

4.12.1.1 Preparing this Lease;
4.12.1.2 Stamping of this Lease; and

4.12.1.3 The costs of registration of this Lease against the title deed of the relevant Land on which the Leased Land is situated; shall be borne by the Landlord.

4.12.2 The Tenant agrees that the Lease shall be registered against the Title Deeds of the relevant land on which the Lease Land is situated. The Tenant shall, upon notice from the Landlord, sign any and all documents in order for the Lease to be so registered.

4.13 FARMING OPERATIONS

The Landlord and Tenant agree that the Leased Land shall be utilized in accordance with the provisions of 2 of Annex D.

4.14 GENERAL

4.14.1 DOMICILIUM CITANDI ET EXECUTANDI

The parties choose the addresses as set out in 1.1 and 1.2 of the Lease, to serve as their respective domicilium citandi et executandi for all purposes of this Lease. This includes the service of all notices and/or processes arising from this Lease or the cancellation thereof. A party may change such address by notifying the other party accordingly. The change of address other than for a postal address shall not be a Post Office box number or post restate address. Any changed address shall be in the Republic.

4.14.2 WARRANTIES

This Lease constitutes the entire contract between the parties. There were no prior representations, including notices, announcements,
guarantees or warranties, irrespective of whether oral or in writing, which induced this Lease, save as contained in this Lease.

### 4.14.3 INDULGENCE

No indulgence which a party or his/her/its agent may show to the other party, shall in any way prejudice a party’s rights or be construed as a waiver or novation of a party’s rights.

This includes:

- accepting a lesser sum than the amount due;
- any failure to exercise any right a party possesses in terms of this Lease timeously or at all; and
- accepting any payment, guarantee or undertaking after the due date hereof.

### 4.14.4 VARIATIONS

No variation of this Lease, including an addition, amendment, repeal, conduct at variance with, novation, cancellation or any waiver of any right by an party arising from this agreement [“the variance”] shall be binding on the parties hereto, unless:

1. it is reduced to writing and signed by both the parties or their agents authorised in writing and approved by the Minister of Agriculture, Stellenbosch Municipality and SAHRA, and in this respect the provisions of Clause 2.3.2 shall not apply; or
2. any variance is provided for elsewhere in this Lease, and is effected in terms of such provisions; and
3. the consent of the Minister of Agriculture, the Stellenbosch Municipality and SAHRA is given to such variance.

A variance includes a variance which:

- has a suspensive effect on the provisions of the Lease, or
related to the postponement of any date, or
relates to any renewal or revival of this Lease, or
relates to any further Lease between the parties in respect of the subject matter of this Lease.

4.14.5 OBLIGATIONS
All obligations of the Tenant in terms of this Lease are to be reasonably construed.

4.14.6 SURETYSHIP
No signatory to this Lease acting on behalf of either the Landlord or the Tenant shall incur any liability arising from this lease by virtue of his/her signature only.

4.14.7 ARREARS / CERTIFICATE
4.14.7.1 Any amount in arrear in terms of this Lease shall bear interest at the Prime Overdraft Rate of a Bank, nominated from the Landlord from time to time, plus 2 [two] percentage points.

4.14.7.2 A certificate by the authorised representative of the Landlord, whose authorisation it shall not be necessary to prove, shall be prima facie evidence of any amount due by the Tenant in terms of, or arising from, this Lease.

4.14.8 PRIME OVERDRAFT RATE / CALCULATION OF INTEREST
4.14.8.1 Interest will be calculated monthly in advance from the date that an amount becomes due, and such interest shall be capitalised and compounded monthly in arrears.

4.14.8.2 “Prime Overdraft Rate” means a rate of interest per annum, which is equal to the published minimum lending rate of interest per
annum charged by the Bank referred to in 4.14.7.1, compounded monthly in arrears on the unsecured overdrawn current accounts of its most favoured corporate clients in the private sector from time to time.

In the case of a dispute as to the rate so payable, the rate shall be certified by any manager or assistant manager of any branch of the said Bank, whose designation it shall not be necessary to prove, and whose certificate shall be *prima facie* evidence thereof.

4.14.9 CESSION OF RIGHTS

4.14.9.1 The Tenant shall be entitled to transfer in any manner, including to pledge, cede, make over or assign his/her/its rights and/or obligations to any person (the “Transferee”) in terms of this Lease, provided it complies with 4.14.9.2.

4.14.9.2 The parties agree that where the Tenant exercises its rights in terms of 4.14.9.1, the Tenant, by its signature to this Lease, shall be bound automatically with effect from the date such consent is given, as surety and co-principal debtor for the Transferee’s obligations in terms of this Lease.

4.14.10 SOUTH AFRICAN LAW

This Lease shall in all respects be construed and governed by South African Law.

4.14.11 RELOCATION

Notwithstanding anything to the contrary herein contained, and in any event, including that the Tenant remains in occupation of the Leased Land after the expiry or termination or cancellation of this Lease for any reason whatsoever, or paying or tendering payment of any rental, the Tenant shall not be entitled to relocation or to any other rights in terms of any law or in terms hereof.
4.15 **SUB-LETTING ETC.**

The Tenant may part with the occupation of, or sublet the Leased Land, or any part thereof, without the consent of the Landlord.

4.16 **INSPECTION AND ACCESS**

The Landlord shall be entitled to inspect the Leased Land at any reasonable time, for any purpose.

4.17 **EXPROPRIATION**

If at any time the Leased Land or part thereof is expropriated by lawful authority, the Tenant as the holder of any rights in terms of this Lease whether registered or not:

4.17.1 either waives its right to any compensation whatsoever arising from such expropriation; or

4.17.2 cedes its right to claim such compensation to the Landlord before it has accrued to or been received by the Tenant, the parties, by their signatures hereto agreeing to such cession.

4.18 **JOINT LANDLORDS**

4.18.1 The Tenant acknowledges being aware that the Landlord will alienate the Founders’ Estates which comprise the Leased Land to one or more persons (the “Transferees”).

4.18.2 The Transferees will, by operation of law, become joint landlords in terms of this Lease, by standing in the shoes of the Landlord.

4.18.3 The Transferees, will as joint landlords, enter into an agreement as a body of persons, in order to regulate their affairs as joint landlords.

4.18.4 The Transferees agree and accept that the Tenant will enjoy all such rights as the Transferees as owners of the Founders’ Estates with
respect to the use of the Leased Land, including all rights to water, allocated in terms of law, to the Transferees as owners of the said Founders' Estates.

Thus done and signed at STELLENBOSCH in the presence of the undersigned witnesses on the date as recorded aforesaid.

WITNESSES:
1 _____________________________
2 _____________________________

____________________________
q.q. LANDLORD

WITNESSES:
1 _____________________________
2 _____________________________

____________________________
q.q. TENANT

QUOD ATTESTOR

____________________________
NOTARY PUBLIC
Annex A

AGRICULTURAL APPROVAL
Annex B

Boschendal Land, being the leasehold area depicted on Leasehold Diagram S.G. No 3515/2008 annexed hereto marked Annex C by the figure ABCDEFGHKLMNPQRSTUVWXYZA1B1C1D1E1F1G1H1J1K1L1M1N1P1Q1R1S1 T1U1V1W1X1Y1Z1A2B2C2D2E2F2G2H2J2K2L2M2N2P2Q2R2S2T2U2V2W2X2Y2 Z2A3B3C3D3E3F3G3H3 excluding the figures K3L3M3N3, P3Q3R3S3, T3U3V3W3, X3Y3Z3A4, B4C4D4E4, F4G4H4J4, K4L4M4N4, P4Q4R4S4, T4U4V4W4, X4Y4Z4A5, B5C5D5E5, F5G5H5J5, K5L5M5N5, P5Q5R5S5, T5U5V5W5X5Y5Z5A6B6C6D6E6F6G6H6J6K6 and L6M6N6P6

on the property described as:

FARM NO 1685 BOSCHENDAL in the Municipality STELLENBOSCH, Division PAARL, Province of the WESTERN CAPE

IN EXTENT: 420,2110 (FOUR HUNDRED AND TWENTY COMMA TWO ONE ONE ZERO) Hectares

HELD by Certificate of Consolidated Title No T /2008
1 FARMING OPERATIONS

The Tenant shall utilize the Leased Land, subject to and in terms of the following:

1.1 WORDS AND EXPRESSIONS

In this Annex the following words and expressions shall bear the meaning assign to them hereunder:

1.1.1 BOSCHENDAL WATER MANAGEMENT ASSOCIATION – The Water Management Association established for *inter alia* the Boschendal Land, which is a company incorporated under Section 21 of the Companies Act of 1973, the Republic, under the name of “The Boschendal Water Management Association”.

1.1.2 CROP – any harvested or unharvested crop on the leased land, which can be reaped for any commercial consideration.

1.1.3 CULTIVATED PLANTING – Any planting of whatsoever nature on the Leased Land, including without limitation any vines, fruit trees or other planting, which produces a Crop.

1.1.4 ESTABLISH – In relation to a Cultivated Planting, includes planting such Cultivated Planting.

1.1.5 LOCAL AUTHORITY – Any Local Authority which has jurisdiction over the Leased Land, and which renders any services or supplies of whatsoever nature to the Leased Land.

1.1.6 PLANTATION – Any area where any Cultivated Planting grows, and includes orchards, and vineyards.

1.1.7 UPROOT – In relation to a Cultivated Planting, includes to remove such Cultivated Planting.
2 USAGE

2.1 Subject to the rights of the Landlord in terms of 2.3, the Leased Land is let to the Tenant for agricultural and pastoral purposes only, subject to the following:

2.1.1 “Agricultural” and “pastoral” shall bear their ordinary meaning. In addition, pastoral, shall include the keeping of horses.

2.1.2 This includes conducting the farming of Cultivated Planting located in/on Plantations on the Leased Land, and all activities necessarily and reasonably ancillary thereto.

2.1.3 This excludes any type of farming activity, which is not in keeping with farming activities carried out in the Dwars River Valley.

The exclusion specifically includes:

2.1.3.1 any type of farming activity, which may result in the erection of any improvements whether of a permanent or temporary nature, which changes, in the opinion of the Landlord, the visual impact of any Crop or the Leased Land, or any part thereof. These improvements may include any form of artificial covering to protect any Crop, including propagation tunnels, hothouses, or synthetic covering of any sort; and

2.1.3.2 any type of farming activity which, in the opinion of the Landlord is obnoxious or results in any obnoxious smells, including the rearing, breeding for any purpose, or farming of any animals which is obnoxious to any occupant of any resident of the Dwars River Valley.

2.2 The Tenant may not use the Leased Land for any other purpose without:

- the consent of the Landlord, and in regard to such consent the provisions of 2.3.2 of the Lease shall not apply;
- the consent of the Stellenbosch Municipality; and
- the consent of SAHRA.
2.3 The Landlord shall be entitled to access to the Leased Land for any personal recreational purposes, excluding games of any kind, provided:

2.3.1 That in the exercise or the Landlord’s rights in this regard, the Landlord shall not, in any way, interfere with the lawful use by the Tenant of the Leased Land;

2.3.2 That the use by the Landlord in this regard shall always be subservient to the rights of the Tenant;

2.3.3 That the Landlord shall exercise its rights in this regard in a reasonable manner. This includes exercising its rights on a temporary and ad hoc basis, and furthermore in compliance with any rules of any entity which has control in any manner of the Leased Land, including any association of which the Landlord is or may become a member; and

2.3.4 That in the case of joint landlords, the lawful owners constituting the Landlord, shall only be entitled to exercise these rights in respect of those portions of the Leased Land of which they are the owner.

3 SERVICES AND SUPPLIES – CHARGES

3.1 The Tenant shall arrange for all services provided by any authority to be rendered to the Tenant by the authority at the Tenant’s cost.

3.2 The Tenant shall pay all Charges:

3.2.1 where supplied direct by an authority to the Tenant, to the authority itself;

3.2.2 where supplied to the Landlord by the authority, to the Landlord, upon notice from the Landlord to such effect and for the Charges to the Landlord by the authority plus VAT; and

3.2.3 where the Landlord provides such service, to the Landlord in respect of the Landlord’s actual cost thereof plus VAT, including any services in respect of the Leased Land.

3.3 The Tenant shall at own cost install meters to measure the use of water and/or the supply of electricity on the Leased Land.
3.4 The Tenant shall be obliged to pay all Charges of whatsoever nature including any statutory or other legally imposed Charges in respect of the Leased Land, or in respect of any such Charges for which the Landlord in its capacity as owner of the Leased Land is liable in any manner whatsoever. This includes any tax on land in whatsoever form, including rates and taxes and whether raised now or in the future.

4 WATER

4.1 The Landlord is a member of the Water Management Association.

4.2 As member of the Water Management Association the Landlord is entitled to oblige to make use of water pursuant to and in terms of the Water Management Association and in terms of law.

4.3 The Tenant acknowledges being aware of the provisions of the water allocation to the Landlord, in respect to the Leased Land, in terms of and pursuant to the Water Management Association and in terms of law.

4.4 The Tenant shall be entitled to use the water so supplied in terms of the foregoing, subject to the following:

4.4.1 The Tenant may use such water only for its own benefit, including for the operation of its use of the Leased Land to the extent permitted by the allocation, in terms of and pursuant to this Lease, on or for the Leased Land only;

4.4.2 The Tenant shall not be entitled to dispose of such water in any manner, including with or without any consideration, to any third party; and

4.4.2.1 If the Tenant exceeds the water allocation attributable to the Leased Land, the Landlord shall only be entitled to claim:

4.4.2.2 The cost of such excess from the Tenant, including any penalties imposed by the Local Authority; and

4.4.2.3 Penalty equal to 10% (ten percent) of the cost of the sum of such excess and penalties.
5 INFRASTRUCTURE / LEASED LAND

The Tenant shall return the Infrastructure and the Leased Land to the Landlord at the Expiry or Termination or Cancellation of this Lease, in the same condition in which it received it. Fair wear and tear shall not be taken into account.

6 FARMING

6.1 The Tenant shall utilise the Leased Land subject to the following:

6.1.1 The Tenant shall be obliged to farm the Leased Land with the existing Plantations of Cultivated Plantings.

6.1.2 This includes that the Tenant may, at its own expense, Establish new Plantations, or uproot any existing Plantations, provided that the Tenant prepares a plan (the “Plan”) in writing for such Establishment or Uprooting of the Plantations and furnishes such plan to the Landlord, subject to the following:

6.1.2.1 The Tenant shall specify in detail how the Tenant plans to proceed with the Establishment or Uprooting in the Plan.

6.1.2.2 The Plan should not be in conflict with the provisions of Annex B1.

6.1.2.3 The Plan shall indicate when the Tenant intends commencing with the Establishment or Uprooting and when it intends to complete the same.

6.1.2 Notwithstanding anything to the contrary contained in this Lease, the Tenant’s obligations in this regard also include, without limitation:

- Maintaining
- Improving
- Farming

the Leased Land, where appropriate and applicable, in terms of ISO 14001 Guidance Manual, 1998 by Dr Raymond Martin, prepared by the National Centre for Environmental Decision-making Research Oak Ridge National Laboratory Tennessee Valley Authority University of Tennessee.
6.2  Upon Expiry of this Lease any Plantation Established by the Tenant may not be removed by the Tenant, and such Plantation shall become the Property of the Landlord.

7  RECORDS

The Tenant shall at all times maintain such records with respect to the Leased Lands in terms of “good farming practice”.

8  PROHIBITIONS

8.1  The Tenant may not, unless otherwise determined in terms of “good farming practice”, and with the consent of the Landlord:

8.1.1  Make new roads on the Leased Lands;

8.1.2  Remove any soil from the Leased Lands;

8.1.3  Demolish or alter the Infrastructure on the Leased Lands; and

8.1.4  Erect any boundary fence between any sub-division constituting part of the Leased Land;

  without the consent of the Landlord, and in the case of 8.1.4, without the consent of both the Minister of Agriculture and the Stellenbosch Municipality, or their successors-in-title.

8.2  The Tenant may use only the existing roads on the Leased Land.

8.3  The Tenant shall prevent any nuisance of whatsoever nature occurring on the Leased Land.

8.4  The Tenant shall not hold public auctions on the Leased Land.

9  MAINTENANCE AND REPAIRS

The Tenant shall at all times and to the satisfaction of the Landlord:

9.1  Maintain all fences, windbreaks and fire breaks on the Leased Land; and
9.2 Repair and make good all damage to the Leased Land, including to the Equipment and Infrastructure and, when necessary, replace the Equipment. The Tenant acknowledges being aware that its obligation in this respect extends to making good fair wear and tear.

10 LAWS

10.1 The Tenant acknowledges that it is an “owner” as defined in Section 2 of the National Veld and Forest Fire Act No. 101 of 1998.

As such the Tenant undertakes that it shall:

10.1.1 At all times comply with all of its obligations as such owner; and

10.1.2 Indemnifies and holds the Landlord harmless against all and any claims of whatsoever nature arising from or in connection with any failure of the Tenant to comply with its obligations in terms of 10.1.1.

10.2 The Tenant undertakes to comply with all Laws including by-laws which relates to the Leased Land or the operation, use or farming thereof.

This includes without limitation:

10.2.1 Any laws relating to the supply or use of water; or

10.2.2 Relating to the protection of damage to the environment. In particular without affecting the generality of the afore-going, compliance with the requirements from time to time from the Department of Environment Affairs and Development Planning.