

**LEASE.**

CLASS (BUILDING LAND).

TOWN Juba  
 QUARTER Mukaya payam  
 BLOCK I  
 PLOT No. 1  
 CLASSIFICATION Agro. forestry land  
 APPROXIMATE AREA 5,000,000.000 m/s.  
 PREMIUM £26,250 m/ms. paid by R.O. 79817 dated 6<sup>th</sup>



THIS LEASE made the first day of October 2008  
 BETWEEN Cornelius Goya Ladi Kulang  
Gen. Lands Adm

for and on behalf of the Sudan Government (hereinafter called "the Government")  
 of the one part and Chairman Mukaya payam Cooperative  
 of ..... (hereinafter called "the Lessee" which  
 expression shall include his successors and assigns) of the other part.

WITNESSETH AS FOLLOWS:-

*Insert year of expiry*

1. The Government hereby leases to the Lessee the land described above (which land together with the buildings at any time erected thereon is hereinafter called "the said premises") TO HOLD for the preliminary term of one year from the date hereof and if at the end of that period a building has been completed thereon in accordance with clause 4(2) hereof TO HOLD for a further term expiring on the 31st day of December 19.....
2. The Lessee shall pay to the Government for the said premises the yearly rent of ..... piastres (£z. .... m/ms.)
3. The rent shall be payable in advance on the first day of January in every year and the first of such yearly payments or the proportionate part thereof shall be made by the Lessee on signing of this lease.
4. The Lessee agrees:-
  - (1) To pay and discharge all rates taxes duties and liabilities to which the said premises or the owner or occupier thereof may be or become subject.
  - (2) Before the expiration of the preliminary term to erect and complete fit for use and occupation on the said land and to the satisfaction of the local Building Authority a boundary-wall and buildings in accordance with plans elevations and specifications to be first approved in writing by the Building Authority and in accordance with the local building sanitary and other regulations.
  - (3) Not to erect more than one building on the said land or to subdivide it for the purpose of building or otherwise so as to form more than one plot without the consent of the Government in writing.
  - (4) Not to add to or structurally alter the buildings erected on the said land without the consent in writing of the Building Authority.
  - (5) To keep the buildings on the said land in a good state of internal and external structural repair and of external appearance and to comply at all times with the local building sanitary and other regulations and at his own cost to rebuild or repair the said buildings in case of destruction or damage by fire.
  - (6) To allow duly authorised agents of the Government at all reasonable times to enter upon the said premises in order to view the state of repair and condition thereof or for the purpose of executing repairs or alterations to adjoining premises the Government making good any damage thereby done to the said premises.
  - (7) Not to assign or charge or mortgage or underlet for a period exceeding 3 years the said premises or any part thereof without the previous consent in writing of the Government and in applying for such consent to declare the true consideration for such assignment or underletting or the amount of such mortgage or charge.



Insert dwelling house, shop or store, warehouse, factory etc as the case may be.

To be retained and completed only in the case of shop plots having verandahs. In all other cases this clause must be deleted.

(8) Not to use the said premises or any part thereof otherwise than as a \* *Cooperatives* without the consent in writing of the government.

(9) VERANDAH AREA. (a) to use the strip of land ...metres wide on the ... side of and forming part of the land hereby leased and hereinafter referred to as the "verandah area" for the purpose only of a verandah connected with the building to be erected upon the said land and such verandah shall be constructed of materials and to a design to be previously approved in writing by the Government.

(b) the Government reserves and the Lessee acknowledges the right of the public at all times to pass and repass along such verandah area free from all obstruction caused by the Lessee or with his consent.

(c) not to dispose of or part with the possession of the verandah area save in conjunction with the remainder of the said premises and in particular not to assign or sub-lease the verandah area.

5. This lease is made upon the condition that if the rent hereby reserved or any part thereof shall not be punctually paid as aforesaid or if there shall be any breach by the Lessee of any of the conditions in clause 4 hereof the Government may cancel the lease and retake possession of the said land and all buildings thereon shall become the property of the Government without any obligation to pay any compensation for the same PROVIDED ALWAYS that except in the event of a breach of the conditions contained in clauses 2, 3 and 4 (7) the right of re-entry shall not be exercised unless the Government has given to the Lessee notice in writing of the breach of condition in respect of which the right of re-entry is intended to be enforced and the Lessee shall have failed for thirty days after the receipt of such notice to remedy such breach.

6. (1) If and so often as the Government shall consent under clause 4 (7) hereof to an assignment for value of the term granted by this lease, the assignor shall pay to the Government a sum ~~equal to one half~~ of the amount if any by which the consideration for such assignment exceeds the aggregate amount of the premium paid on the grant or last assignment of this lease as the case may be and the current value of all buildings on the said *land* at the date of such assignment.

(2) (a) If and so often as the Government shall consent under clause 4 (7) to an underletting for value of the said premises for a subterm of not less than 20 years the grantor of such sub-lease shall pay to the Government a sum ~~equal to one half~~ of the amount if any by which the consideration for the grant of such sub-lease exceeds the aggregate amount of the premium paid on the grant or last assignment of this lease as the case may be and the current value of all buildings on the said premises at the date of such sub-lease.

(b) The consideration for the grant of the sub-lease shall be deemed to be the aggregate amount of the premium if any paid on the grant of the sub-lease plus a sum equal to twenty times the amount by which the annual rent payable under the sub-lease exceeds the annual rent payable under this lease.

(3) In the event of the Government being of opinion that the consideration expressed under sub-clause (1) or (2) of this clause is less than the consideration then obtainable in the open market from a willing purchaser or sub-tenant as the case may be, the Government shall be entitled to appoint a Board of 4 assessors who shall assess the proper open market consideration then obtainable for such assignment or the grant of such sublease, and the assessment of the Board shall be deemed to be the consideration for the purposes of the said sub-clauses and shall be final and binding on all parties. PROVIDED ALWAYS that if the assignor or the grantor of the sub-lease satisfies the Board that the consideration expressed under sub-clause (1) or (2) hereof though less than the open market consideration is in fact the true consideration received or receivable by him the Board shall accept such consideration as the consideration to be expressed under sub-clause (1) or (2) hereof and if the assignor or grantor satisfies the Board that there is no consideration received or receivable by him he shall not be liable to make any payment under this clause.

(4) The Government shall be entitled to grant or withhold its consent to any transaction to which its consent is required under clause 4 (7) hereof at its sole discretion and without reason assigned and in particular may refuse its consent to any such transaction which in the opinion of the Government does not represent the true intent of the parties thereto or tends or is calculated to defeat the provisions of sub-clause (1) or (2) hereof.

(5) In the event of dispute as to the value of the said buildings, the valuation shall be referred to a single arbitrator agreed by both parties, or failing such agreement appointed by the Governor.

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(6) The amount payable to the Government under sub-clause (1) or (2) hereof by the assignor or the grantor of a sub-lease as the case may be shall be recorded on the consent and shall be recoverable by the Government from such assignor or grantor as a civil debt.

Delete in the case of 2nd or 3rd class sites

7. The Lessee shall have the right on giving to the Government not less than three months notice in writing before the expiration of his term and producing a certificate from the Building Authority that the condition of the buildings warrants renewal, to a renewal of this lease at the rent then payable for one further term of 30 years from the expiration thereof.

*[Handwritten signature]*

or

In the case of second class plots insert "twenty", for third class plots insert "ten"

7. The Lessee shall have the right on giving to the Government not less than three months notice in writing before the expiration of his term and producing a certificate from the Building Authority that the condition of the buildings warrants renewal, to a renewal of this lease at the rent then payable for a further term of <sup>thirty</sup> years from the expiration thereof and if similar notice shall be given before the expiration of such renewed term and on production of a similar certificate from the Building Authority as aforesaid to one further renewal for a further term of <sup>thirty</sup> years at the rent then payable.

*[Handwritten initials]*

*[Handwritten signature]*

8. The Government shall give the Lessee six months notice in writing of the approaching termination of his term (except the preliminary term) and of his rights (if any) to a renewal; and in default of such notice shall not exercise any of its rights on termination of such term until the Lessee has had an opportunity of obtaining any renewal to which he may be entitled under clause 7 hereof.

*[Handwritten initials]*

9. If at the expiration of the preliminary term the Lessee has not produced to the local Land Registry a certificate from the Building Authority that the buildings have been completed in accordance with clause 4 (2) hereof the Government may without further notice retake possession of the premises at any time without any obligation to pay compensation for any buildings thereon, and if the Lessee is allowed to remain in possession, he shall be deemed unless and until he produces such certificate to be in occupation under a licence determinable without notice whether or not he has paid rent in respect of a period subsequent to the expiration of the said term; but on production of such certificate shall be entitled to the benefit of and subject to all the provisions of this lease.

10. At the expiration of any term granted by this lease (except the preliminary term) the Government may, subject to the provisions of clauses 7 and 8 hereof, retake possession of the land and the Lessee shall be entitled to remove any building materials and if he does so he may be required to clear the site. If being so required to clear the site he fails to do so within one month, he shall lose the right to any materials not removed and the Government may clear the site and recover the costs of clearing as a civil debt.

11. If at any time during the continuance of any term hereby created this lease shall be held by two or more persons in undivided shares there shall forthwith be appointed by such persons a single individual as Wakil who shall be responsible to the Government for the proper observance of the conditions herein contained and in case of dispute between such persons as to the individual to be appointed as Wakil the Government may in its absolute discretion appoint such person as it shall think fit and thereafter deal with him alone in all matters relating to this lease.

12. Any notice to be given to the Lessee shall be sufficiently given if sent through the post by registered letter addressed to the Lessee at the said premises or left for him at the said premises or if affixed to a notice board erected upon the said premises.

IN WITNESS whereof the parties hereto have hereunto set their respective signatures or seals the day and year first before written.

SIGNED by the above-named )  
Somasani Saja Bado Kulang )  
in the presence of:-

Name of Witness Alfred Chen  
Address Dept. of Lands  
Occupation S. Inspector

*[Official stamp and signature of Director General]*

SIGNED or SEALED by )  
above-named Chairman )  
Mukaya Pagan )  
in the presence of:-

Name of Witness Felix Abugon John  
Address Min. of Energy, Mining - Gas  
Occupation DRIVER

*[Handwritten signature and date: dated 24/10/07]*

*[Handwritten signature]*

I hereby certify that there appeared before me on the ..... day of ..... 19..... the above named ..... and being identified by ..... on this document to be his and that he freely and voluntarily ..... this document and understands its contents

Registrar of Lands  
Magistrate of  
Class

THE LAND SETTLEMENT AND REGISTRATION ORDINANCE 1925.

This Lease was registered under Deed No. .... on the ..... day of ..... 20 ..... in the Register of ..... Town Lands in accordance with the provisions of the above Ordinance.

Registration fees of £. 1 (P.T. 50.) (P.T. 15) have been paid by R.O. No. .... dated.....

\* Delete where not applicable



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

REF: MPI/DLA&FP/CES/38.A.1

Date: \_\_\_\_\_

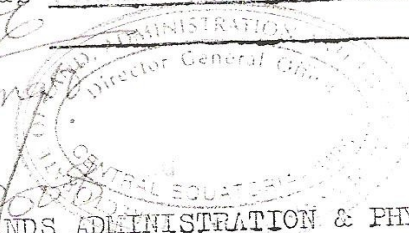
The Accountant,  
 Revenue Authority,  
 Central Equatoria State,  
Juba.

1. Please collect from Mr/Mrs/Miss \_\_\_\_\_  
 the sum of SDG \_\_\_\_\_ being Land charges of  
 Plot No. \_\_\_\_\_ PK \_\_\_\_\_  
 1st./2nd./& 3rd. class, preferential allotment with premium.
2. The Accountant of: Juba, Kator, Munuki and Rejaf Payam 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 BREAKDOWN.

|                                     |       |
|-------------------------------------|-------|
| 1. Premium Reserve Fund.....SDG     | _____ |
| 2. Essential works charges .....SDG | _____ |
| 3. Administ. & Plan. Fee .....SDG   | _____ |
| Total                               | ===== |

Total in words \_\_\_\_\_

*M. K. N. ...*  


DIRECTOR GENERAL  
 DIRECTORATE OF LANDS ADMINISTRATION & PHYSICAL PLANNING  
 CENTRAL EQUATORIA STATE/JUBA.

- cc:- Registrar of Land, CES/Juba
- cc:- Director Juba/Kator/Munuki/Rejaf Payam/Juba County.
- cc:- Director of Survey Department, CES/Juba.
- cc:- Mr./Mrs/Miss \_\_\_\_\_

**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

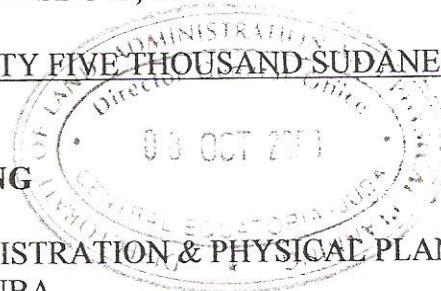
1. Premium Reserve Fund: .....SDG 26,250.00
2. Essential Works Charges: .....SDG 35,750.00
3. Administrative and Planning Fee  
Fees: .....SDG 15,000.00

**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



(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



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 "Leasor"),

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").





distributed 52% to the Company and 48% to the Cooperative; and from 2033 through the remainder of the term of this Lease, the profits generated by the Company shall be distributed 50% to the Company and 50% to the Cooperative.

(b) In addition, the Company will use its commercially reasonable best efforts to enhance the lifestyles of the communities within or adjacent to the Leased Land in which it conducts its activities. Toward that end, the Company will use its commercially reasonable best efforts to assist in the provision by the Government of Southern Sudan of social and educational services for the benefit of the communities within or adjacent to the Leased Land, with the Company providing (or causing its sublessees and/or sublicensees to provide) training and apprenticeships to local employees in the business activities it undertakes within the Leased Land.

3. Abatements. The Company will respect the laws and customs of the Southern Sudan and will pay all taxes due to central and local governments in Southern Sudan. However, the Cooperative will assist the Company in seeking exemptions from taxes and/or duties on capital investments made in Southern Sudan, on the importation of capital equipment and other tax abatements that the Company may deem necessary or appropriate to permit it to implement its permitted activities.

4. Governing Law; Dispute Resolution. This Lease and the rights and obligations in connection herewith will be governed by and construed in accordance with the domestic substantive laws of Southern Sudan, without giving effect to any choice or conflict of law provision or rule that would cause the application of the laws of any other jurisdiction; provided, however, that, in the absence of any applicable substantive law of Southern Sudan, this Lease and the rights and obligations in connection herewith will be governed by and construed in accordance with the domestic substantive laws of England and Wales.

Any and all disputes, differences, controversies or claims arising out of or in connection with this Lease shall be finally settled under the Rules of Conciliation and Arbitration (the "ICC Rules") of the International Chamber of Commerce (the "ICC") (and under the auspices of the ICC) by a single arbitrator who shall be experienced in international business transactions and who shall be appointed by agreement of the parties in accordance with the ICC Rules or, in the absence of such agreement, by the ICC in accordance with the ICC Rules. The foregoing arbitration proceedings may be commenced by any party by notice to the other party, and all expenses of such arbitration shall be borne by the respective parties (unless the arbitrator, in his or her award, determines otherwise). The venue for any such arbitration shall be London, England or any other venue mutually agreed to by the parties. The language of the arbitration shall be English. The parties hereby exclude any right of appeal to any court on the merits of the dispute. The provisions of this Section 4 may be enforced in any court having jurisdiction over the award or any of the parties or any of their respective assets, and judgment on the award (including without limitation equitable remedies) granted in any arbitration hereunder may be entered in any such court. In the event of a conflict between the ICC Rules and this Section 4, the provisions of this Section 4 shall govern.

5. Miscellaneous. This Lease constitutes the entire agreement between the parties and supersedes all prior communications, agreements and understandings, written or oral, with respect to the subject matter hereof. This Lease may be amended or modified only by a written instrument signed by the parties. This Lease shall inure to the benefit of the parties

*Dr. Stephen Leach*


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.

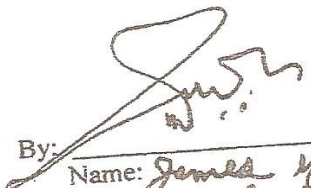
IN WITNESS WHEREOF, this Lease has been made and executed by the parties on the date first above written.

For and on behalf of

MUKAYA PAYAM COOPERATIVE

By:   
Name: Scopas Lochos Torajo  
Title:  
Passport Number:  
Country of Issuance: paramount chief

WITNESSED BY: Sudan  
Name: Samuel T youziel  
Address: Ministry of Housing, Land & Public Utilities  
Government of southern Sudan  
Juba - Sudan

By:   
Name: James Yocia Ramadalla  
Title: 2nd. class Judge.  
Passport Number:  
Country of Issuance:



WITNESSED BY:

Name:  
Address:

Lawrence Korbanek

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:  
Country of Issuance: United Kingdom

WITNESSED BY:

Name:  
Address:

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

By:

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

WITNESSED BY:

Name:  
Address:

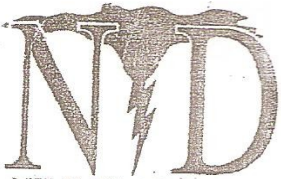
P. Osborne  
Name: P. Osborne  
Address: Grosvenor Hotel,  
101, Buckingham Palace Rd  
SW1W 0ST

[Signature]  
[Signature]

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**NILE TRADING &  
DEVELOPMENT**  
*A Delaware Corporation*

10694 Pagewood Drive, Dallas, Texas 75230 USA  
Telephone: 214 365-0964  
Telecopier: 214 365-9261

May 2, 2008

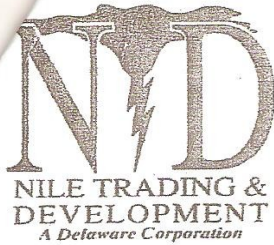
H. E. Major General Clement Wani Kongo  
Governor, Central Equatoria State  
Juba – Sudan

Re: Lease with Mukaya Payam Cooperative

Your Excellency:

On March 11, 2008, Nile Trading & Development, A Delaware Corporation (the "Company") executed a 49-year lease with the Mukaya Payam Cooperative (the "Cooperative"), a copy of which we have attached (the "Lease").

Pursuant to the Lease, the Cooperative leased to the Company 600,000 hectares (with the possibility of additional hectareage in the future) in order to (A) develop, produce and exploit timber/forestry resources on the leased land, 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 (B) engage in agricultural activities, including, without limitation, the cultivation of palm oil trees and biodiesel plants such as jetropha. We also intend to trade any carbon credits that result from the timber on the leased land and our activities on the leased land – so that we may reinvest a significant portion of the resulting profits in the Cooperative, Central Equatoria State and elsewhere in Southern Sudan and thereby help enhance the quality of life of its people.



10694 Pagewood Drive, Dallas, Texas 75230 USA  
Telephone: 214 365-0964  
Telecopier: 214 365-9261

In order to conduct our activities, we require that the Lease be formally registered with Central Equatoria State, whom we understand is the appropriate authority within the Government of Southern Sudan for such registration, and we hereby respectfully request that the Lease be so registered.

Respectfully yours,

David P. Neimann  
President  
Nile Trading & Development,  
A Delaware Corporation

cc: H. E. Dr. Samson Kwaje Lokare  
Minister of Agriculture  
Government of Southern Sudan  
Juba – Sudan

H. E. Mr. Charles Jongo  
Minister of Agriculture  
Central Equatoria State  
Juba – Sudan

H. E. Mr. Vincent Kujo  
Commissioner  
Lanya County  
Lanya – Sudan

Magistrate James Yosia Ramdalla  
Paramount Chief  
Mukaya Payam Cooperative  
Lanya County  
Lanya – Sudan