



RECIPROCAL TRAVERSING AGREEMENT

Between

OLIFANTS RIVER GAME RESERVE SHARE BLOCK LIMITED

and

MALEVELYN HOLDINGS (PROPRIETARY) LIMITED

now

OLIFANTS NORTH GAME RESERVE SHARE BLOCK LIMITED

Registration No. 1973/014136/06

SUSPENSIVE CONDITIONS

- 1 This agreement shall only come into operation in the event of Malevelyn Holdings (Proprietary) Limited being converted to a share block company, transferring shares in share blocks to purchasers and commencing the operation of a game reserve share block scheme on the farm Magdalena No. 154, Registration Division K.T., Northern Province.

DEFINITIONS

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- 2.1 In this agreement the following words and expressions shall bear the meanings assigned to them below:
 - 2.1.1 “Corporate entity” means a Member which is not a natural person but has corporate existence in law and for all purposes of this agreement includes partnerships and the trustees of trusts.
 - 2.1.2 “Directors” means the directors of Olifants River Share Block or of Olifants North Share Block as the context may indicate.

- 2.1.3 “Member” means the registered owner of shares in a share block in Olifants River Share Block and/or in Olifants North Share Block as the context may indicate.
- 2.1.4 “Olifants North” means the land owned by Olifants North Share Block on which it is about to conduct a game reserve share block scheme, which land is the farm Magdalena No. 154.
- 2.1.5 “Olifants North Development Co” means Moneyline 772 (Proprietary) Limited (No. 1998/013589/07) which is the developer of the Olifants North Share Block Scheme and which company is about to change its name to Olifants North Development Company (Pty) Ltd.
- 2.1.6 “Olifants North Share Block” means Malevelyn Holdings (Proprietary) Limited (No. 1973/014136/07) both on signature of this agreement and after it has been converted to a share block company under the name of Olifants North Game Reserve Share Block Limited.
- 2.1.7 “Olifants River Share Block” means Olifants River Game Reserve Share Block Limited (No. 1970/012498/07).
- 2.1.8 “Olifants South” means the land owned by Olifants River Share Block on which it conducts a game reserve share block scheme, which land is the Remaining Extent of Grootdraai No. 38, Portion 1 of Madrid No. 39, the Remaining Extent of Lisbon No. 37 and, to the extent that it may now or in the future be lawfully possible to grant traversing rights thereover, Portion 1 of Grootdraai No. 38, all in Registration Division K.T., Northern Province.
- 2.1.9 “Representative Member” means a natural person who is appointed by a Corporate entity which is a Member of Olifants River Share Block or Olifants North Share Block to represent the Corporate entity in terms of the Olifants River Share Block and/or Olifants North Share Block Use Agreements, if the Use Agreement so provides, and to represent the Corporate entity for all purposes of this reciprocal traversing agreement.
- 2.1.10 “Rules and regulations” mean the rules and regulations prescribed from time to time by the directors of Olifants River Share Block or Olifants North Share Block in terms of their respective Use Agreements as the context may indicate.
- 2.1.11 “Traversee” means the entity or land allowing traversing rights and “traversor” means the entity, land or person enjoying traversing rights as the context may indicate.
- 2.1.12 “User” means a natural person who is more than 21 years old and who is appointed by a Member or Representative Member to exercise both the use rights of that Member in his own share block scheme and the traversing rights of that member in terms of this agreement and includes a Member who is exercising such rights.
- 2.2 Definitions which contain substantive provisions shall be given effect as if such provisions were incorporated in the main body of the agreement.

RECORDAL

- 3 Olifants River Share Block is the registered owner of Olifants South on which it conducts a game reserve share block scheme.

- 4 Olifants North Share Block is the registered owner of Olifants North on which it intends in the near future to conduct a similar game reserve share block scheme.
- 5 The parties have agreed to grant their respective Members reciprocal traversing rights over their respective game reserves and wish to record the terms of such agreement in writing.

IT IS THEREFORE AGREED AS FOLLOWS:

TRAVERSING RIGHTS

- 6 Subject to the further terms and restrictions of this agreement :
 - 6.1 Certain Members of Olifants River Share Block shall be entitled to traverse Olifants North, and in reciprocity
 - 6.2 Members of Olifants North Share Block shall be entitled to traverse Olifants South.

CONSIDERATION TO BE GIVEN BY OLIFANTS NORTH SHARE BLOCK

- 7 In consideration of the traversing rights over Olifants South hereby granted by Olifants River Share Block to Olifants North Share Block for the benefit of duly appointed users of Olifants North Share Block, Olifants North Share Block shall :
 - 7.1 Up to an amount of R1.2m in cash or kind, accommodate or arrange to accommodate the joint owners of Portion 1 of Grootdraai (other than Olifants South) in order to avoid partition of Portion 1 of Grootdraai and if by exchange with such joint owners Olifants North Share Block acquires undivided ownership of Portion 1 of Grootdraai, Olifants North Share Block will enter into a registered, reciprocal servitude with Olifants River Share Block in terms of which all the Members of Olifants River Share Block will have full traversing rights over Portion 1 of Grootdraai and failing such accommodation shall pay, or arrange to be paid by Olifants North Development Co, a capital sum of R1.2m into a separate bank account to be opened in the name of, and to be controlled by, Olifants North Development Co to be held in trust to assist Olifants River Share Block in reaching an accommodation with such third parties whether by agreement or by court order and in the event of the finalisation of such accommodation any balance of the aforesaid sum then remaining shall revert to Olifants North Share Block or Olifants North Development Co, as the case may be, and failing such accommodation within two years from Olifants North Share Block commencing the operation of a game reserve share block shall revert to Olifants North Share Block or Olifants North Development Co, as the case may be.
 - 7.2 At its cost, or by arrangement with Olifants North Development Co at the cost of Olifants North Development Co, obtain the necessary authority for, and erect, a causeway over the Olifants River at an estimated cost of R600 000,00 to connect the two game reserves at a site agreed by the directors of both the parties hereto, which site shall not be near any existing units on Olifants South without the owners' consent.
 - 7.3 Not allow residences or communal buildings of any kind to be constructed on the north bank of the Olifants River opposite any of the Olifants River Share Block units but a limited number of hides shall be allowed as agreed in detail by the directors of both parties from to time.

- 7.4 Contain, as far as may be reasonably possible, light and noise pollution on Olifants North, and in particular at the main camp on Olifants North, which may detrimentally affect the amenities of units on Olifants South.
- 7.5 Permit Olifants River Share Block managerial staff who are so authorised from time to time by the directors of Olifants River Share Block (which authorisations shall be notified in writing and in advance to the management of Olifants North Share Block) free access to Phalaborwa at all times along a road over Olifants North designated by the directors of Olifants North from time to time for that purpose and shall permit all Members of Olifants River Share Block emergency medical access to and from Phalaborwa along the same route subject to prior notification to the management of Olifants North (except in the case of life threatening emergencies).
- 7.6 Permit an Eskom power supply from any Eskom powerlines on Olifants North to Olifants South.
- 7.7 Become a member of the Balule Game Reserve which is an associate member of the Association of Private Nature Reserves, in order to seek association with the Kruger National Park and the removal of fences, and if necessary will improve and/or electrify the boundary fences around Olifants North.
- 7.8 Close the airstrip on Olifants North and promote the re-generation of vegetation.
- 7.9 Work in close harmony with Olifants River Share Block in respect of game management and in the provision of effective anti-poaching measures.
- 7.10 Not carry out culling operations without notifying Olifants River Share Block management and if and when any such operations are carried out they will not be in close proximity to Olifants River Share Block units.
- 7.11 Co-operate closely with Olifants River Share Block in promoting the security of Olifants South.

CONSIDERATION PAYABLE BY, AND RESTRICTIONS ON, OLIFANTS NORTH SHARE BLOCK MEMBERS

- 8 In addition to the foregoing, a Member (or Members if more than one) of a share block in Olifants North Share Block shall pay to Olifants River Share Block an annual fee, initially an amount of R1 200,00 per year as a consideration for traversing rights, subject to the following conditions:
 - 8.1 The charge is per share block.
 - 8.2 By agreement with the directors of Olifants North Share Block, the directors of Olifants River Share Block may increase the annual fee in line with the average of any increase in the levies payable by the units in both Olifants River Share Block and Olifants North Share Block provided that the annual fee charged in terms of this paragraph and the annual fee charged in terms of paragraph 10.2 shall always be the same.
 - 8.3 For all purposes of this reciprocal traversing agreement :
 - 8.3.1 No share block in Olifants North Share Block may have more than three Members and the total number of Users of a share block in Olifants North Share Block (including Members exercising User rights) shall not exceed six. Users who are not owners of A, B or C class shares in Olifants North Share Block (whether personally or indirectly by membership of, or through, a Corporate entity) and who are or become Members, Representative Members or Users of any share block in Olifants River Share Block (whether personally or indirectly by membership of, or through, a Corporate entity) shall

not be entitled to exercise traversing rights over Olifants North. Such persons may obtain traversing rights over Olifants North only by acquiring A, B or C class shares in Olifants North Share Block or by way of clauses 9 and 10 of this Reciprocal Traversing Agreement.

- 8.3.2 If all the shares in a share block are owned by a single Member, such payment shall entitle the Member, subject to paragraph 8.3.1, to appoint up to six Users (including the Member or Representative Member) to exercise the traversing rights.
- 8.3.3 If the shares in a share block are owned by more than one Member:
- 8.3.3.1 A Member who owns two shares in a share block shall be entitled, subject to paragraph 8.3.1, to appoint two Users (including the Member or Representative Member).
- 8.3.3.2 A Member who owns three shares in a share block shall be entitled, subject to paragraph 8.3.1, to appoint three Users (including the Member or Representative Member).
- 8.3.3.3 A Member who owns four shares in a share block shall be entitled, subject to paragraph 8.3.1, to appoint four Users (including the Member or Representative Member).
- 8.3.4 No person may be appointed as, or remain, a User for the exercise of traversing rights unless such person is concurrently a duly authorised User appointed by the same Member in that Member's share block scheme.

CONSIDERATION PAYABLE BY OLIFANTS RIVER SHARE BLOCK MEMBERS

- 9 In consideration of the traversing rights over Olifants North hereby granted by Olifants North Share Block to Olifants River Share Block for the benefit of Users duly appointed by Members who have elected to exercise the traversing rights, any Member or Members of a share block in Olifants River Share Block who elects to exercise the traversing rights hereby granted by Olifants North Share Block shall pay to Olifants North Share Block:

a capital amount, initially an amount of R75 000,00, which shall not be refundable and which capital amount may be increased from time to time after the commencement of the Olifants North Share Block scheme to such extent as the directors of Olifants North Share Block may determine, and

an annual fee, initially an amount of R1 200,00 per year.

- 10 Any Member/s or Representative Member/s of a share block in Olifants River Share Block who elects to exercise the traversing rights hereby granted by Olifants North Share Block shall pay to Olifants North Share Block the aforesaid annual fee subject to the following conditions :

The charge is per share block.

The annual fee may be increased from time to time by Olifants North Share Block in the manner and to the extent specified in paragraph 8.2.

The Member/s or Representative Member/s who have elected to exercise traversing rights and who have paid the capital amount applicable at that time may thereafter elect on an annual basis whether he/she/they wish/es to exercise traversing rights during the forthcoming year and if he/she/they do/es not elect to do so, need not pay the charge for the forthcoming year.

For all purposes of this reciprocal traversing agreement :

- 10.1.1 no share block in Olifants River Share Block may have more than three Members and the total number of Users of a share block in Olifants River Share Block (including Members exercising User rights) shall not exceed six, which Users may not include any persons who are Members, Representative Members or Users of any other share block in Olifants River Share Block..
- 10.1.2 If all the shares in a share block are owned by a single Member, such payment shall entitle the Member, subject to paragraph 10.4.1, to appoint up to six Users (including the Member or Representative Member) to exercise the traversing rights.
- 10.1.3 If the shares in a share block are owned by more than one Member:
 - 10.1.3.1 A Member who owns two shares in a share block shall be entitled, subject to paragraph 10.4.1 to appoint two Users (including the Member or Representative Member).
 - 10.1.3.2 A Member who owns three shares in a share block shall be entitled, subject to paragraph 10.4.1 to appoint three Users (including the Member or Representative Member).
 - 10.1.3.3 A Member who owns four shares in a share block shall be entitled, subject to paragraph 10.4.1 to appoint four Users (including the Member or Representative Member).
- 10.1.4 No person may be appointed as, or remain, a User for the exercise of traversing rights unless such person is concurrently a duly authorised User appointed by the same Member in that Member's share block scheme.

If the shares in a share block are owned by more than one Member, the Member or Representative Member making payment shall notify Olifants North Share Block in writing whether such payment is made on behalf of all or only some of the Members of that share block and in the former event shall name all Members and Representative Members and their Authorised Users and in the latter event, only the Member/s and his/their/its Authorised Users named in such notification may exercise the traversing rights.

CONSIDERATION GIVEN BY OLIFANTS RIVER SHARE BLOCK

- 11 In consideration of the traversing rights over Olifants North hereby granted by Olifants North Share Block to Olifants River Share Block for the benefit of duly appointed Users of Olifants River Share Block, Olifants River Share Block shall contain, as far as may be reasonably possible, noise pollution and new sources of light pollution on Olifants South which may detrimentally affect the amenities of units on Olifants North.

LIMITATION ON EXERCISE OF TRAVERSING RIGHTS

- 12 Members exercising traversing rights in terms of this agreement and wishing to traverse in either direction shall do so only across the causeway linking the two game reserves and may not use the entry gates of the traversee game reserve for entry or egress except in exceptional circumstances and then only at such times and to such extent as the directors of both parties hereto may agree from time to time.

- 13 Traversing in either direction is not permitted over the Easter period in each year, the exact dates to be agreed by the respective directors and notified to their Members.
- 14 The directors of either party hereto may on not less than 7 days notice notify the other directors that traversing on their game reserve is prohibited during other peak periods, in addition to the Easter period, not exceeding 21 days in any one calendar year.
- 15 Traversing in either direction is permitted only between 5:30am and 7:30pm from the 1st October to the 31st March and between 6:00am and 6:30pm between the 1st April and the 30th September.
- 16 Not more than 10 vehicles from one share block scheme shall traverse on the game reserve of the other share block scheme on any one day, whether in terms of this agreement, by virtue of ownership of "C" class shares in Olifants North Game Reserve Share Block or otherwise, and the directors of the traversor game reserve shall make their own arrangements as to how their Members will share the traversing rights.
- 17 The directors of both parties shall agree from time to time on how control of traversing rights shall be exercised at the causeway or elsewhere and the two parties hereto shall share the cost of such control.

RULES

- 18 Any vehicle being used to exercise traversing rights shall have on board at all times a User entitled to exercise the traversing rights and no spouse or other family member and no director, shareholder, member, partner, trustee or beneficiary of a Corporate entity who is not personally a User shall be entitled to exercise the traversing rights unless a User who is entitled to exercise the traversing rights is on board.
- 19 No person shall exercise traversing rights until the traversee directors have received payment of the annual fee and a list of the Users covered by such payment and have issued a permit to him/her/them.
- 20 Any person exercising traversing rights shall carry, and on request exhibit, the permit and also proof of identity of the User named therein who is on board the vehicle.
- 21 No vehicle exercising traversing rights shall have more than 8 persons on board.
- 22 Persons exercising traversing rights shall acquaint themselves with the current rules and regulations of the game reserve being traversed, including the type of vehicle (as agreed by both boards of Directors) which may be used, and shall strictly observe such rules and regulations.
- 23 Any vehicle used for the purpose of exercising traversing rights shall have prominently displayed, on each side and on the rear of the vehicle, the name of the game reserve and the number of the unit in which the User on board such vehicle enjoys User rights.

OTHER FACILITIES

- 24 A person exercising traversing rights in terms of this agreement on Olifants South shall not be entitled to use the club house, swimming pool and other communal facilities on Olifants South except the hides.
- 25 A person exercising traversing rights in terms of this agreement on Olifants North shall not be entitled to use the main camp, swimming pool and other communal facilities on Olifants North except the hides.

BREACH BY MEMBER, REPRESENTATIVE MEMBER OR USER

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In the event of any Member, Representative Member or User or any guest on board a vehicle (hereinafter called collectively "the guilty parties") committing any breach of the terms of 8, 10, 11 to 15, 17 to 22, 23 or 25 of this agreement the rules and regulations of the traversee game reserve, the directors of the traversee game reserve shall be entitled to give the directors of the traversor game reserve :

- 26.1.1 written notice of such breach and in their sole discretion to suspend for such period as they deem fit the traversing rights of one or more or all of the guilty parties, and
- 26.1.2 a warning of the consequences of further breaches.

The directors of the traversor game reserve shall be obliged to deliver a copy of such notice and warning to the Member (and all the Members if more than one) of the traversor share block.

During a period of suspension none of the guilty parties may traverse the traversee game reserve as the guest of any other person having traversing rights over the traversee game reserve.

In the event of a suspension of traversing rights neither any capital amount or current annual fee nor any portion thereof shall be refundable.

- 27 In their sole discretion the directors of the traversee game reserve shall be entitled to withdraw a notice and warning and/or to lift a suspension.

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In the event of any Member/s, Representative Member/s, User/s or guest/s of a particular share block committing a breach of this agreement in circumstances where the Member/s and/or the Representative Member/s of that share block have received one or more previous written notices and warnings, the directors of the traversee company shall be entitled by written notice to suspend for such period as they deem fit or to cancel the traversing rights of all Members and Users of that share block.

- 29 In the event of suspension or cancellation of traversing rights neither any capital amount or current annual fee nor any portion thereof shall be refundable.

In the event of traversing rights being cancelled in terms of paragraph 28:

the directors of the traversee company in their sole discretion shall be entitled to reinstate such rights at a later date subject to such conditions as the directors may deem fit, and

in the event of the transfer of all the shares in that share block to a new Member or Members, which event includes the transfer of ownership of a Corporate entity which is a Member of that share block to new owners, the directors of the traversee company shall reinstate such rights subject to such conditions as they may deem fit.

CANCELLATION OF RECIPROCAL TRAVERSING AGREEMENT

30 This agreement may be cancelled only on six months written notice given by one party to the other and such notice may only be given in the event of the following:

Members holding 75% or more of the issued shares in each share block company, voting in person or by proxy at individual general meetings, agree to the cancellation.

The expropriation, sale or other loss by either of the parties hereto of all or the major portion of its land. In the event of such loss of land taking place in return for a purchase price or similar compensation or consideration, the party receiving such price, compensation or consideration shall pay reasonable compensation, after liquidation of all liabilities including shareholder's claims for improvements attributable to their share blocks and claims on loan account and taking into account the equitable interests of all parties directly affected, to the other party for the loss of traversing rights suffered by the Members of that other party, such compensation to be determined by agreement between the directors of the parties hereto failing which by arbitration.

A substantial change in the Memorandum or Articles of Association or the Use Agreement of one of the parties hereto which prevent the members of the other party from reasonably exercising their traversing rights in which event the party making the changes shall be liable in damages to the other party, such damages to be determined by agreement between the directors of the parties failing which by arbitration.

Either party hereto is wound up or otherwise ceases to exist or ceases to conduct a game reserve share block on its land in which event the party wound up or ceasing to exist or ceasing to conduct a game reserve share block shall be liable in damages to the other party, such damages to be determined by agreement between the directors of the parties (or the liquidator or similar representative in control of the party which is being wound up or has ceased to exist) failing which by arbitration.

The calculation of any compensation or damages payable in terms of this clause shall include compensation or damages attributable to the individual Members of the party receiving such compensation or damages who have elected to exercise traversing rights in terms of this agreement.

NOTICES

31 The parties hereto choose *domicilium citandi et executandi* for all purposes including the receipt of notice as follows :

Olifants River Share Block at:

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Olifants North Share Block at:

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32 Either party by written notice to the other shall be entitled to change its domicilium address to another address in South Africa.

GENERAL

33 This agreement constitutes the entire contract between the parties hereto and no conditions, stipulations, warranties or representations by either of the parties or their agents, whether made prior or subsequent to the signing of this agreement, shall be binding on the parties unless in writing and signed by all parties hereto.

34 No variation, alteration or consensual cancellation of this agreement or any of the terms thereof shall be of any force or effect unless in writing and signed by the parties hereto.

35 No waiver or abandonment by any party of each of its rights in terms of this agreement shall be binding on that party unless such waiver or abandonment is in writing and signed by the waiving or abandoning party.

36 Except as expressly provided in this agreement, any latitude or extension of time which may be allowed by either party to the other or to one or more Members of either party in respect of any payment provided for herein or any matter or thing which either party is bound to perform or observe in terms hereof shall not in any circumstances be deemed to be a waiver of the rights of the party allowing the latitude or extension of time to require at any time in the future strict and punctual compliance with each and every provision or term hereof.

37 The directors of both parties shall meet together once in each year to discuss traversing charges, access control and other matters arising out of this agreement.

38 Each party hereto will immediately notify the other party of any change to its Rules and Regulations and supply a copy of its current Rules and Regulations and the recipient of any such notice shall immediately notify its Members of such change.

SIGNED at SANDTON

on the day of

2000

AS WITNESSES :

1. _____

For : OLIFANTS RIVER SHARE BLOCK

2. _____

DIRECTOR

SIGNED at SANDTON

on the

day of

2000

AS WITNESSES :

1. _____

for: OLIFANTS NORTH SHARE BLOCK

2. _____

DIRECTOR