

GOLD DORE SUPPLY AGREEMENT

This Sale and Purchase Agreement (hereinafter referred to as SPA) is made on this ...23th Day of NOV. 2015.

BETWEEN

ITALTEC GHANA LIMITED
P O BOX GP 17482, ACCRA, GHANA
REPRESENTED BY : MR. KWAME OFEI
(Hereinafter referred to as Seller)

AND

MANCO FOR AFRICA GH. LTD

OF

REPRESENTED BY: MR.

WHEREAS:

- A. Seller agrees and warrants, under penalty of perjury, to sell DORE BAR GOLD in the form of **unrefined Gold Metal** (hereinafter referred to as "GOLD BARS").
- B. The seller buys gold from several small mines in seventeen locations nationwide for resale
- C. Seller warrants that it purchases gold only from legally recognized mines licensed by government
- D. Buyer agrees and warrants, under penalty of perjury, to Purchase Seller's GOLD BARS at an agreed price upon request to be delivered at specified times ,quantity, forms, purity and terms as contained in this contract
- E. Buyer further agrees that it has funds genuinely and legally earned which is neither connected with illicit trading activities, nor gains from any banned activity under the UN money laundering act

ARTICLE 1 - DEFINITIONS

The terms used herein shall have the following definitions.

FORWARD SALE AGREEMENT: This Agreement requires the selling of gold to a buyer at an agreed delivery price and date at a given discount. It requires buyer to forward purchase by paying to seller all of the money for the delivery against the discount agreed by buyer and Seller. .

1. **“FORWARD SALE PURCHASE FUNDS** means the amount payable by **Buyer** to **Seller** to cover the cost of Gold purchased from local miners in the Republic of Ghana.
2. **“Gold”** means the minerals to be purchased in the Republic of Ghana for Exportation to **Buyer**.

3. **“Gross Export”** means the total amount of gold purchases collected by **ITALTEC GHANA LTD** from all of its Purchasing centres for exportation.
4. **“Net Exports”** means the weight of remaining Gold captured on sellers Export Invoice after primary assay with the specific gravity Water method and measured by final refinery report captured after gold has been refined to a minimum fineness of 99.95% or better as per the assay certificate to be attached from a World class Recognized LBMA approved refinery.
5. **RESIDUAL MATERIALS:** This refers to any other mineral other than gold captured during the refinery process whilst the gold is being made into 99.9% fineness. Example Silver and or copper. Any of such materials shall be returned to the Seller or priced separately

ARTICLE 2 – AGREEMENT SCOPE

1. Seller, under full corporate responsibility and liability, represents that he has the clear and qualified right to sell the UNREFINED GOLD DORE BARS IN METAL FORM under its own license to any World class refinery approved by LBMA.
2. Buyer, under full corporate authority and responsibility, represents that he has the full financial capability to pre-finance the purchase of GOLD DORE BARS.

NOW, THEREFORE: In consideration of the promises and mutual covenants herein set forth, both Parties agree to the Terms and Conditions as follows:

ARTICLE 3 - COMMODITY SPECIFICATIONS

Commodity	: Unrefined Gold DORE BARS (Au)
Quantity	: Minimum signed in contract per month, on revolving basis is 50kgs initially to be reviewed upwards
Shipment cycle	: 30 days shipment (cycle repeats)
Form	: Metal Bars Form
Purity	: Ninety one point sixty six Percent (91.66%) Minimum
More info	: Purity calibrated 99.95 based on Buyer’s Refinery Final Assay.
Origin	: Ghana
Point of shipment	: Accra Airport, Ghana
Contract Period	: Twelve (12) months initial with rolls and extensions upon satisfactorily performance by both party
Packing	: Metal Steel Padlocked Boxes Sealed by Government Customs Agents
Mode of transport	: Air Freight.
Carrier	: By Choice of buyer either KLM or EMIRATES AIR to be agreed prior to commencement.
Price	: LME Second fixing on the day and date of Export less given discount to Buyer.
Discount	Discount given shall be 1.% Less LME Per trade cycle repeatedly *Upward discount Adjustment or Higher discount is available only on structured negotiated terms based on purchases of Higher volumes
Fixing Date	: The date of fixing of the gold price shall be mutually agreed between partners, the buyer and seller shall both decide when to fix the gold. The Date of export shall have the day fix which bears the fixing price of the time of customs sealing the gold at the Airport for shipment however the final fixing may be determined by both parties mutually.

ARTICLE 4 – FORWARD SALE PURCHASE AMOUNT

The Forward Sale Purchase Amount shall mean the total amount of funds payable by **Buyer** to **Seller** against every export, as per monthly quantity and agreed upon delivery schedule.

ARTICLE 5 FORWARD SALE FUND

The buyer shall transfer by swift wire MT 103 the total Forward Sale amount into the sellers nominated Bank Accounts within 5 days of signing of this agreement.

ARTICLE 6 – BUYER’S DECLARATION

Buyer declares and undertakes to cooperate in good faith that it has full title and funding of non-criminal origin to purchase and make available the required amounts to **Seller** for the stipulated quantities.

ARTICLE 7 – PROCEDURES

By signing this SPA Buyer and Seller accept its terms, conditions and below procedures:

1. Relevant documents/contracts (SPA) signed and ratified by principals.
2. Seller provides proof/evidence of performance, Past shipment records, Government Approved License
3. Buyer provides bona fide proof of funds issued from a world class certified international bank,
4. Payment structure arranged via Standard Chartered Bank, Ghana or mutually agreed bank; alternatively Buyer serves a minimum of 5 international-days notice to Seller for SWIFT (MT 103) of funds transfer for 1st tranche purchase. The swift shall be MT103 Cash wire and not any banking financial instruments i.e. L/Cs, Bank Guarantee etc.
5. Upon receipt of funds, Seller ships 1st tranche, as per agreed schedule, to Buyer’s nominated refinery. (LBMA approved Bullion refinery).
6. *Buyer’s refinery issues final assay report to match Seller’s assay (to determine actual weight and purity of gold).Reconciliation of gold delivered is made against final refinery Assay report *normally sellers assay is based on Swiss procedure using the Metler Toledo Swiss Precision Water Density method this system has an accuracy of +/- 005.
7. After issuance of Buyer’s Refinery Final Assay Report, Seller will draw down on the available funds for the purchase and delivery of subsequent tranches as per the shipment schedule, on a revolving basis. Where there is the need to top up the previous delivery based on assay differences Additional gold will be added onto the subsequent delivery.
8. Transfer of Ownership: The Ownership of the Gold as per agreement shall be transferred automatically from Seller to Buyer against payment, and by the issuance of Airway Bill on date of export. Seller terminates responsibility upon delivery to Airline
9. Seller will proceed to the next shipment as per agreed upon shipping schedule after the funds draw down of the active lot has been effected.

ARTICLE 8 - DELIVERY TERMS

1. The delivery terms for this SPA shall be on C&F basis to Buyer’s appointed refinery.(Insurance must be arranged separately by the buyer
2. Consignor shall be Seller. ITALTEC GHANA LIMITED
3. Consignee shall be Buyer. Addressed asof

The export taxes, export documentation, freight cost and other expenses during Export to Buyer’s destination shall be borne by Seller. Seller shall be responsible for security of total gold to be shipped from sellers delivery point to the port of shipment delivered aboard Aircraft at the Kotoka International Airport, Accra Ghana.). Seller terminates responsibility of ownership upon delivery of gold to Airline Carrier, and Sends Airway Bill to Buyer. Buyer assumes responsibility and shall clear the Import Customs duty, Insurance if needed and other expenses and taxes applicable at destination.

ARTICLE 9 - PAYMENT TERMS

SPA ITL/ JINDAL/28/07/15

Payment must be made in full of each contractually delivered quantity under the terms of this SPA before delivery via bank swift, MT 103 as per agreed terms.

The Actual total purchase price shall be calculated based on each refined kilo at Ninety Nine point Nine Hundred Ninety Five percent (99.995%) purity being paid at a discount of one percent (1.%) in United States Dollars to the LBMA Second Fixing on the day of the Buyer's Refinery Final Assay Report. Buyer and seller hereby agree to adjust and amend payment funds to reflect market changes in price prior to shipment and to agree amongst them LBMA fixing.

ARTICLE 10 *RETENTION

The retention clause is the amount of money held by seller as a revolving deposit fund for the continuation of the SUPPLY cycle, Retention in this contract shall be 30% of the total amount committed by buyer to seller. Gold shipped shall be 70% of the total amount, the remainder 30 % shall be added to the final shipment on day of final shipment closing contract. Retention is necessary commitment of continuous cycle.

ARTICLE 11 - DOCUMENTS

Each shipment and delivery shall be identified with all appropriate SPA reference codes. Seller must provide the following documents to Buyer prior to arrival of GOLD:

1. Assay Certificate, Certifying quality and quantity delivered by Seller
2. Invoice (including all necessary documents needed by law in Country of Origin)
3. Airway bill and duly certified customs clearance documents to accompany shipment

ARTICLE 12 - TITLE TO GOODS

The Title to the Gold shall be automatically transferred from Seller to Buyer upon payment by Buyer and upon issuance of airway bill, prior to delivery to Buyer's Refinery.

ARTICLE 13 - CLEAR TITLE

Seller confirms and warrants that the title of the Gold to be sold herein free and clear of any and all Liens and/or encumbrances and Seller further states that the Gold is not in any relation with terrorists and/or criminal activities.

ARTICLE 14 - WARRANTY

1. Buyer warrants opening a Payment Account in favor of Seller to be used as Forward Purchase Payments.
2. Seller warrants that the commodity can be lifted without restrictions anywhere in the world.
3. Seller shall pay all the required duties and charges in country of export.
4. Seller agrees to accept the final assay report at Buyer's designated refinery.
5. Additional charges due to the excessive impurity content of the Gold will be deducted from the amount payable to Seller.

ARTICLE 15 – DELIVERY SCHEDULE

To be agreed between the Buyer, Seller and the Bank/Refinery for delivery in a separate Addendum. First delivery shall take effect 10 working days after Payment to enable logistics of schedule, subsequent shipment to follow as agreed.

ARTICLE 16- BUYER'S OBLIGATIONS

Buyer commits to buy and pay Seller the total quantity and quality of AU delivered at 99.95% as certified by Buyer's Refinery.

ARTICLE 17 - ARBITRATION AND JURISDICTION

Any dispute arising out of, or in context of this SPA, or related to any agreement concluded as a result of this SPA, shall be settled by Arbitration. The parties hereto hereby irrevocably agree to be governed by the laws of Ghana; thus, all disputes arising from the performance of this agreement shall be settled through amicable negotiation. Should no settlement be reached through negotiation, the case shall then be submitted for arbitration under the auspices and rules of the Ghana Arbitration Centre. This decision shall be final and binding on both parties.

ARTICLE 18 - JOINT DECLARATION

Seller and Buyer each declare unto one another that the Gold offered herein for sale, and the origin of the funds used for purchasing the Gold, DOES NOT CONTRAVENE: The Drug Trafficking Offenses Act 1986, The Criminal Act 1988, the Prevention of Terrorism (Temporary Provisions) Act 1989, The Criminal Justice (International Co-operation) Act 1990, 1993, and the Money Laundering Regulations 1993, or any other illegal or criminal activity. Accordingly each party to this agreement indemnifies each other against any such allegations which or may not be made in the future. Furthermore Buyer agrees and pledges to seller that Buyer shall make available funds at all times during the duration of the contract to supply funds for the purchase of gold. That buyer shall not deliberately withhold payment from seller after delivery of gold

ARTICLE 19 – TRIAL AGREEMENT (OPTIONAL)

The Buyer Agrees to furnish the sellers with an initial amount covering or equivalent of 2 kilos of Gold to ascertain how the shipment frequency will operate. This shipment shall be considered as a sample or trial to ascertain cycle of shipment.

ARTICLE 20 - ETHICS (NON-CIRCUMVENTION & NON-DISCLOSURE)

Both Buyer and Seller shall acknowledge that the harm to the other party would be substantial and therefore Seller and Buyer agree to abide by the Customary International rules of non-circumvention and non-disclosure as established by the International Chamber of Commerce rules of London to be settled in Hamburg Germany. English law to Apply.

Such Non-circumvention and non-disclosure shall include, but not be limited to communicating with each other's banks, refiners, Representatives of Buyer dealing with Customs, brokers or Seller's mandate. The understanding and accord of this subparagraph shall survive the termination of this Agreement.

ARTICLE 21 – CONTRACTUAL BREACH & LIQUIDATED DAMAGES

In the event of non-performance by the Seller to supply the required quantity of gold, Seller shall cure this shortage within 30 working days, in default seller shall refund in cash or as would be agreed between parties balance of payments received. Notwithstanding, if either party is deemed to be in breach of his obligations under this Agreement, the non-defaulting party may request in writing a cure of such breach within seven (7) business days and the defaulting party shall immediately so cure and give written notice to the other party within seven (7) business days.

ARTICLE 22B ARBITRATION

A non-performance by either party after the signatory of this agreement shall be amicably resolved including failure on time to wire pre-finance money for the purchases after 5 days of signature of this agreement. Either party agrees to refer for arbitration any dispute that shall arise under the terms of this agreement. Any such matter shall be heard by a competent body of arbiters selected by the parties in Ghana for an amicable settlement. The outcome of any such decision by the arbiters shall be binding on all parties.

ARTICLE 23 - TERMINATION

During the validity of this agreement, if either of the two parties is found to have violated the stipulations herein, the other party has the right to terminate this agreement. The termination of this Agreement, shall take effect on a date of transmittal in writing of the intent to terminate. The termination action will be effected after 30 working days from the date of writing. Such termination shall take effect at the end of the current month.

ARTICLE 24 – FORCE MAJEURE

A party shall not be liable for a failure to fulfill an obligation under this Agreement, if and to the extent to which fulfillment has been delayed, interfered with, curtailed or prevented by Force Majeure. In this paragraph, "Force Majeure" means any circumstance whatsoever that is beyond the reasonable control of the party affected. The party that declares a Force Majeure condition shall immediately initiate and diligently pursue corrective actions to cure the Force Majeure

condition.

ARTICLE 25 - SIGNATORIES

This SPA is binding upon the parties hereto, their assigns and successors, and is signed with full authority to act.

Each of the parties hereto confirms, under penalty of perjury, that each has full legal and lawful authority to execute this SPA and therefore all terms and conditions shall be fully binding. The parties have entered into this SPA in good faith and each shall use its best efforts in the full spirit of co-operation to promptly achieve the purpose set forth herein. A facsimile or email copy of this SPA shall be deemed legally binding as being fully executed in accordance to the parties herein and to include their heirs, executives, administrators and assignee.

ARTICLE 26 - EXECUTION OF THIS AGREEMENT

The terms of this SPA shall be confirmed and signed by Buyer and Seller in direct presence of its Principals, or optionally via facsimile or Email. Said executed facsimile or email shall be binding and initiates and concludes the legal liabilities between Buyer and Seller of this SPA. By signing below, both parties abide by their corporate and legal liabilities between Buyer and Seller of this SPA under full penalty of perjury.

IN WITNESS WHEREOF, this SPA has been duly executed as a binding contract among the Parties as indicated below. This SPA supersedes any previous version between the same parties

BUYER

.....

SELLER

ITALTEC GHANA LIMITED

Signature & Date

Full Name :

Title : Director CEO

Signature & Date

Full Name: **KWAME OFEI**

Title : CEO

WITNESS

Signature & Date.....

Full Name :

Title :

WITNESS

Signature & Date.....

Full Name :

Title :