

11 JUNE 2024

This Joint Venture Agreement, the "**Agreement**", is entered into on this day **11 June 2024**, by and between:

1. G-Squared Project Management Pty (Ltd)

1 Kingston Road
Adcockvale
Port Elizabeth (Gqeberha)
Eastern Cape 6001

Contact Person: Don Garcia.
044 444 9478 | 041 374 1551
don@gsquaredpm.com

2. Blackhound Enterprises Pty (Ltd)

T/A: Blackhound Architecture and Rendering

Unit 10 – The Network
19 Cactus Road
Fairview
Port Elizabeth (Gqeberha)
Eastern Cape
6075

Contact Person: Dewald Potgieter
072 418 6867
dewald@blackhoundenterprises.com

WHEREAS, **G-Squared Project Management Pty (Ltd)** and **Blackhound Enterprises Pty (Ltd)**, collectively referred to as the "Parties" and individually as a "Party", wish to collaborate on the design and development of architectural drawings for an affordable housing apartment complex named **Spekboom Development**, located on **ERF 3280** and **ERF 3279, Humansdorp, Kouga** (the "Project");

NOW, THEREFORE, in consideration of the mutual promises and covenants herein contained, the Parties hereto agree as follows:

1. Formation of Joint Venture:

1.1 Name of Joint Venture:

The joint venture will operate under the name "**Spekboom Development**" (the "Joint Venture").

1.2 Purpose:

The purpose of the Joint Venture is to combine the resources, expertise, and capabilities of both Parties to design and develop the architectural drawings required for municipal approval of the affordable housing apartment complex.

1.3 Term:

This Agreement shall commence on the date first written above and shall continue until the completion of the Project, unless terminated earlier in accordance with the provisions of this Agreement.

2. Contributions and Responsibilities

2.1 Contributions:

G-Squared Project Management Pty (Ltd) shall contribute to the design of the development layout, units and unit placement, the development of architectural municipal drawings and documentation and the submission of the individual units to the local authority for their approval.

Blackhound Enterprises Pty (Ltd) shall contribute to the 3d design of the development layout, the drawings and municipal submission of the Site Development Plan for both ERF 3279 and ERF 3280, and further assist with the architectural municipal drawings of the individual units for local authority approval.

2.2 Responsibilities:

Design and Planning:

Both Parties will collaborate on the architectural design and planning of the Project.

Project Management:

G-Squared Project Management Pty (Ltd) will take the lead in project management.

Client Communication:

G-Squared Project Management Pty (Ltd) and **Blackhound Enterprises Pty (Ltd)** can communicate directly with the client and their representatives, provided that both parties are always considered in "cc" of all email communication or notified via email of any telephonic communication with the client related to the project.

3. Management and Control

3.1 Management Committee:

One member of both firms will be appointed to make decisions regarding the Project:

Dewald Potgieter for **Blackhound Enterprises PTY (Ltd)** and **Don Garcia** for **G-Squared Project Management PTY (Ltd)**.

3. Financial Matters:

An email agreement was reached between Hannes Gouws, representing **Blackhound Enterprises PTY (Ltd)**, and Don Garcia, representing **G-Squared Project Management PTY (Ltd)**, on Thursday, 28 March 2024 regarding the split of architectural fees for the project.

The agreed architectural fee split reads as follows:
(All fees shown will be exclusive of VAT.)

- 1) Fees for Architectural design and Municipal Drawings = **R 772 318.80**
- 2) Fees for the Site Development Plans (SDP's) for both Erf's = **R 261 386.40**

Total Architectural Fees for The Project = R 1 103 705.20

Fees excluded from the architectural fees:

Marketing Package 3d's and Rendering = R41 677.60
This will be for Blackhound's account.

- A) It was agreed that Blackhound will be handling the **SDP** planning and drawings for both Erf 3279 and Erf 3280, therefore the total fees allocated for the SDP phase of the project will be for **Blackhound Enterprises PTY (Ltd)**'s account. (R 261 386.40).
To be invoiced upon submission of the SDP's.

- B) Furthermore, it was agreed that the remaining architectural fees of R 772 318.80 will be split **70%** towards **G-Squared Project Management PTY (Ltd)** and **30%** towards **Blackhound Enterprises PTY (Ltd)** on every invoice.

(Remainder of Architectural fees less SDP fees = R772 318.80)

G-Squared: $R\ 772\ 318.80 \times 70\% = R540\ 623.16$

Blackhound: $R772\ 318.80 \times 30\% = R231\ 625.64$

This split of architectural fees will be paid as the project progresses and invoiced, as per the fee proposal issued and agreed upon by the client on 27 February 2024.

4.1 Profit and Loss Sharing:

Profits and losses arising from the Project shall be shared equally between the Parties, unless otherwise agreed in writing.

4.2 Expenses:

Each Party shall bear its own expenses incurred in connection with the Joint Venture, unless otherwise agreed in writing.

5. Confidentiality

5.1 Confidential Information: Each Party agrees to keep confidential all information disclosed by the other Party that is designated as confidential or that ought reasonably to be understood to be confidential.

6. Termination

6.1 Termination by Mutual Consent:

This Agreement may be terminated at any time by mutual consent of the Parties.

6.2 Termination for Cause:

Either Party may terminate this Agreement by written notice to the other Party if the other Party breaches any material provision of this Agreement and fails to cure such breach within [14] days after receiving written notice thereof.

7. Miscellaneous

7.1 Governing Law:

This Agreement shall be governed by and construed in accordance with the laws of South Africa.

7.2 Entire Agreement:

This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior agreements and understandings.

7.3 Amendments:

This Agreement may be amended only by a written agreement signed by both Parties.

7.4 Notices:

All notices required or permitted under this Agreement shall be in writing and shall be deemed given when delivered personally, sent by certified mail, or sent by recognized courier service to the addresses of the Parties set forth above.

7.5 Payments:

All payments made by the client or any of the Parties are deemed to be Non-Refundable.

IN WITNESS WHEREOF, the Parties have executed this Joint Venture Agreement as of the date first above written.

G-SQUARED PROJECT MANAGEMENT PTY (LTD)

Signature: _____

Name: DON GARCIA

Title: DIRECTOR

Date: 11 JUNE 2024

BLACKHOUND ENTERPRISES PTY (LTD)

Signature:  _____

Name: DEWALD POTGIETER

Title: DIRECTOR

Date: 11 JUNE 2024