



## **MEMORANDUM OF UNDERSTANDING**

This Memorandum of Understanding ("MoU") is entered into by Sustainable Environmental Management Systems (SustEMS), a South African corporation established under the laws of South Africa, and SHANECO Group CJSC (SHANECO), a Russian corporation established under the laws of Russian Federation (individually a "Party" and collectively the "Parties").

Whereas, the Parties desire to establish long-term cooperation in service offerings, know-how and technologies with a view to offering a broader suite of services to both existing and new clients.

The Parties seek to grow their individual and collective markets and client bases and will work together in various ways to achieve this objective, with specific fields of interest including but not necessarily being limited to:

- Environmental consultancy services;
- Environmental monitoring activities;
- Environmental and social impact assessment ESIA and OVOS (the Russian analogue);
- Due diligence audits and Equator Principle reviews;
- Environmental risk management;
- Project management, and,
- Environmental management systems.

Each Party will cover its own costs spent for promoting their products in the markets and preparation of proposals for potential clients - unless agreed differently by both Parties.

This MoU is non-exclusive. Nevertheless, in case of the identification of a specific business opportunity that requires the joint participation of both Parties the Parties

may formalise a separate agreement specifying exclusive co-operation for the purposes of that specific business opportunity.

This MoU is valid for a period of 5 years from the date on the MoU. During this period each Party has the right to repudiate the MoU without reasoning - in such case the cancellation term is 3 months from notice to the other Party, and during which time both Parties are obliged to fulfil their obligations resulting from agreements made before termination of the Agreement. On the other hand the parties can agree extension of the validity of this Agreement before its expiration.

This Agreement is made in two original copies - one for each Party.

In Witness Whereof, the Parties hereto execute this Agreement as of the date first above written.

**SustEMS**

**SHANECO CJSC**

Managing Director:  
Sean O'Beirne



Chairman and CEO:  
Dmitry Shanaurin



Thus agreed to and signed at Namibia, Etosha National park  
Date 10 April, 2012