

## Memorandum of Understanding

### A. Purpose

Memorandum of Understanding is entered on the 5<sup>th</sup> of July in 2022 into by and between:

DAO AG of [REDACTED] (herein referred to as Partner A") and,

~~TD~~ <sup>TD</sup> Mining Limited of [REDACTED] Zambia (herein referred to as "Partner B").

Parties may be referenced individually as "Party" and collectively as "Parties".

**WHEREAS**, Party A is in the business of disrupting the development of natural resources and working towards a future with the equitable distribution of natural resources we seek to democratize the development of those resources using a decentralized autonomous organizational (DAO) cryptographic structure.

**WHEREAS**, Party B is in the business of exploiting mining interests in limestone, gold, emeralds, and other precious metals for the benefit of shareholders, host community and other strategic stakeholders.

**WHEREAS**, Party A desires to explore the potential relationship with Party B regarding their projects and concessions being developed as RegionalDAOs within the KulaDAO eco-system.

**WHEREAS**, Party B desires to partnering with the host communities to transform the best natural resource assets into benefits for mutual prosperity and human flourishing.

**WHEREAS**, Parties collectively desire to enter this MOU to memorialize the terms and conditions of their anticipated collaboration.

**NOW, THEREFORE**, the Parties agree to the following terms and conditions:

## A. Purpose

The purpose of this MOU is to establish a good faith foundation between Parties for future collaborative efforts that are mutually beneficial. The Parties agree to work together in cooperative and coordinated manner to achieve each Party's individual desires and the collective desires of the partnership.

MOU is designed to detail the specifics of the working relationship between the Parties to vet the success of the potential business collaboration. This MOU does not obligate the Parties to provide funds or investment. This MOU does not bind Parties to any legal obligations.

## **B. Roles and Responsibilities**

To achieve Parties' mutual desires, each Party agrees to the following roles and responsibilities. Party A's roles and responsibilities include:

1. A commitment to explore a finalized contract of partnership between the two Parties.
2. To review Party B's project proposal and development plan on the company's Gold Concession and mining rights (hereafter, "the Concession"). This includes a review of the financial feasibility and return on investment as a RegionalDAO investment within the KulaDAO ecosystem.
3. To provide an alternative model of the Kula process that pays attention to and includes the need for dividend payments that do not dilute governance stakes for existing Party B stakeholders.
4. To build an investment profile on the specific asset and share with trusted partners as an investment opportunity to mobilize the necessary resources for the Concession's development.
5. To use the Party's network of relationships and investors to potentially secure liquidity investment to realize the potential for the Concession's development.
6. To provide a project proposal that initially wraps the Concession into a Special Purpose Vehicle (SPV) and necessary related legal framework(s) for initial inclusion as an investment with KulaDAO/Party B/Local Community that will be grandfathered into the cryptographic tokenization process when the Kula Project is launched as anticipated Spring/Summer 2023.
7. From inception and where possible to prove the project's development with on chain cryptographic provenance before Kula is launched.

Party B's roles and responsibilities include:

1. A commitment to explore a finalized contract of partnership between the two Parties.
2. To provide a project proposal and development plan of Party B's Gold Concession and mining rights. This includes full financial modelling of the said concession, and at project level, its Capital Table.
3. To work with Kula in the development of an initial project financial feasibility plan for the realization of the Concession's assets and return on investment as a RegionalDAO investment within the KulaDAO ecosystem.

4. To work with Kula in the development of a framework that includes the need for dividend payments that do not dilute governance stakes for existing Party B stakeholders.
5. To work with Kula to develop a clear community development plan of necessary stakeholders who will be airdropped a governance and equity stake in the said Concession.
6. To work with Kula in the development of an initial project proposal that wraps the Concession into an SPV and its necessary related legal framework(s) for initial inclusion as an investment with KulaDAO/Party B/Local Community that will be grandfathered into the cryptographic tokenization process when the Kula Project is launched as anticipated Spring/Summer 2023.

Parties agree to uphold their roles and responsibilities in a committed, good-faith manner.

## C. Resources

To further the business relationship between the Parties, the Parties agree to provide the following resources:

Party A shall provide:

1. The intellectual property of price discovery embedded within the KulaDAO model to support the financial modelling of Party B's asset in the Concession.
2. The potential funding and liquidity necessary to catalyze the development of the Concession.
3. The potential legal development work necessary to wrap the Concession into a mutually agreed contract inside an appropriately registered SPV.
4. The potential cryptographic framework for the Concession and its SPV to be legally tokenized and traded on international markets. This would include ongoing management and services regarding treasury management, international negotiations with potential clients etc.

Party B shall provide:

1. Full financial modelling and capital allocation of the Concession.
2. Full development profiling of the Concession that includes project plan, cash flow analysis, risk mitigation strategies and existing legal frameworks and obligations at partner, regional and national level (i.e., local contractors, collaborators, local, municipal, regional, or state authorities etc.).
3. A community development plan for the Concessions local community, or national community association depending on local context(s).
4. Ongoing support through human and legal resources to develop the project into a set of mutually beneficial business outcomes.

as agree to provide the resources at a minimum. The Parties may agree to provide additional resources in future agreements.

## **D. Confidentiality**

Parties agree that they each use confidential, sensitive information to achieve their individual business goals. Due to the nature of the Parties' businesses and intent to establish a working relationship together, confidential information may be shared between the Parties.

The Parties agree to keep all confidential information and trade secrets in the strictest of confidence during the working relationship. Parties may not share any disclosed confidential information with unauthorized third parties. Parties may, at their discretion, enter into a Non-Disclosure Agreement to ensure sensitive information and trade secrets are kept confidential.

## **E. Entire Agreement**

The Parties agree this MOU represents the most current agreement between the Parties and supersedes all other written or oral agreements. If Parties wish to update the terms or otherwise adjust provisions of this MOU, Parties shall do so by the drafting and signing of a new MOU or partnership contract.

## **F. Term and Termination**

This agreement shall be effective from the Effective Date of this MOU until December 31<sup>st</sup>, 2023. Both Parties may terminate this MOU by means of signing a termination addendum.

undersigned Parties acknowledge and agree to this MOU:

Party A: [REDACTED] of GALT DAG.

Signature: [Handwritten Signature]

Date: 12/7/22 .

Sender First and Last Name: [REDACTED]

Party B: GTD MINING LTD

Signature: [Handwritten Signature]

Date: 12/7/22

Client First and Last Name: [REDACTED]