

1. Matthew George
Cooper Lewes Gee
and
Loveday Elisabeth
Talbot Gee

2. Llanllyr Spring Water
Company Limited

- Counterpart Lease of -

Land and buildings at Llanllyr, Talsarn, Lampeter, Dyfed

Biddle
1 Gresham Street
London
EC2V 7BU
Ref: 9/186

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LEASE

DATED: 25th May

1999

PARTIES:

- (1) Matthew George Cooper Lewes Gee and ("Landlord")
Loveday Elisabeth Talbot Gee both of Llanllyr,
Talsarn, Lampeter, Dyfed DA48 8QB
- (2) Llanllyr Spring Water Company Limited ("Tenant")
whose registered office is at 1 Gresham Street,
London EC2V 7BU (Company No. 3648492)

1. DEFINITIONS AND INTERPRETATION

1.1. In this Lease:

"Landlord" and "Tenant" include their respective successors in title

"Landlord's surveyor" means a Chartered Surveyor appointed by the Landlord for any purpose in connection with this Lease

"Planning Acts" means the planning Acts as defined in the Town and Country Planning Act 1990 (as amended)

"Property" means the property described in Schedule 1

"Drive" means the Driveway shown coloured green on the attached plan

"Extraction Licence" means the Licence dated 25th May 1999 made between the same parties as the Lease

"Term" means a term of 20 years commencing on 25th May 1999 and includes any statutory continuation

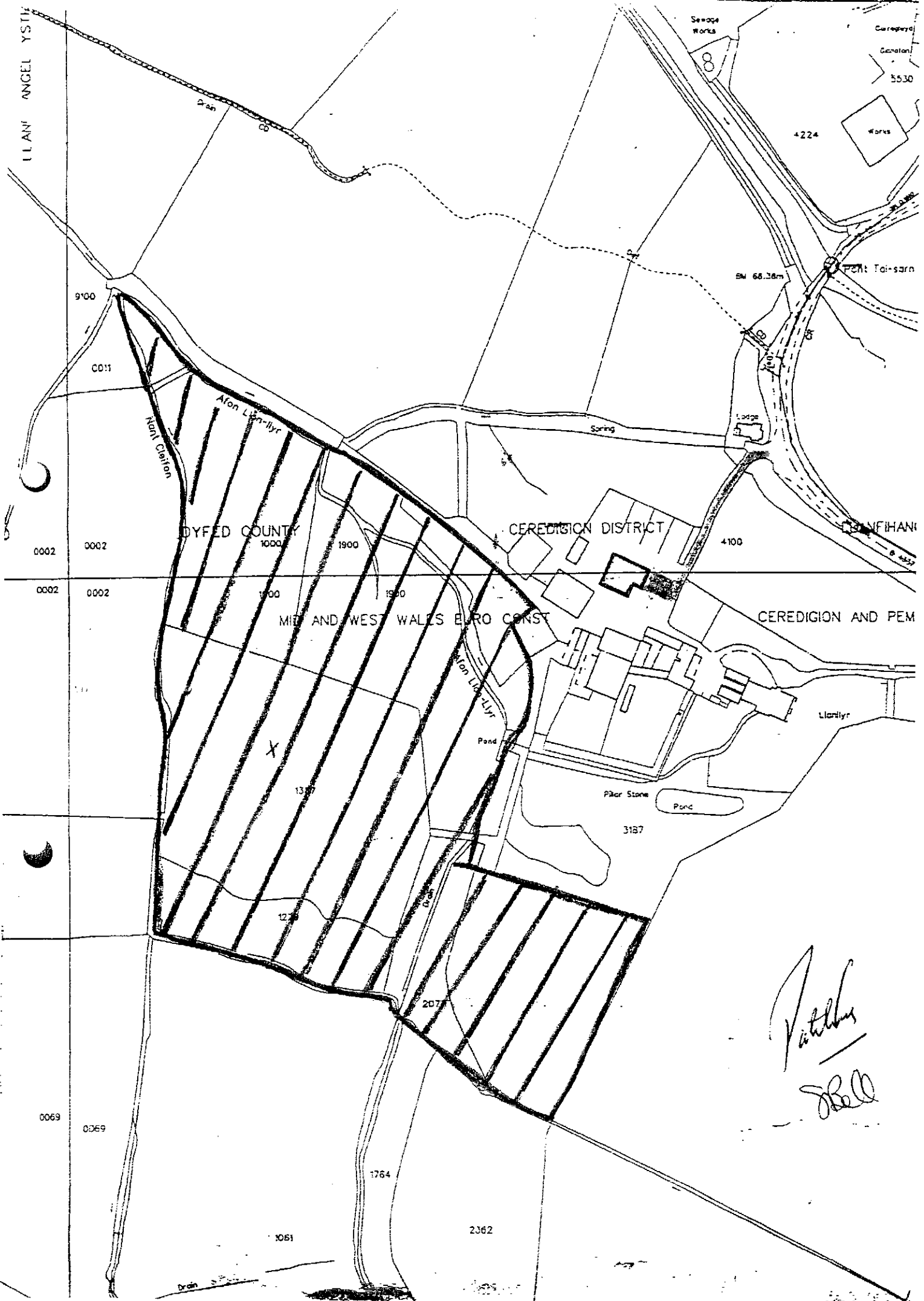
"Loading Area" means the concrete apron shown coloured blue on the attached plan

"VAT" means Value Added Tax and any tax of a similar nature substituted for or in addition to it

1.2. Covenants given by more than one person are joint and several covenants

1.3. References to any Act of Parliament include a reference to that Act as amended or replaced from time to time and to any subordinate legislation made under it

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- 1.4. References to consent or approval of the Landlord mean consent or approval in writing and include where necessary the consent of both the Landlord and all superior landlords (if any)
- 1.5. References to clauses and Schedules are to clauses in and Schedules to this Lease.

2. DEMISE AND RENT

The Landlord demises to the Tenant the Property together with the rights set out in Schedule 2 excepting and reserving to the Landlord the rights set out in Schedule 3 for the Term the Tenant paying the annual rent of £5,000 (subject to review as set out in Schedule 4) by equal quarterly payments in advance on the usual quarter days the first payment (or an apportioned part of it) to be made on the date of this Lease.

3. TENANT'S COVENANTS

The Tenant covenants with the Landlord:

- 3.1. To pay the rents as specified above without any deduction set off withholding or counterclaim whatsoever.
- 3.2. To pay to the Landlord any VAT that may be chargeable upon the rent or any other payment made by or recoverable from the Tenant under this Lease and any such VAT shall be recoverable as if it were rent.
- 3.3. To pay all rates taxes or outgoings payable in respect of the Property or its ownership or occupation but excluding always therefrom any taxes or costs arising from a disposal or deemed disposal of the Landlord's interest in this lease or its interest in the Property.
- 3.4. To pay to the Landlord a fair proportion (to be determined by the Landlord) of the cost of maintaining the Drive and Loading Area
- 3.5. To pay and to indemnify the Landlord against all charges for electricity telecommunications services and other supplies to or consumed in the Property other than by the Landlord and to comply with all regulations and requirements of the authorities providing such supplies.
- 3.6. 3.6.1. To observe and comply in all respects with the provisions and requirements of all Acts of Parliament, regulations, licences or registrations so far as they relate to or affect the Property or its use.

- 3.6.2. To execute all works required under any Act of Parliament, regulation, licence or registration or required by any local or public authority to be done in respect of the Property whether by the Tenant the Landlord or any other person (however described).
- 3.7. 3.7.1. To keep the Property in good repair and condition provided that the Tenant shall not be required to put the Property into a better state of repair than that which it is in at the beginning of the Lease as evidenced by the photographs annexed to this Lease.
- 3.7.2. To make good any damage in excess of fair wear and tear caused to the Drive and or the Loading Area by the Tenant or persons using them with the Tenant's implied or express permission
- 3.7.3. To paint such parts of the Property as require to be painted in a good and workmanlike manner and with appropriate materials of good quality:
- (a) as to the exterior of the Property once in every three years of the Term
 - (b) as to the interior of the Property once in every five years of the Term
 - (c) as to the whole of the Property in the last year of the Term however determined.
- 3.8. 3.8.1 To permit the Landlord and his agents to enter the Property upon giving at least seven days prior written notice (except in an emergency) to inspect its condition and state of repair.
- 3.8.2 Within two months (or sooner if necessary) after the service of a notice specifying breaches of clauses 3.7.1 or 3.7.3 to proceed expeditiously to remedy such breaches
- 3.8.3 If the Tenant shall not within two months after the service of such notice (or sooner if necessary) have commenced to remedy the breaches the Landlord may upon giving to the Tenant at least seven days prior written notice (without prejudice to his right of re-entry) enter the Property and execute such works as may be necessary to remedy the breaches and the cost of such works (including all reasonable and properly incurred professional fees and VAT) shall be a debt payable by the Tenant to the Landlord on demand and in default shall be recoverable as rent in arrear.
- 3.9. 3.9.1. Not without the Landlord's consent (such consent not to be unreasonably withheld or delayed) to make any alteration or addition to the Property whatsoever.

- 3.9.2. Notwithstanding the terms of clause 3.9.1 the Tenant may make such internal non-structural alterations to the property as shall be consistent with the intended business of the Tenant carried on at the property pursuant to clause 3.10
 - 3.9.3. Upon each application for such consent where reasonably required by the Landlord to supply the Landlord with drawings and specifications of each proposed alteration or addition for approval by him.
 - 3.9.4. Not to carry out any works to which the Landlord has consented except in accordance with drawings and specifications approved by the Landlord (if any).
 - 3.9.5. Before beginning any approved works to enter into such covenants with the Landlord relating to the reinstatement of the Property as the Landlord may reasonably require.
- 3.10.
- 3.10.1. Not to use or permit or suffer to be used the Property other than for the purposes of the business of the extraction and production of water and its preparation manufacture distribution bottling containerising or canning and as ancillary thereto contract packing and bottling of water and non-alcoholic drinks
 - 3.10.2. Not to do on or at the Property anything which is a nuisance or cause of damage to the Landlord or any adjoining or nearby property.
- 3.11. To comply at the Tenant's own expense with all reasonable recommendations of the insurers notified to the Tenant.
- 3.12.
- 3.12.1. Not to part with or share possession or occupation of the whole or any part or parts of the Property except as may be permitted in accordance with the provisions of clause 3.12.4
 - 3.12.2. Not to hold the whole or any part of the Property on trust for another.
 - 3.12.3. Not to assign underlet or charge part of the Property only.
 - 3.12.4. Not to assign or underlet the whole of the Property except to an assignee or undertenant which has the benefit of the Extraction Licence by way of an assignment.
 - 3.12.5. Not to assign the whole of the Property without complying or procuring compliance with the following conditions:
 - (a) that the Tenant enters into an authorised guarantee agreement as defined in Section 16 of the Landlord and Tenant (Covenants) Act 1995 with the Landlord and that any guarantor of the Tenant's obligations under this Lease guarantees to the Landlord that the Tenant will comply with that agreement each in a form which the Landlord reasonably requires

- (b) that a guarantor or guarantors approved by the Landlord (acting reasonably) covenant with the Landlord in the form of the covenants contained in clause 6 or such other form as the Landlord may reasonably require
- (c) that there is no subsisting material breach of covenant by the Tenant and that no sum due from the Tenant to the Landlord under this Lease remains unpaid and
- (d) that the Landlord's prior consent (which will not be unreasonably withheld) is obtained to the assignment but the Landlord and the Tenant agree for the purposes of section 19(1A) of the Landlord and Tenant Act 1927 that the Landlord may withhold consent unless the conditions in this clause 3.10.4 are satisfied.

3.12.6. Not to underlet the whole of the Property without complying or procuring compliance with the following conditions:

- (a) that the undertenant executes a deed containing a direct covenant with the Landlord to comply with the obligations of the undertenant in the underlease and the obligations of the Tenant in this Lease (except the obligation to pay the rents reserved by this Lease)
- (b) that if the Landlord reasonably requires the undertenant provides a guarantor or guarantors approved by the Landlord to guarantee in such form as the Landlord reasonably requires that the undertenant will comply with its obligations
- (c) that the underlease will be granted without a premium at a rent not less than the passing rent or the then open market rent (if higher) and will be in a form approved by the Landlord containing:
 - (i) provisions for the upwards only review of rent on the same basis and dates as any reviews under this Lease
 - (ii) an absolute prohibition against all dispositions of or other dealings with the underlease
 - (iii) a prohibition against the undertenant doing or allowing any act or thing in breach of the provisions of this Lease
- (d) that the underlease will be contracted out of the security of tenure provisions of sections 24 to 28 of the Landlord and Tenant Act 1954 and
- (e) that the Landlord's prior consent (which will not be unreasonably withheld) is obtained.

- 3.12.7. Within twenty-one days after any assignment or underletting of the Property to give notice in writing to the Landlord or its solicitors and to produce to the Landlord or its solicitors a certified copy of the transfer, assignment or underlease and to pay a reasonable fee of not less than £25 for registration of each document.
- 3.13. 3.13.1. Not to permit any easement to be acquired or encroachment made against or upon the Property and promptly to give notice to the Landlord of any attempt to acquire or make the same and to take such steps (whether by legal proceedings or otherwise) to prevent the same from being acquired or made as the Landlord may require.
- 3.13.2. Not to stop up darken or obstruct any window or other aperture in the Property.
- 3.14. Not to exhibit any signboard advertisement placard or nameplate on or in the Property without the Landlord's consent (such consent not to be unreasonably withheld).
- 3.15. 3.15.1. To comply with the provisions of the Planning Acts in relation to the Property.
- 3.15.2. Except so far as it is necessary in connection with the installation of equipment for the purposes of the Tenant's business not without the consent of the Landlord (such consent not to be unreasonably withheld or delayed) to apply for planning permission or carry out any development on the Property and to supply to the Landlord a copy of any application for planning permission or approval of plans under the building regulations together with such plans and other documents as the Landlord may reasonably require and to supply to the Landlord a copy of any such permission or approval granted to the Tenant.
- 3.15.3. To pay and satisfy any charge that may be imposed upon any breach by the Tenant of planning control or otherwise under the Planning Acts.
- 3.15.4. Unless the Landlord shall otherwise direct to carry out before the expiry or sooner determination of this Lease any works required to be carried out upon the Property as a condition of any planning permission which may have been granted during the Term irrespective of the date before which such works were thereby required to be carried out.
- 3.16. To pay all expenses incurred by the Landlord in relation to the preparation or service of a notice specifying breaches of clauses 3.8.1 or 3.8.3 or a notice under section 146 of the Law and Property Act 1925

(even if forfeiture is avoided otherwise than by relief granted by the Court).

- 3.17. To pay the reasonable and properly incurred Landlord's solicitors' fees surveyors' fees and other professional fees and any stamp duty in connection with any application by the Tenant for any consent under this Lease
- 3.18. To pay interest at the rate of 2% per annum above the base lending rate from time to time or its equivalent of National Westminster Bank plc (or such other bank as the Landlord may from time to time nominate) upon all sums due to the Landlord from the Tenant under this Lease from the date occurring 14 days after the date upon which such sums fall due until the date of actual payment.
- 3.19. Not to bring onto the Property any substance which is or might become of a dangerous hazardous or contaminative nature or which might adversely affect or damage the Property except where such substance is not dangerous hazardous or contaminative when properly used.
- 3.20. To notify the Landlord as soon as practically possible after the Tenant becomes aware of any defect in the Property which may give rise to a common law or statutory duty on the part of the Landlord.
- 3.21. To give the Landlord as soon as practically possible after the Tenant receives it a copy of any notice or order or proposal for a notice or order served on the Tenant and if required by the Landlord to join in making such objections or representations in respect of any such notice order or proposal as the Landlord considers necessary provided that the making of such objections or representations shall be at the Landlord's expense
- 3.22. At the expiry or earlier termination of the Term to give up the Property to the Landlord in accordance with the provisions of this Lease.
- 3.23. 3.23.1 To keep the Property insured against loss or damage to the extent that cover is normally available and subject to any excess stipulated by the insurers by fire and such other risks as he thinks fit for an amount equal to its full replacement cost (including all professional fees VAT and the cost of any work which might be required by or by virtue of any Act of Parliament).

- 3.23.2 To produce to the Landlord on demand the policy of insurance maintained by the Tenant or a sufficient extract from it and the receipt for the last payment of premium.
- 3.23.3 If the Property is destroyed or damaged by fire or any other peril against the risk of which the Tenant has insured to lay out the insurance moneys as soon as practicable in the reinstatement of the Property or such part of it as shall have been so damaged or destroyed.

4. LANDLORD'S COVENANTS

The Landlord covenants with the Tenant:

- 4.1. That the Tenant may quietly possess and enjoy the Property during the Term without any disturbance by the Landlord or any person lawfully claiming under or in trust for the Landlord.
- 4.2. To keep the Drive and Loading Area in good repair and condition subject to the Tenant's paying a fair proportion (to be determined by the Landlord's surveyor) of the costs thereof.

5. OTHER PROVISIONS

The parties agree that:

- 5.1. If the Tenant permanently ceases to use the property for the purposes set out in clause 3.10.1 the Landlord may by written notice to the Tenant terminate this lease whereupon the lease will immediately end and the property will revert to the Landlord at no cost to him.
- 5.2. Without prejudice to any other rights of the Landlord the Landlord shall be entitled to re-enter the Property or any part of it in the name of the whole if any one or more of the following events occurs:
- (a) the rent or any part of it is in arrear for twenty-one days or more (whether after written demand or not)
 - (b) the Tenant is in material breach of any of his covenants
 - (c) the Tenant or any guarantor of the Tenant's obligations under this Lease makes any composition with his creditors.
 - (d) the Tenant or any guarantor of the Tenant's obligations under this Lease is an individual and is adjudicated bankrupt or an interim receiver of his property is appointed

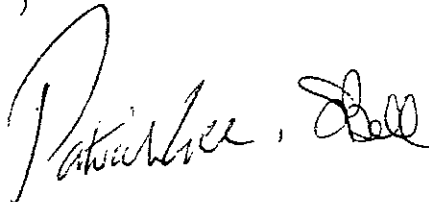
and upon such re-entry this Lease shall absolutely determine but without prejudice to the rights of either party against the other in respect of any antecedent breach or claim.

- 5.3. Section 196 of the Law of Property Act 1925 shall apply to all notices or schedules required or permitted to be served under this Lease.
- 5.4. Except to the extent that compensation may be payable by law notwithstanding any agreement to the contrary neither the Tenant nor any undertenant or occupier of the Property at any time will be entitled to any compensation upon termination of the Term or upon leaving the Property.
- 5.5. All references to the cost of insuring are to the gross cost inclusive of any commission which (if applicable) the Tenant is entitled to retain.
- 5.6. Notwithstanding the Term hereby granted the Tenant may end this Lease at any point after the fifth anniversary of the date of this Lease by serving on the Landlord not less than six months prior notice in writing (time of the essence) and on the expiry of such notice this Lease shall end but without prejudice to the rights of either party against the other in respect of any antecedent breach or claim.
- 5.7. If the Extraction Licence comes to an end (for whatever reason) this Lease shall end but without prejudice to the rights of either party against the other in respect of any antecedent breach or claim.

SIGNED as a DEED for and on behalf of)
Llanllyr Spring Water Company Limited)
acting by

Director

Secretary/Director

A handwritten signature in black ink, appearing to read "Peter Lee", is written over the "Director" and "Secretary/Director" labels. The signature is fluid and cursive.