



AgriNurture, Inc.

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May 4, 2010

Gentlemen:

In compliance with the Rules on Disclosure, we wish to inform you that on May 4, 2010, a Memorandum of Agreement (MOA) was signed between AgriNurture, Inc. (ANI) and Far Eastern Agricultural Investment Company (FEAICO), a corporation under incorporation in accordance with the laws of the Kingdom of Saudi Arabia.

Based on the MOA, FEAICO shall pursue projects involving the establishment of a commercial sized pineapple, banana, rice and corn plantations and processing facilities in the Philippines and jointly work with ANI for all the needed resources such as land, labor, farm technology and systems.

ANI and FEAICO will establish demo plantations initially and grow gradually through contract growing up to a core area of fifty thousand hectares (50,000 has) total for pineapple, banana, rice and corn. These plantations will be used for food crops production for local consumption and export to Kingdom of Saudi Arabia and other foreign markets that FEAICO and ANI will jointly agree and develop.

ANI and FEAICO shall enter into a joint venture agreement to immediately set up a Philippine Corporation with an initial capitalization of One Million US Dollars (\$1,000,000) under a 60% and 40% Filipino and foreign equity ownership and profit sharing scheme respectively and initiate appropriate measures for the newly-formed Philippine Corporation's availment of fiscal, administrative and all other incentives granted by the Philippine Government and its Agencies and Instrumentalities such as but not limited to the Board of Investments and the Philippine Economic Zone Authority.

ANI and FEAICO has undertaken to enter into such definitive agreements and complete other documents to formally provide details in carrying out the general provisions of this MOA within six (6) months from the date of its signing.

With our best regards.

Very truly yours,

KENNETH S. TAN
CFO/CIO/Treasurer/Compliance Officer

MEMORANDUM OF AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

This Memorandum of Agreement ("MOA") made and executed this 4th day of May 2010, in Makati City, Philippines, by and among:

FAR EAST AGRICULTURAL INVESTMENT COMPANY, a corporation under incorporation in accordance with the laws of the Kingdom of Saudi Arabia with principal address at Riyadh, Kingdom of Saudi Arabia, represented herein by its authorized representative, Dr. Mohammed Najib Kheder, and hereinafter referred to as "FEAICO"

- And -

AGRI NURTURE INC., a corporation duly organized and existing under the Philippine Laws, with principal address at 54 National Road, Dampol II-A, Pulilan, Bulacan, Republic of the Philippines represented herein by its President and CEO, **ANTONIO L. TIU**, and hereinafter referred to as "ANI"

(Hereinafter collectively referred to as the "PARTIES")

WITNESSETH THAT :

WHEREAS, the FEAICO is to pursue projects involving the establishment of pineapple, banana, rice and corn plantations and processing facilities in the Philippines and is dedicated to profit maximization and intends to create the highest value added to its operations in the Philippines either through: [1] supplying organization in the Philippines and/or [2] by exporting agricultural products abroad;

WHEREAS, the FEAICO hereby agrees to jointly work with ANI for all the needed resources such as land, labor, farm technology and systems, to pave the way for FEAICO's entry into setting up commercial sized Pineapple, Banana, Rice and Corn Plantations and Processing Facilities;

WHEREAS, the PARTIES intend to establish a basic framework for collaboration, cooperation and coordination by entering into this MOA for the establishment of the "Pineapple, Banana, Rice and Corn Plantations," the guidelines of which shall hereinafter be prescribed, defined and carried out;

NOW THEREFORE, for and in consideration of the foregoing premises and of the mutual covenants set forth, the PARTIES hereby agree, as follows:

I. OBJECTIVES

The PARTIES believe that all agreements that are carried out after this agreement shall be based on the themes of this item.

The PARTIES agree to collaborate and complement efforts to achieve the following objectives:

1. To provide for the organizational, institutional and technological and market requirements of the project to be undertaken under this MOA;
2. To identify idle lands from various parts of the country for the proposed Pineapple, Banana, Rice and Corn plantations and possible site(s) for processing facilities;
3. The PARTIES shall put their best efforts that shall have the following characteristics:
 - 3.1 FEAICO and ANI will establish demo plantations initially and grow gradually through contract growing up to a core area of fifty thousand hectares (50,000 has) total for pineapple, banana, rice and corn. These plantations will be used for food crops production for local consumption and export to Kingdom of Saudi Arabia and other foreign markets that FEAICO and ANI will jointly agree and develop.

4. To be able to promote, through the foregoing projects, the local utilization of agricultural based products and its various end-products and by-products;
5. To bring development and other opportunities to the countryside by acting as a catalyst for economic activity and to uplift the standards of living of local farmers through agricultural modernization and enhancement of their agricultural competitiveness in the agriculture driven industry as the corporate social responsibility of the joint venture.

II. COMMON OBLIGATIONS AND RESPONSIBILITIES OF THE PARTIES

1. Enter into a joint venture agreement to immediately set up a Philippine Corporation with an initial capitalization of One Million US Dollars (\$1,000,000) under a 60% and 40% Filipino and foreign equity ownership and profit sharing scheme respectively.
2. Initiate appropriate measures for the newly-formed Philippine Corporation's availment of fiscal, administrative and all other incentives granted by the Philippine Government and its Agencies and Instrumentalities such as but not limited to the Board of Investments and the Philippine Economic Zone Authority;
3. Cooperate and extend their best efforts in providing the other party with the necessary documents necessary to comply with laws, governmental rules and regulations, comply faithfully with the obligations contained in this MOA and other agreements to be entered into in connection thereof and undertake such other activities as may be agreed upon by the Parties pursuant to the objectives of this MOA.

IV. MISCELLANEOUS PROVISIONS

1. *Period of Execution; Condition.* It is agreed that this MOA shall serve as the initial agreement of the Parties and the activities being contemplated herein, as well as the performance by the Parties of any undertaking pursuant to or in furtherance of, this MOA shall be subject to a more definitive agreement between the Parties. Thus, they shall, within six (6) months, undertake to enter into such definitive agreements and complete other documents/agreements to formally provide details in carrying out the general provisions of this MOA. Further, they shall commit to expedite the initiation and completion of the proposed Project within the given time frame, otherwise, this MOA shall be of no force and effect without need of Court action.
2. *Signing of Additional Definitive Agreement(s).* The Parties shall undertake to keep consulting and cooperating with each other and arranging periodical meetings with the aim to achieve the objectives of this MOA. The Parties hereby agree to negotiate, sign and execute such additional agreement as may be necessary to implement, amend/or clarify the intents and purposes of this MOA;
3. *Intention of the Parties.* The MOA does not form a partnership, within the meaning of law, among the Parties. It is understood however, that one party may not bind nor involve the other to contracting with third parties without their written consent. In addition, neither party shall have any obligation to proceed with any project or undertaking or make any legally binding commitment beyond the agreement contemplated under this MOA;
4. *Conditions Precedent.* The completion and implementation of the agreements contemplated under this MOA is conditioned on the following:
 - 4.1 The granting of all appropriate governmental, corporate and regulatory consents, approvals and clearances. It is hereby intended that the proposed project will require prior approvals of the Board of Directors of FEAICO and ANI;
 - 4.2 The completion of examinations and/or exploration on the planned projects, with due diligence and to the full satisfaction of FEAICO and ANI.
5. *Severability.* If at any time, any of the provisions of this MOA is adjudged to be or becomes illegal, invalid or unenforceable in any respect under the law, rules and regulations by any competent jurisdiction, the legality, validity and enforceability of such provisions not so affected or impaired shall subsist and remain valid as between the parties;

- 6 *Effect of Force Majeure on MOA.* In the event this agreement is prevented from being implemented due to war, civil commotion, strike and labor disputes, acts of God, force majeure or any another analogous causes beyond the control of either party, this agreement shall be deemed suspended during the existence of any of the foregoing law. Upon termination or cessation of the force majeure condition, this agreement shall be deemed effective and its duration extended for the period of time of suspension thereof, unless the continued execution and implementation of this agreement shall be mutually impossible by the parties herein, such that the latter shall declare this agreement as terminated;
- 7 *Release and Content of Press Statement.* During the term of this agreement, the Parties hereby agree to coordinate and agree beforehand the release and content of any press statement or other publicity emanating from any Party or its affiliates pertaining to the subject matter of this MOA;
- 8 *Confidentiality.* The Parties hereby agree that any valuable information disclosed and/or received by either party relative to this MOA shall be kept confidential from third parties except with prior consent of both parties;
- 9 *Agreement on Employment.* It is understood that no employer-employee relationship is created among FEAICO and ANI;
- 10 *Binding Effect.* This MOA shall take effect between the parties, their assigns and successor-in-interest, except in case where the rights and obligations arising from this MOA are not transmissible by their nature, or by stipulation or by provision of law;
- 11 *Rule on Amendment or Waiver.* No amendment or waiver of any provision of this Agreement, or consent to any departure by either party from any such provision, shall be effective unless the same shall be in writing and signed by the parties to this Agreement, and, in any case, such amendment, waiver or consent shall be effective only in the specific instance and for the specific purpose given.

V. EFFECTIVITY

The parties hereby warrant that they have sufficient authority to enter into this MOA which shall take effect upon its execution.

IN WITNESS WHEREOF, the parties have hereunto set their hands on the day, year and place first above-written.

FAR EAST AGRICULTURAL INVESTMENT COMPANY

By: 

Dr. Mohammed Najib Kheder
Authorized Representative

AGRI NURTURE INC.

By: 

Antonio L. Tiu
President & CEO

SIGNED IN THE PRESENCE OF:

