

This Agreement has been entered into but has not become effective. This Agreement is being held by an escrow agent on the terms and subject to the conditions set out in an escrow agreement with the parties to this Agreement and other persons. Subject to the satisfaction of certain escrow release conditions, this Agreement shall be released from escrow in which case it shall become effective and be deemed to have been in effect and commenced on the date of this Agreement. If such escrow release conditions are not satisfied by 12 January 2018, then, unless otherwise agreed, this Agreement shall be returned to the party which deposited it with the escrow agent and this Agreement shall be treated as never having had effect.

**SHAREHOLDERS' AGREEMENT
(COMMON SHARES)**

PAE PANAFRICAN ENERGY CORPORATION

**Orca Exploration Group Inc.
(Orca)**

**Swala (PAEM) Limited
(Swala)**

**PAE PanAfrican Energy Corporation
(Company)**

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THIS AGREEMENT is made as of December 29, 2017,

BETWEEN

ORCA EXPLORATION GROUP INC., a company incorporated under the laws of the British Virgin Islands ("**Orca**")

-and-

SWALA (PAEM) LIMITED, a private limited company incorporated under the laws of England and Wales with registrations number [Redaction – company number] whose registered office is located at [Redacted – address] ("**Swala**")

-and-

PAE PANAFRICAN ENERGY CORPORATION, a company incorporated under the laws of the Republic of Mauritius (the "**Company**")

Each a "**Party**" and collectively the "**Parties**".

WHEREAS following the First Closing under the Investment Agreement, Orca and Swala will jointly own and operate the Company.

AND WHEREAS the Parties have entered into the Consent and Acknowledgement wherein one or more of the Parties have agreed, among other things, to provide notices to certain Third Parties upon the happening of certain events hereunder.

AND WHEREAS the Shareholders wish to record the basis on which they will exercise their rights in relation to the Company and operate and manage the Company. The Company will carry on the Business on the terms and conditions of this Agreement.

AND WHEREAS the Shareholders are the holders of all of the Common Shares.

NOW THEREFORE in consideration of the mutual covenants and agreements set out in this Agreement, the receipt and sufficiency of which are acknowledged, the Parties agree as follows:

ARTICLE 1 DEFINITIONS AND INTERPRETATIONS

1.1 Definitions

For the purposes of this Agreement:

"**Acquired Shareholder**" has the meaning given in Section 9.8(b).

"**Additional Business**" means, business that is substantially similar to the Business or that is an extension of the Business, and the opportunity in respect of which arises after the approval of the relevant Annual Business Plan and Budget.

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"**Affiliate**" means, with respect to any Person, any other Person that, directly or indirectly through one or more intermediaries, Controls, or is Controlled by, or is under common Control with, such Person, provided that the Company is deemed not to be an Affiliate of any Shareholder.

"**Agreement**" means this agreement, together with the Schedules, and any extension, renewal, or amendment agreed to in writing by the Parties.

"**Allocation Notice**" has the meaning given in Section 6.7(f).

"**Annual Business Plan and Budget**" means a business plan and budget including revenues, operating and capital expenditures and cash flow for the Group for a Calendar Year, and excludes the Initial ABPB.

"**Anti-Bribery Laws and Obligations**" means for each Party: (i) laws relating to combating bribery and corruption in the countries of each of the Parties' place of incorporation or formation, principal place of business, place of registration as an issuer of securities, and/or in the countries of each of the Parties' Ultimate Parent's place of incorporation or formation, principal place of business, and/or place of registration as an issuer of securities; (ii) the United States Foreign Corrupt Practices Act; (iii) the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada); (iv) the Corruption of Foreign Public Officials Act (Canada); (v) sections 119 to 123 and section 426 of the Criminal Code of Canada; and (vi) the Bribery Act (2010) (United Kingdom).

"**Applicable Law**" mean those laws, statutes, rules, and regulations applicable to the Parties and to each Group Company's jurisdiction as the case may be.

"**Available Funds (Jersey)**" means:

- (i) subject to Applicable Law and any financial covenants applicable to JerseyCo (including those in the IFC Loan Agreement), monies available for distribution by JerseyCo to the Company as the shareholder of JerseyCo whether by way of payment of dividends (in cash or in kind), the return of share capital or redemption of shares, the repayment of or payment of interest on shareholder loans, or other form of distribution;
- (ii) less any Pre-Effective Date Assets held by JerseyCo that are or have been converted to cash or an equivalent cash value;
- (iii) less the amount required by JerseyCo to fund JerseyCo's operations and its part of the Business during the next Calendar Quarter;
- (iv) less the portion of the Cash Reserve to be held by JerseyCo that are or have been converted to cash;
- (v) less provisions made for JerseyCo's taxes.

"**Available Funds (Mauritius)**" means:

- (i) subject to Applicable Law and any financial covenants applicable to the Company (including those in the IFC Loan Agreement), monies available for distribution to the Shareholders as shareholders of the Company whether by way of payment of dividends (in cash or in kind), the return of share capital or redemption of Common Shares, the repayment of or payment of interest on Shareholder Loans, or other form of distribution;

- (ii) less any Pre-Effective Date Assets held by the Company that are or have been converted to cash or an equivalent cash value, including any amounts received from JerseyCo on a redemption of Redeemable Shares (Jersey) and not yet used to redeem Redeemable Shares (Mauritius);
- (iii) less the amount required by the Company to fund the Company's operations and its part of the Business during the next Calendar Quarter;
- (iv) less the portion of the Cash Reserve to be held by the Company;
- (v) less provisions made for the Company's taxes.

"**Board**" means the board of Directors of the Company.

"**Business**" means, for the purposes of this Agreement, the business of the Group on the date of this Agreement.

"**Business Day**" means a day, other than a Saturday, a Sunday or a statutory holiday, on which banks are open generally to conduct commercial business in Port Louis, Mauritius.

"**Buyer**" has the meaning given in Sections 8.4(a) and 9.5(e).

"**Calendar Month**" means one of the 12 calendar months of the Gregorian calendar commencing on the first Day of each calendar month.

"**Calendar Quarter**" means a period of three consecutive Calendar Months, commencing on January 1, April 1, July 1, and October 1.

"**Calendar Year**" means a period of 12 consecutive Calendar Months, commencing January 1 and ending December 31.

"**Cash Flow Forecast**" has the meaning given in Section 6.2(b).

"**Cash Reserve**" means [Redacted – dollar amount].

"**Chairman**" means the chairman, from time to time, of the Board.

"**Change in Control**" means any circumstance, event or transaction or series or combination thereof, which results in any Person other than the Person who was the relevant Shareholder's Ultimate Parent (if any), obtaining Control of such Shareholder.

"**Chief Executive Officer**" means the chief executive officer of the Company.

"**Chief Financial Officer**" means the chief financial officer of the Company.

"**Closing Dividend**" has the meaning given in Section **Error! Reference source not found.**

"**Common Shares**" means the Class A common shares of the Company of USD 1.00 each.

"**Company Secretary**" has the meaning given in Section 4.1(i)(i).

"**Compulsory Transfer Event**" means the circumstances where:

[Redacted – footer]

- (i) a Shareholder commits a Funding Default in respect of, in whole or in part, a Material Undertaking, and the Non-Defaulting Shareholders do not make an election under Section 6.7(e)(ii)(A)(I) or 6.7(e)(ii)(A)(II) within 45 Days after receipt of the Shortfall Funding Request;
- (ii) a Shareholder suffers an Insolvency Event;
- (iii) a Shareholder experiences a Change in Control other than an Exempt Change in Control;
- (iv) a Shareholder holds a 5% Percentage Interest or less;
- (v) it becomes illegal, under any Applicable Law, for a Shareholder to hold its Interest;
- (vi) a Shareholder breaches its obligations under Section 15.1 and fails to remedy such breach within five Days of receiving notice thereof from another Shareholder; or
- (vii) the ownership of Shares by a Shareholder would be a violation or breach of the IFC Loan Agreement.

"**Consent and Acknowledgment**" has the meaning given in the Investment Agreement.

"**Constitutional Documents**" means the constitution, or similar constitutional documents, of the Company from time to time.

"**Control**" means in relation to any Person (the "**First Person**"), the power of another Person to secure:

- (i) by means of the holding of shares or the possession of voting power (directly or indirectly) in or in relation to the First Person or any other Person; or
- (ii) by virtue of any powers conferred by the articles of association of, or any other document regulating, the First Person or any other Person,

that the affairs of the First Person are conducted in accordance with the wishes or directions of that other Person.

"**Conversion Notice**" has the meaning given in the Shareholder Loan Agreement.

"**Conversion Notice Date**" has the meaning given to the term in the Shareholder Loan Agreement.

"**Conversion Price**" has the meaning given in Section 6.9(b).

"**Conversion Price Notice**" has the meaning given in Section 6.9(a).

"**Day**" means a Gregorian calendar day unless otherwise specifically provided.

"**Deed of Adherence**" means a deed substantially in the form of Schedule 1.

"**Default Notice**" has the meaning given in Section 8.1(a).

"**Default Period**" has the meaning given in Section 8.2(a).

"**Defaulting Shareholder**" has the meaning given in Section 8.1(a).

"**Deferral Balance**" has the meaning given in Section 7.2(a)(ii).

"**Deferred Consideration**" has the meaning given in the Investment Agreement.

"**Deferred Payment Date**" has the meaning given in the Investment Agreement.

"**Deferred Shares**" means 1,497 Shares to be transferred by Orca to Swala for the Deferred Consideration at or before the Deferred Payment Date.

"**Deferring Shareholder**" has the meaning given in Section 7.2(a).

"**Director**" means a director of the Company from time to time.

"**Disagreeing Shareholder**" has the meaning given in Section 6.9(c).

"**Dispute**" means any dispute, controversy, or claim (of any and every kind or type, whether based on contract, tort, statute, regulation, or otherwise) arising out of, relating to, or connected with this Agreement or the operations and activities carried out under this Agreement, including any dispute as to the construction, validity, interpretation, enforceability, breach, or termination of this Agreement.

"**Dispute Notice**" has the meaning given in Section 14.2.

"**Distribution Policy**" means the policy set out in Schedule 3.

"**Drag-Along Notice**" has the meaning given in Section 9.6(b).

"**Drag-Along Transfer**" has the meaning given in Section 9.6(a).

"**Encumbrance**" means any mortgage, charge, pledge, hypothecation, lien, assignment by way of security, title retention, option, right to acquire, right of pre-emption, right of set-off, counterclaim, trust arrangement or other security, preferential right or agreement to confer security, or any equity or restriction (but excluding liens arising by operation of law).

"**Engineering Report**" means the annual report prepared or audited by an independent qualified reserves evaluator in accordance with the Canadian Oil and Gas Evaluation Handbook disclosing estimates of the relevant Group Company's proved and probable reserves and related future net revenue estimated using forecast prices and costs.

"**Exempt Change in Control**" means any Change in Control that may result in any of the following circumstances:

- (i) any distribution of Orca shares in specie or otherwise to the beneficiaries of the Lyons Family Trust; or
- (ii) a distribution by Swala Energy Limited of all or a portion of the shares of SOGT held by Swala Energy Limited in one or more steps.

"**Exercise Notice**" has the meaning given in Section 9.5(b).

"**Expert**" means a Person appointed in accordance with Section 14.2(c).

"**Financial Year**" means a financial accounting period of 12 months ending on 31 December.

"First Closing" has the meaning given in the Investment Agreement.

"Former Affiliate" has the meaning given in Sections 9.4(b)(ii) and 9.4(c)(ii).

"Funding Date" means:

- (i) in respect of a Funding Request of the type referred to in Section 6.2(c)(i), a date which is at least 15 Days after the date of the relevant Funding Request and is intended to be the first Business Day of the relevant Calendar Quarter;
- (ii) in respect of a Funding Request of the type referred to in Section 6.2(c)(ii), a date which is at least 15 Days after the date of the relevant Funding Request; and
- (iii) in respect of a Funding Request of the type referred to in Section 6.2(c)(iii), a date which is at least 30 Days after the date of the relevant Funding Request.

"Funding Default" has the meaning given in Section 8.1(a)(i).

"Funding Request" has the meaning given in Section 6.2(c).

"Government Official" means:

- (i) an employee, officer, director or representative of a Governmental Authority;
- (ii) a legislative, administrative, or judicial official, regardless of whether elected or appointed;
- (iii) an officer or individual who holds a position in a political party;
- (iv) a candidate for political office; or
- (v) an officer or employee of a supra-national organization (including African Development Bank, World Bank, United Nations, International Monetary Fund, and Organization for Economic Cooperation and Development).

"Governmental Action" means:

- (i) where a Shareholder suffers an Insolvency Event; and
- (ii) the sole proximate cause of such Insolvency Event is an act or omission by a Governmental Authority; and
- (iii) such Shareholder has continuously and diligently endeavoured to remedy such Insolvency Event in accordance with Section 8.3; and
- (iv) such Shareholder has failed to remedy such Insolvency Event in accordance with Section 8.3.

"Governmental Authority" means any government or governmental or regulatory body thereof or political subdivision thereof, whether national, federal, state, provincial, regional, local or foreign, or any agency, instrumentality or authority thereof, including any taxation authority, or any court.

"Group" means the Company and its Subsidiaries from time to time.

"Group Company" means a company in the Group.

"Guarantee" means a guarantee from SOGT in the form set out in Schedule 4.

"Holder of Redeemable Shares" means an owner of Redeemable Shares (Mauritius).

"IFC" means International Finance Corporation, a member of the World Bank Group, and its successors and permitted assigns.

"IFC Loan Agreement" means the loan agreement dated October 29, 2015 together with the amendment and consent letter, each between JerseyCo, Orca and IFC.

"Initial ABPB" has the meaning given in Section 5.2(a).

"Insolvency Event" means:

- (i) a court making an order that a Shareholder, or any Affiliate which Controls such Shareholder, be wound up;
- (ii) any receiver, manager or liquidator is appointed in respect of a Shareholder, or any Affiliate which Controls such Shareholder, or any material part of its assets (other than for the purpose of a bona fide reorganization or amalgamation);
- (iii) a resolution for voluntary winding-up or liquidation of a Shareholder, or any Affiliate which Controls such Shareholder, is passed (other than for the purposes of a bona fide reorganization or amalgamation);
- (iv) any step being taken in relation to a Shareholder, or any Affiliate which Controls such Shareholder, with a view to appointing an administrator;
- (v) any creditor actions, arrangements, compositions, or assignments for the benefit of the creditors of a Shareholder, or any Affiliate which Controls such Shareholder;
- (vi) a petition is presented for the winding-up of a Shareholder, or any Affiliate which Controls such Shareholder, and any such petition is not discharged or withdrawn within 15 Days;
- (vii) if distress or execution is levied against, or a creditor takes possession of, all or a substantial part of a Shareholder's assets, or the assets of any Affiliate which Controls such Shareholder and such distress, execution or taking of possession is not discharged within 30 Days or for such longer period as such Shareholder or Affiliate may be disputing such distress, execution or taking of possession (but provided that where such distress, execution or taking of possession is not discharged within 30 Days, such Shareholder or Affiliate has set aside an amount which will satisfy the relevant distress, execution or taking of possession if such Shareholder or Affiliate fails to succeed in the dispute);
- (viii) a Shareholder, or any Affiliate which Controls such Shareholder, makes an assignment for the benefit of creditors generally or becomes unable or fails to pay its debts as they become due;

- (ix) a Shareholder, or any Affiliate which Controls such Shareholder, makes a composition or arrangement with its creditors or puts a proposal to its creditors for a voluntary arrangement for a composition of its debts or a scheme of arrangement;
- (x) the dissolution of a Shareholder, or any Affiliate which Controls such Shareholder; or
- (xi) any similar or analogous proceedings.

"**Interest**" means the Common Shares and Shareholder Loans held by a Shareholder.

"**Investment Agreement**" means the investment agreement dated the date hereof between Orca and Swala.

"**JerseyCo**" means PanAfrican Energy Tanzania Limited, a Bailiwick of Jersey company.

"**Lyons Family Trust**" means The W David Lyons (2008) Settlement and Shaymar Limited.

"**Majority**" means one or more of the Shareholders then holding collectively more than 50% of the Percentage Interests.

"**Market Value**" has the meaning given in Section 8.5(d).

"**Material Undertaking**" means a proposed undertaking, or project, or an actual event, circumstance or thing that:

- (i) if not completed would cause or result in a breach of an agreement to which a Group Company is a party;
- (ii) is required in order to remain compliant with good international oilfield practice or best health, safety, or environmental practices; or
- (iii) provides a Group Company with an economic opportunity with (A) a forecasted net present value of \$10 million or more using a discount rate of 12.5%; or (B) an internal rate of return of 25%.

"**Non-Defaulting Shareholder**" means a Shareholder who is not a Defaulting Shareholder.

"**Notice of Dispute**" has the meaning given in Section 14.2(a).

"**Offer**" has the meaning given in Section 9.5(a)(vii).

"**Option Holders**" has the meaning given in Section 9.5(a).

"**Option Period**" has the meaning given in Section 9.5(b).

"**Original Shareholder**" has the meaning given in Sections 9.4(b)(i) and 9.4(c)(i).

"**Original Ultimate Parent**" has the meaning given in Section 9.4(c)(i).

"**Overfunding Shareholder**" means a Shareholder who provided a Shortfall Loan in respect of an Underfunding Shareholder's funding obligation.

"Percentage Interest" means, in respect of a Shareholder, the percentage ownership interest which that Shareholder has in the Company, calculated as the number of Common Shares held by such Shareholder divided by the aggregate number of Common Shares for that time being in issue and expressed as a percentage.

"Person" means any individual, corporation, partnership, firm, joint venture, association, joint enterprise, joint-stock company, trust, unincorporated organization, Governmental Authority or other entity.

"Pre-Effective Date Assets" has the meaning given in the Investment Agreement.

"Pre-Effective Date Liabilities" has the meaning given in the Investment Agreement.

"Proposed Buyer" has the meaning given in Section 9.5(a)(i).

"Purchase Amount" shall mean the sum of (i) the outstanding principal amount of such Shortfall Loan, plus (ii) any interest accrued but unpaid thereon, plus (iii) an amount equal to 10% of the outstanding principal amount of such Shortfall Loan.

"Qualified Buyer" means:

- (i) a Shareholder;
- (ii) in respect of a third party who is not an Affiliate of a Shareholder, a Person:
 - (A) which is approved by all the Shareholders, such approval not to be unreasonably withheld or delayed;
 - (B) which has the ability and has unconditionally indicated its willingness to discharge all of the financial and non-financial obligations that are proposed to be assumed by it in connection with the proposed Transfer, including providing any required guarantees;
 - (C) whose ownership of Common Shares will not be a violation or breach of the IFC Loan Agreement;
 - (D) which has a good reputation; and
 - (E) which is not subject to an Insolvency Event (interpreting such term as if the third party was a Shareholder); or
- (iii) in respect of an Affiliate of a Shareholder, a Person which is not subject to an Insolvency Event (interpreting such term as if the Affiliate was a Shareholder).

"Redeemable Shares (Jersey)" means the redeemable preference shares of JerseyCo.

"Redeemable Shares (Mauritius)" means the redeemable preference shares of the Company of USD 1.00 each.

"Regular Distribution" means a quarterly distribution of Available Funds (Jersey) and Available Funds (Mauritius) pursuant to Section 7.1 and the Distribution Policy.

"Regular Dividend Distribution" has the meaning given in Schedule 3.

"Required Funds" means

- (i) the amount required by the Group to fund the Group's operations and the Business during the relevant Calendar Quarter, including any provisions for the Group's taxes;
- (ii) plus any amount required to fully fund the Cash Reserve, if any;
- (iii) plus any amounts which are to be used to redeem Redeemable Shares (Jersey) or Redeemable Shares (Mauritius);
- (iv) less cash reserves in excess of the Cash Reserve, if any;
- (v) less cash payments expected, with a high degree of certainty, to be received by the Group during the relevant Calendar Quarter.

"ROFR Option" has the meaning given in Section 9.5(b)(i).

"Rules" has the meaning given in Section 14.3(a)(i).

"Rules of Appointment" means the ICC Rules for the Appointment of Experts and Neutrals.

"Sale Interest" has the meaning given in Section 9.5(a)(ii).

"Sale Notice" has the meaning given in Sections 8.4(a) and 9.5(a).

"Sale Price" has the meaning given in Sections 8.5(c) and 9.5(a)(iii).

"Seller" has the meaning given in Sections 8.4(a), 9.5(a) and 9.7(b)(i).

"Share" means a share in the capital of the Company of any type whatsoever, including preference shares and any other instruments having similar rights, which may be redeemable at par or at a premium.

"Shareholder" means a holder of Common Shares.

"Shareholder Loan" means a loan made by a Shareholder to the Company, and includes a Shortfall Loan.

"Shareholder Loan Agreement" means a loan agreement substantially in the form provided in Schedule 2 between the Shareholders, as lenders, and the Company, as borrower.

"Shareholder Loan Balance" means the outstanding principal amount of all Shareholder Loans (other than Shortfall Loans) and any accrued but unpaid interest thereto on the relevant date.

"Shortfall Funding" has the meaning given in Section 6.7(c).

"Shortfall Funding Request" has the meaning given in Section 6.7(c)(i).

"Shortfall Loan" has the meaning given in Section 6.7(h).

"SOGT" means Swala Oil & Gas (Tanzania) plc, being the parent company of Swala.

"Subsidiary" means any Person that is Controlled by the Company, and includes any Person that is Controlled by such Person being Controlled by the Company.

"**Tag-Along Transfer**" has the meaning given in Section 9.7(a).

"**Tag Termination Fee**" means [Redacted – calculation for termination fee].

"**Transfer**" means any sale, assignment, novation, Encumbrance or other disposition by a Shareholder of any rights or obligations derived from the Common Shares or this Agreement but excluding any direct or indirect Change in Control of a Shareholder.

"**Transparency Laws**" means Extractive Sector Transparency Measures Act (Canada), The Reports on Payments to Governments Regulations 2014 (United Kingdom), and any analogous Applicable Law.

"**Ultimate Parent**" means (i) with respect to Swala, SOGT, (ii) with respect to any other Person that becomes a Shareholder in accordance with this Agreement, the Person designated as the Ultimate Parent (with the agreement of the non-Transferring Shareholders) pursuant to Section 9.5(a)(iv) when such Person becomes a Shareholder, and (iii) with respect to any Shareholder that undergoes a Change in Control and who satisfies (in all material respects) the requirements of this Agreement related to such Change in Control, the Person designated as the Ultimate Parent pursuant to Section 9.8(b)(ii). On the date hereof Orca is a publically traded company that has no Ultimate Parent, but is Controlled by the Lyon Family Trust.

"**Underfunding Shareholder**" means the Shareholder whose Funding Default triggered the need for a Shortfall Loan.

"**United States Dollar**" or "\$" means the lawful currency of the United States of America.

1.2 Headings

The expressions "Article", "Section", "Subsection", "clause", "subclause", "paragraph" and "Section" followed by a number or letter or combination thereof mean and refer to the specified article, section, subsection, clause, subclause, paragraph and schedule of or to this Agreement.

1.3 Schedules

Appended to this Agreement are the following Schedules:

Schedule 1	Deed of Adherence
Schedule 2	Form of Shareholder Loan Agreement
Schedule 3	Distribution Policy
Schedule 4	Guarantee

These Schedules are incorporated into and from part of this Agreement.

1.4 Monetary Amounts

All monetary amounts expressed herein or calculated or to be paid pursuant hereto shall be in United States Dollars unless otherwise specified. If any amount must be converted from United States Dollars to any other currency or from any other currency to United States Dollars for the purposes of this Agreement, such amount shall be converted using the conversion methodology of the Group consistent with past practice.

1.5 Interpretation Not Affected by Headings

The division of this Agreement into Articles, Sections, Subsections, clauses, subclauses and paragraphs and the provision of headings for all or any thereof are for convenience and reference only and shall not affect the construction or interpretation of this Agreement.

1.6 Included Words

When the context reasonably permits, words suggesting the singular shall be construed as suggesting the plural and vice versa, and words suggesting gender or gender neutrality shall be construed as suggesting the masculine, feminine and neutral genders. If a term is defined in this Agreement, a derivative of that term shall have a corresponding meaning.

1.7 References

- (a) A reference to any statute or similar legislative instrument means such statute or similar legislative instrument as amended, modified, codified, replaced or re-enacted, in whole or in part, and in effect from time to time, including rules and regulations promulgated thereunder, and references to any section or other provision of any statute or similar legislative instrument means that provision of such statute or similar legislative instrument from time to time in effect and constituting the substantive amendment, modification, codification, replacement or re-enactment of such section or other provision.
- (b) A reference to any agreement, document or instrument means such agreement, document or instrument as amended, replaced, restated or modified and in effect from time to time in accordance with the terms thereof.

1.8 Other Definitional and Interpretive Matters

- (a) When calculating the period of time before which, within which or following which any act is to be done or step taken pursuant to this Agreement, the date that is the reference date in calculating such a period or is the first date of such period shall be excluded. If the last day of such period is a non-Business Day, the period in question shall end on the next succeeding Business Day.
- (b) The words such as "herein," "hereinafter," "hereof," "hereto" and "hereunder" refer to this Agreement as a whole and not merely to a subdivision in which such words appear unless the context otherwise requires.
- (c) Wherever the words "include," "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limiting the foregoing in any respect."
- (d) Unless otherwise specified, any reference in this Agreement to any particular time of day shall mean the local time in Port Louis, Mauritius on the particular day.
- (e) The Parties have participated jointly in the negotiation and drafting of this Agreement and, in the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as jointly drafted by the Parties and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any provision of this Agreement.

1.9 Capacity

Orca has entered this Agreement and the Shareholder Loan Agreement in its capacity as a Shareholder and not in its capacity as a Holder of Redeemable Shares (Mauritius).

1.10 Conflicts

- (a) If (i) the provisions in this Agreement conflict with (ii) the provisions of the Investment Agreement, the Constitutional Documents, or the constitutional documents of any other Group Company, the provisions in this Agreement shall prevail. Despite the foregoing, where the conflict involves the rights and obligations of PAEM and is between the provisions of this Agreement and its Constitutional Documents, the provisions of the Constitutional Documents shall prevail.
- (b) If (i) the provisions of this Agreement conflict with (ii) the provisions of the IFC Loan Agreement or Applicable Law, the provisions of the latter shall prevail.
- (c) If (i) the provisions in the body of this Agreement conflict with (ii) the provisions of a Schedule, the provisions in the body of this Agreement shall prevail.

1.11 IFC Loan Agreement

- (a) For so long as the IFC Loan Agreement is in force, each Party will exercise its rights and discharge its obligations hereunder in a manner which does not cause JerseyCo or Orca, in their capacity as parties to the IFC Loan Agreement, to be in breach of the IFC Loan Agreement.
- (b) Upon the termination or expiration of the IFC Loan Agreement, the provisions of this Agreement which specifically reference the IFC Loan Agreement shall be read without regard to such references.

ARTICLE 2 TERM AND TERMINATION

2.1 Term and Termination

- (a) Subject to Section 2.1(b), this Agreement shall have effect from the date hereof and shall continue in effect until the earliest of the following events:
 - (i) there is only one Shareholder;
 - (ii) a resolution is passed by the Shareholders for the dissolution, winding-up or liquidation of the Company;
 - (iii) an order is made by a court or other competent body or Person instituting a process that will lead to the Company being dissolved and its assets being distributed among the Company's creditors, Shareholders or other contributors; or
 - (iv) the Parties agree in writing to terminate the Agreement.
- (b) Except as otherwise expressly indicated in this Agreement, the rights and obligations of each Party shall continue and be enforceable by or against it only while it is a Party save for rights and obligations in respect of:

- (i) Article 1, Article 2, Article 12, Article 13, Article 14 and Article 15, which shall continue to have effect notwithstanding a Party ceasing to be a Shareholder or termination of this Agreement; and
 - (ii) antecedent breaches of this Agreement.
- (c) Termination of this Agreement shall be without prejudice to any rights and obligations arising out of or in connection with this Agreement that have vested, matured, or accrued before such termination.

ARTICLE 3 THE COMPANY

3.1 Purpose

The Parties shall procure that (i) the business of the Group shall exclusively be the Business, and (ii) the Business is carried on in a manner consistent with each Annual Business Plan and Budget.

3.2 Shareholder Obligations and Liabilities

- (a) Each Shareholder shall pay when due its Percentage Interest share of Funding Requests under this Agreement.
- (b) The Shareholders shall maintain the Company in accordance with its Constitutional Documents and Applicable Law.

3.3 Redeemable Shares and Pre-Effective Date Matters

- (a) The Parties acknowledge and agree that:
 - (i) the Pre-Effective Date Assets and the Pre-Effective Date Liabilities are intended to be solely for the account of the Holders of Redeemable Shares; and
 - (ii) article 3 of the Investment Agreement contains the provisions which protect Swala from any Pre-Effective Date Liabilities.
- (b) The Parties agree to cause each Group Company to:
 - (i) use commercially reasonable efforts to realize, in due course, its non-cash Pre-Effective Date Assets;
 - (ii) use commercially reasonable efforts to discharge, in due course, its Pre-Effective Date Liabilities; and
 - (iii) subject to the terms contained in the Investment Agreement, pay, distribute or otherwise transfer any Pre-Effective Date Assets that are or have been converted to cash or an equivalent cash value.
- (c) The Parties acknowledge and agree that article 3 of the Investment Agreement contains additional terms relevant to the Redeemable Shares (Jersey) and the Redeemable Shares (Mauritius). In accordance with the provisions of the Investment Agreement:

- (i) the Redeemable Shares (Mauritius) shall be redeemed only in accordance with sections 3.3(d) to (f) of the Investment Agreement; and
 - (ii) redeemable shares issued by any Subsidiary of the Company shall be redeemed only for the benefit of the Company.
- (d) The Company shall not sell, assign or transfer any redeemable shares it owns in any of its Subsidiaries without the prior approval of the Shareholders.

3.4 Amend the Company's Constitution

- (a) The Parties acknowledge and agree that the Constitutional Documents shall reflect the agreement of the Parties as set forth in this Agreement.
- (b) To the extent that an amendment to the Constitutional Documents is required to reconcile the Constitutional Documents to the terms of this Agreement, each Party shall, at its expense, promptly execute and deliver (or cause to be executed and delivered) all such other and further documents, certificates and instruments, and make any recording or filing, in order to give effect to this provision all as may be reasonably necessary or appropriate.
- (c) In addition to any requirements under Applicable Law, any amendment or variation of the Constitutional Documents in any way that would result in the creation of a new class of redeemable share or the variation or amendment to the rights attached to any form of redeemable share issued by the Company shall require the approval of each Shareholder.

ARTICLE 4 BOARD OF DIRECTORS

4.1 Governance

- (a) The Parties acknowledge that: (i) the Board has been established to provide for the overall supervision and direction of the Company, (ii) the Board is comprised of five Directors, and (iii) there are residency requirements for Directors under Applicable Law.
- (b) The Parties agree that all appointments to the Board or changes to the number of Directors shall be made in compliance with Applicable Law.
- (c) For so long as Swala's Percentage Interest is 5% or more and Swala is not entitled to appoint a Director under Section 4.1(d), Swala shall be entitled to nominate one Person, as an observer, to receive the same information and notices as Directors, and to attend Board meetings, but not to vote. If at any time Swala ceases to be a Shareholder or becomes entitled to nominate a Director under Section 4.1(d) it shall no longer have the right to nominate an observer.
- (d)
 - (i) Each Shareholder shall be entitled to nominate one Director for each 20% Percentage Interest it holds.
 - (ii) If the Shareholders are collectively entitled to nominate fewer than five Directors after applying the rule in Section 4.1(d)(i), the Shareholders shall, in descending order of their remaining Percentage Interests (after deducting 20% for each Director nominated pursuant

to Section 4.1(d)(i)), be entitled to nominate one additional Director until five Directors have been nominated. If two or more Shareholders are equally entitled to nominate an unallocated Director, the right to nominate such Director shall rotate annually amongst those Shareholders in the order in which they became Shareholders.

- (iii) The procedure set out in this Section 4.1(d) shall be repeated every time there is a change in the Percentage Interests which would result in a change in the Shareholders' rights to nominate Directors.
 - (iv) If, as a result of a change in the Percentage Interests, a Shareholder is entitled to nominate fewer Directors, such Shareholder shall remove its nominee Directors in excess of its nomination rights.
- (e) If a Shareholder is entitled to nominate a Director, it must nominate the number of Mauritian residents as Directors as set out in the table below:

Entitlements to nominate Directors					Shareholders who must nominate a Mauritian resident as a Director
Shareholder A	Shareholder B	Shareholder C	Shareholder D	Shareholder E	
5	0	0	0	0	A – two
4	1	0	0	0	A – two
3	2	0	0	0	A – one B – one
3	1	1	0	0	A – two
2	2	1	0	0	A – one B – one
2	1	1	1	0	A – one B, C and D – rotate annually amongst those Shareholders in the order in which they became Shareholders.
1	1	1	1	1	A, B, C, D and E - rotate annually amongst those Shareholders in the order in which they became Shareholders.

The Shareholders' obligations to nominate Mauritian residents as Directors shall be redetermined every time there is a change in the Shareholders' nomination rights under Section 4.1(d).

- (g) Upon nomination of a person as a Director in accordance with this Section 4.1, the other Shareholders are deemed to have voted in favour to elect that nominee. Each Shareholder shall have, without prejudice to its obligations under Section 4.1(e) (if any), the right to change its Directors at any time by giving notice of such change to the other Parties.
- (h) The appointment or replacement of a Director shall be effective upon:
- (i) the Company receiving notice of such nomination;
 - (ii) the Company receiving all of the "know your client" requirements in respect of such nominee under Applicable Law; and

- (iii) the Parties and such nominee complying with all other requirements under Applicable Law in respect of the appointment of directors.
- (i) The Company shall appoint a service provider located in Mauritius to be the Company Secretary. The Company Secretary shall be:
 - (i) in charge of administrative matters in relation to the Board, including preparation and retention of minutes of meetings, and giving notice of meetings;
 - (ii) maintain the Company books and the submission of documents which require registration with relevant company registration authorities; and
 - (iii) any other duty or activity which is performed by a Company Secretary under the Applicable Laws.
- (j) If (i) a Shareholder, together with its Affiliates, holds more than a 50% Percentage Interest, or (ii) a Shareholder, together with its Affiliates, holds a 50% Percentage Interest and no other Shareholder, together with its Affiliates, holds a 50% Percentage Interest, such Shareholder shall nominate the Company officers, including the Chief Executive Officer and Chief Financial Officer. The other Shareholders shall ensure that their respective nominee Directors vote to confirm the appointment or replacement, as the case may be, of each officer nominated by such Shareholder.

4.2 Powers and Duties of Board

- (a) Except for matters expressly reserved for the Shareholders under this Agreement or Applicable Law, the Board shall have the power and duty to manage and supervise the Company and its Business.
- (b) The Board shall select one of its members who is present in Mauritius to act as Chairman for the relevant meeting. The Chairman shall not have a casting vote and shall not have any executive powers.

4.3 Authority to Vote and Alternatives

- (a) Each Director present at a Board meeting shall be entitled to cast one vote on each issue put to vote.
- (b) Except as otherwise expressly provided in this Agreement or under Applicable Law, all decisions, approvals, and other actions of the Board on all proposals coming before it shall be decided by a simple majority vote. Each Director present, whether in person or (where relevant) represented by an alternate, at any Board meeting shall have one vote (and, for the avoidance of doubt, any alternate present at a meeting shall be entitled (in the absence of his appointer to a separate vote on behalf of each Director he represents in addition to his own vote (if any) as a Director).
- (c) Each Director shall be entitled to appoint an alternative to attend and vote at Board meetings. An alternate Director may attend any Board meetings, but shall have no vote at such meetings, unless the appointing Director is absent.
- (d) In addition to the Director and alternate Director and upon request of the Directors, a Party may send technical and other advisors to such Board meetings to advise the Board and enable it to make a decision.

4.4 Notice of Meeting

- (a) The Company Secretary may call a meeting of the Board by giving notice to the Directors at least 15 Days in advance of such meeting.
- (b) The Company shall cause the Board to meet at least once per Calendar Quarter to (i) review the operating and financial results of the prior Calendar Quarter, (ii) where applicable and subject to the requirements set out in Article 3 of the Investment Agreement, cause the Company to redeem Redeemable Shares (Mauritius) in accordance with its Constitutional Documents, (iii) declare Regular Distributions if any, and (iv) consider any other Business.
- (c) Any Director may request a meeting of the Board by giving notice to the Company Secretary together with, to the extent that such Director is able to provide such materials, the materials set out in Sections 4.6(a)(ii) and 4.6(a)(iii). Within seven Days of receiving such request, the Company Secretary shall call such meeting in accordance with Section 4.6(a) for a date not fewer than 15 Days nor more than 20 Days after receipt of the request. Subject to Section 4.6(c), the Chairman shall ensure that only the items on the circulated agenda are considered by the Board at such meeting.
- (d) The notice periods above may only be waived with the unanimous consent of all the Directors.
- (e) Notwithstanding the notice periods above, the Company Secretary may reduce such notice period where the circumstances require a shorter period and at least one Director from each Shareholder holding 20% or more of the Percentage Interest agrees in writing to such reduced notice period.

4.5 Quorum

The quorum for transacting business at any Board meeting shall be a simple majority of Directors (or their alternates). If such a quorum is not present within 30 minutes from the time appointed for the meeting or if during the meeting such a quorum is no longer present, the meeting shall be adjourned for five Days to the same place and time. At least two Days' notice of the adjourned meeting will be given to each of the Directors, and any such notice will be given in the same manner, and specifying the same agenda, as for the original meeting.

4.6 Contents of Meeting Notice

- (a) Each notice of a meeting of the Board shall contain:
 - (i) the date, time, and location of the meeting;
 - (ii) an agenda of the matters and proposals to be considered and/or voted upon at such meeting; and
 - (iii) information about each matter and proposal to be considered and/or voted on at the meeting (including all appropriate supporting information not previously distributed to the Directors) sufficient to enable the Directors to be well informed about such matters and proposals before such meeting.
- (b) A Director may add additional matters and proposals to the agenda for any meeting, by giving notice to all other Directors entitled to attend such meeting not fewer than seven Days before such meeting.

- (c) On the request of a Director, and with the unanimous consent of all Directors, the Board may consider at a meeting a matter and/or proposal not in the agenda for such meeting.

4.7 Location of Meetings

All meetings of the Board shall be held:

- (a) in Mauritius; or
- (b) by teleconference or by videoconference, provided, in each case, that at least one Director is in Mauritius at the time of the meeting.

4.8 Record of Votes

The Company Secretary shall make a record of each proposal voted on and the results of such voting at each Board meeting. Each Director shall be provided with a copy of such record of votes at the end of such meeting and shall sign and return a copy of the same to the Company Secretary without delay. Such signed record shall be considered the final record of the decisions of the Board.

4.9 Minutes

The Company Secretary shall provide each Director with a copy of the minutes of the Board meeting within 15 Days after the end of the meeting. Each Director shall notify the Company Secretary within 15 Days after receipt of such minutes specifying any objections and corrections to the minutes. A failure to give notice specifying objections and corrections to such minutes within such 15 Day period shall be deemed to be approval of such minutes. In any event, the record of votes under Section 4.8 shall take precedence over the minutes described above.

4.10 Resolution in Writing

The Directors may execute a resolution in writing in lieu of a meeting. Execution of the resolution is evidence of such Directors' approval of the resolution.

4.11 Indemnity for Removal of a Director

Each Shareholder shall procure that every Director appointed by it under this Article 4 shall, when that Shareholder ceases to be a Shareholder or when such Director is removed for any reason, resign without cost to the Company and such Shareholder shall indemnify the Company and the other Shareholders from and against all claims, demands and rights which any such Director may have against the Company in respect of such Director's removal, resignation or otherwise.

4.12 Directors' Expenses

The Company shall be responsible for:

- (a) reimbursing the Directors for all travel, hotel and other expenses incurred by the Directors in attending Board meetings; and
- (b) procuring and paying for Directors' and Officers' insurance.

4.13 Shareholder Actions

Except as otherwise expressly provided in this Agreement or required under Applicable Law, all decisions, approvals, and other actions reserved for the Shareholders under Applicable Law shall be determined by a Majority.

4.14 Insurance

Each Shareholder shall be responsible for procuring its own political risk insurance. The Company shall use reasonable endeavours to procure political risk insurance for the Company and its Subsidiaries if the same is available on reasonable terms.

4.15 Contracts with Related Parties

- (a) Before the Company or a Subsidiary of the Company enters into a contract with an Affiliate (other than any wholly-owned Subsidiary of the Company), a Shareholder or an Affiliate of a Shareholder, the Company shall disclose the terms of such contract to the Shareholders.
- (b) The Company shall not and shall procure that its Subsidiaries shall not enter a contract with an Affiliate (other than any wholly-owned Subsidiary of the Company), a Shareholder or an Affiliate of a Shareholder on terms that are not reasonable arms' length terms, without the prior approval of a Majority of the disinterested Shareholders.

ARTICLE 5 INFORMATION AND PLANNING

5.1 Information

- (a) The Company shall and shall procure that each other Group Company shall at all times maintain accurate and complete accounting, financial and other records in accordance with Applicable Laws, the IFC Loan Agreement, the Transparency Laws and the generally accepted accounting principles of its jurisdiction of incorporation.
- (b) Subject to Section 5.2 and any requirements under the IFC Loan Agreement, the Company shall provide to each Shareholder the following:
 - (i) within 60 Days of the end of each Calendar Quarter:
 - (A) unaudited management accounts for each Group Company; and
 - (B) status and update of any commercial initiatives arising during such Calendar Quarter;
 - (ii) a copy of the audited accounts of each Group Company within 150 Days from the end of the Financial Year to which the audited accounts relate;
 - (iii) a Cash Flow Forecast in accordance with Section 6.2(b);
 - (iv) such information as such Shareholder requires for it or its Affiliates to comply with Transparency Laws; and

- (v) such other information relating to each Group Company as any Shareholder may reasonably request from time to time.

5.2 Preparation

- (a) The Parties acknowledge and agree that the Annual Business Plan and Budget for Financial Years 2017, 2018 and 2019 (the "**Initial ABPB**") was provided in connection with the Investment Agreement.
- (b) The Group shall prepare, not later than September 30 of each Financial Year, a draft Annual Business Plan and Budget for the next Financial Year. The Annual Business Plan and Budget for Financial years 2018 and 2019 shall be based on the Initial ABPB.
- (c) Subject to any requirements under the IFC Loan Agreement, each Annual Business Plan and Budget shall, with respect to the applicable Financial Year, contain *inter alia*:
 - (i) a draft work program together with a capital expenditure and operating budget;
 - (ii) an itemized list of the operations and activities to be conducted, described in sufficient detail to afford ready identification of the nature, scope, location, timing, and duration of each such operation and activity;
 - (iii) a cash flow statement giving:
 - (A) an estimate of the costs corresponding to each such line item; and
 - (B) an estimate of any additional working capital requirements;
 - (iv) projected profit and loss account;
 - (v) an operating budget and balance sheet forecast;
 - (vi) reasonable and necessary supporting information;
 - (vii) any additional information and detail as the Board may deem suitable;
 - (viii) details of any other business proposed to be performed;
 - (ix) details of additional funding of the Group's activities reasonably expected to be required from the Shareholders; and
 - (x) an indication of the amount that is considered prudent to retain, for the purpose of meeting the expenditure requirements for the Calendar Year out of the profits that are available for distribution to the Shareholders.

5.3 Budget Review

- (a) The Company shall provide a copy of the draft Annual Business and Plan Budget (except the Initial ABPB) pursuant to Section 5.2 to the Shareholders prior to the submission of the same to the Board for consideration for approval under Section 5.4. Each Shareholder shall have 30 Days from the date it receives such Annual Business Plan and Budget to review and request in writing

amendments thereto. If a Shareholder fails to request to amendments to the draft Annual Business Plan and Budget as aforesaid, it shall be deemed:

- (i) not to have requested any amendments to the draft Annual Business Plan and Budget; and
- (ii) to have endorsed the draft Annual Business Plan and Budget.

Despite the foregoing, the Annual Business Plan and Budget shall not require approval of the Shareholders.

- (b) The Board shall consider all amendments to the draft Annual Business Plan and Budget requested by a Shareholder in accordance with Section 5.3(a) when discharging its obligations under Section 5.4.

5.4 Amendment and Approval

- (a) The Board shall meet to consider, modify (if appropriate), and either approve or reject the proposed Annual Business Plan and Budget (including any agreed modifications). PAEM shall provide a copy of the approved Annual Business Plan and Budget and each approved amendment thereto to each of the Shareholders.
- (b) A Director may at any time, by notice to the other Directors, propose that an Annual Business Plan and Budget be amended.
- (c) To the extent that such amendment is approved by the Board, the relevant Annual Business Plan and Budget shall be deemed amended accordingly; provided that, any such amendment shall not de-authorize or invalidate any commitment or expenditure already made in accordance with any previous authorization given under this Agreement.
- (d) The Shareholders acknowledge that the Initial ABPB and each Annual Business Plan and Budget is an estimate of the Company's expenditures. The Company will use reasonable commercial efforts, recognizing that commodity prices and operating and capital costs, among other things, are outside of the Company's control, to not exceed any Annual Business Plan and Budget by more than 10% of the total amount thereof.
- (e) Subject to any restrictions under the IFC Loan Agreement, the Group shall be authorized to:
 - (i) conduct the business set out in each Annual Business Plan and Budget;
 - (ii) incur the expenses set out in each Annual Business Plan and Budget;
 - (iii) incur additional expenses in respect of the Business set out in an Annual Business Plan and Budget which are not in excess of 10% of the total amount of the expenses set out in such Annual Business Plan and Budget; and
 - (iv) conduct such Additional Business and incur such other expenses related to the Additional Business as the Board or the Company's management shall direct.
- (f) The Parties acknowledge and agree that all Annual Business Plans and Budgets and all amendments thereto are subject to the approval requirements under the IFC Loan Agreement.

5.5 Auditors

For so long as Orca is a Shareholder, the auditors of the Group shall be the auditors appointed by Orca from time to time but for certainty, shall be local Mauritius auditors. Each Shareholder shall be entitled to examine the books, records and accounts of each Group Company during regular business hours at the location where such books, records and accounts are kept. Each Shareholder will be entitled to a copy of any financial audit or review engagement conducted on any Group Company. To the extent that any Shareholder wishes to rely on and incorporate any such financial audit or review engagement results into such Shareholder's financial reporting, such Shareholder shall bear all of the costs associated therewith.

5.6 IFC Loan Repayment

No Shareholder approval shall be required before any Group Company can exercise its right or discharge its obligations under any contract to which it is a party. Provided however, that before any Group Company makes a voluntary prepayment under the IFC Loan Agreement, such prepayment must be unanimously approved by all the Shareholders. Despite the foregoing, the Shareholders acknowledge and agree that any current or future payment under the IFC Loan Agreement agreed to in connection with obtaining IFC's consent to the transactions provided for in the Investment Agreement shall not require further Shareholder approval.

ARTICLE 6 FUNDING THE COMPANY

6.1 Financing the Company

The Company (and any other Group Company through the Company) shall be financed:

- (a) initially from the Company's working capital reserves;
- (b) second, unless debt is available on more favourable terms under Section 6.1(c), additional debt is to be provided by the Shareholders to the Company in proportion to their Percentage Interests and in accordance with the funding request procedures set out in Section 6.2; and
- (c) third, additional debt is to be provided from borrowings from the Person offering the Company the best available terms as determined by the management of the Company and approved by the Board.

6.2 Funding Request Procedure

- (a) Each Shareholder acknowledges that additional funding will be required to allow the Group to fulfil its business objectives and commensurate financial obligations. Each Shareholder agrees that it shall provide additional funding to the Company, and to each Group Company through the Company, by providing Shareholder Loans in accordance with each Annual Business Plan and Budget, or any other funding approved by the Board.
- (b) The Company shall cause the Chief Financial Officer to provide the Shareholders, at least 60 Days before the start of each Calendar Quarter, a forecasted cash flow statement for such Calendar Quarter, which statement shall include an estimate of any Required Funds in respect of such Calendar Quarter, and an allocation of such Required Funds to capital expenditures, operating expenditures and other expenditures in accordance with the current Annual Business Plan and Budget (a "**Cash Flow Forecast**").

- (c) The Company shall cause the Chief Financial Officer to call for Required Funds (if any):
 - (i) once per Calendar Quarter;
 - (ii) in response to an emergency; and
 - (iii) as otherwise approved by the Board,
 to the Shareholders in writing (a "**Funding Request**").
- (d) Each Funding Request shall include:
 - (i) the calculation of the amount of the Required Funds;
 - (ii) the Funding Date; and
 - (iii) each Shareholder's share of the Required Funds, calculated on the basis of its Percentage Interest.
- (e) A Funding Request of the type referenced in Section 6.2(c)(i) shall not be greater than the estimated Required Funds set out in the relevant Cash Flow Forecast. A Funding Request of the type referenced in Section 6.2(c)(iii) shall be limited to the amounts referred to in Section 5.4(e)(iii) and such additional amounts as may be approved under Section 5.4(e)(iv).

6.3 Set off of Deferred Balance

- (a) If a Deferring Shareholder elects under Section 7.2 to defer payment of any Regular Dividend Distribution amount payable to such Shareholder, the Company shall set off such Deferring Shareholder's Deferred Balance (if any) against such Deferring Shareholder's share of the Required Funds in the next Funding Date.
- (b) If, after the application of Section 6.3(a), such Deferring Shareholder's Deferred Balance is positive, then subject to such Deferring Shareholder's right to elect under Section 7.2(b) to require payment of such Deferring Shareholder's Deferred Balance, such positive balance shall be carried forward and applied to the next Funding Request.
- (c) If such Deferring Shareholder's Deferred Balance is less than such Deferring Shareholder's share of the Required Funds in the next Funding Request, such Deferring Shareholder shall pay the difference between such amounts in accordance with Section 6.4.

6.4 Payment of Required Funds

- (a) On or before the Funding Date, each Shareholder shall advance the principal amount of the Shareholder Loan set out in the Funding Request by the amount set out in the Funding Request, directly to the Company by bank transfer (in cleared funds) to the account designated by the Company from time to time, or by set off of its Deferred Balance (if any).
- (b) On the date hereof (or on the date a party becomes a Shareholder) each Shareholder and the Company have signed and delivered the Shareholder Loan Agreement. Shareholder Loans shall be subordinated to all Shortfall Loans, and rank *pari-passu* with all other Shareholder Loans which are not Shortfall Loans. Any such Shareholder Loan shall not require the approval of the Directors.

6.5 Funding of Group Companies

The Company shall fund the other Group Companies. The Board shall, from time to time, determine the manner in which the Company will fund each of the other Group Companies. If funding a Group Company is necessary and the manner of funding such Group Company is not included in the Annual Business Plan and Budget or otherwise, then such funding shall be provided by the Company providing shareholder loans to such Group Company.

6.6 Swala Guarantee

Concurrently with the execution and delivery of this Agreement, Swala shall cause SOGT to provide the Guarantee to Orca and the Company.

6.7 Funding Request Default

- (a) If any Shareholder defaults in providing funding to the Company under Section 6.4(a), the Company shall issue a Default Notice under Section 8.1(a) effective the second Day after the Funding Date.
- (b) The Company shall hold the funds provided by the Non-Defaulting Shareholders in trust for such Shareholders pending the outcome of the process set out in this Section 6.7.
- (c) Each Non-Defaulting Shareholder shall have the option to provide the funding that the Defaulting Shareholder was obliged to provide (a "**Shortfall Funding**"), as follows:
 - (i) the Company shall give notice to the Shareholders (a "**Shortfall Funding Request**") providing details of the Shortfall Funding with the Default Notice referred to in Section 6.7(a); and
 - (ii) within 15 Days after receipt of the Shortfall Funding Request, each Non-Defaulting Shareholder shall notify the Parties whether it is willing to participate in the Shortfall Funding and the maximum amount of money that it is willing to provide.
- (d) If the Company does not receive a notice from a Non-Defaulting Shareholder within such 15 Day period, then such Non-Defaulting Shareholder shall be deemed to have given notice that it does not wish to participate in the Shortfall Funding.
- (e) If the Non-Defaulting Shareholders have not given notices that they are collectively willing to provide all of the funds required within 15 Days after receipt of the Shortfall Funding Request, then the Company shall immediately give notice to all of the Parties and return the funds held in trust by the Company under Section 6.7(b) to the Non-Defaulting Shareholders. Upon delivery of such notice by the Company:
 - (i) the Shareholders shall meet and endeavor to agree and implement a mutually acceptable means of resolving the issue; and
 - (ii) failing agreeing and implementing such a resolution within 30 Days after receipt of the Shortfall Funding Request (or such longer period as the Non-Defaulting Shareholders may agree), the Non-Defaulting Shareholders shall elect, in their sole discretion, as determined by a Majority of such Non-Defaulting Shareholders to:

(A) If the relevant Shortfall Funding Request is made, in whole or in part, with respect to a Material Undertaking, either:

- (I) dissolve the Company, or
- (II) take such other actions as they may agree.

If the Non-Defaulting Shareholders do not make an election under Section 6.7(e)(ii)(A)(I) or 6.7(e)(ii)(A)(II) within 45 Days after receipt of the Shortfall Funding Request (or such longer period as the Non-Defaulting Shareholders may agree), each Non-Defaulting Shareholder shall be entitled to exercise all of its right in respect of such Funding Default.

(B) In all other cases, cancel and retract the Funding Request in which case the Funding Default related to such Funding Request shall be deemed to be remedied.

- (f) If one or more Non-Defaulting Shareholders gives notice indicating their willingness to individually or collectively provide the total amount of the Shortfall Funding, the Company shall issue a notice ("**Allocation Notice**") to the Shareholders allocating the Shortfall Funding amongst the Non-Defaulting Shareholders in proportion to the maximum amount each Non-Defaulting Shareholder is willing to provide as stated in the notice given under Section 6.7(c)(ii) (provided that no such Non-Defaulting Shareholder shall be obliged to provide more money than it indicated in its notice).
- (g) Within 15 Days after delivery of the Allocation Notice and unless the Defaulting Shareholder has cured its default within such time, each Non-Defaulting Shareholder who was willing to participate in the Shortfall Funding shall advance the principal amount of the Shareholder Loan in the Allocation Notice, as applicable, by paying such amount to the Company by bank transfer (in cleared funds) to the account designated by the Company from time to time. If a Non-Defaulting Shareholder fails to pay such amount on time, it shall be deemed to have elected not to participate in the Shortfall Funding and, unless the other Non-Defaulting Shareholders agree forthwith to provide such Non-Defaulting Shareholder's funding allocation under the Shortfall Funding, the provisions of Section 6.7(e) shall apply again. For certainty, if the Non-Defaulting Shareholders provide the full amount of the Shortfall Funding, the relevant Funding Default of the relevant Defaulting Shareholder shall be deemed to be cured.
- (h) The Shareholder Loans provided by the Non-Defaulting Shareholders in respect of the Defaulting Shareholder's share of the Funding Request ("**Shortfall Loans**") shall be evidenced by the Shareholder Loan Agreement between such Non-Defaulting Shareholder and the Company. Shortfall Loans shall, subject to any requirements or restrictions under the IFC Loan Agreement:
- (i) rank first in time in point of priority with other Shortfall Loans;
 - (ii) have priority over all Shareholder Loans which are not Shortfall Loans; and
 - (iii) be convertible to Common Shares at the Conversion Price pursuant to Section 6.9 and the Shareholder Loan Agreement.

Any such Shortfall Loans shall not require the approval of the Directors.

6.8 Funding Request Defaults and Regular Dividend Distributions

If:

- (a) a Shareholder is required to pay when due its share of Required Funds, but has not yet paid the same (and Shortfall Funding has not been provided in respect of such Required Funds); and
- (b) the Company is required to make a Regular Dividend Distribution to that Shareholder;

then the Company shall be entitled to withhold payment of the Regular Dividend Distribution due to such Shareholder until such Shareholder pays its share of Required Funds and/or set off such Shareholder's share of such Regular Dividend Distribution against such Shareholder's share of the Required Funds. To the extent that the Company withholds and sets off payment of a Regular Dividend Distribution due to a Shareholder under this Section, such Shareholder's obligation to pay Required Funds shall be reduced by the amount so withheld and set off.

6.9 Shortfall Loan Conversion

- (a) Upon receipt of a Conversion Notice by the Company, the Company shall cause the Chief Financial Officer to determine the Conversion Price in respect of such Conversion Notice. The Company shall give the Shareholders notice of such Conversion Price (the "**Conversion Price Notice**") no later than seven Days after the Conversion Notice Date.
- (b) The "**Conversion Price**" means, for the applicable Conversion Notice, the price per Common Share determined as follows:

$$CP = \left(\frac{NEV}{S} \right) \times 75\%$$

Where:

CP is the Conversion Price expressed in United States Dollars.

NEV is the net enterprise value of the Group, being:

(i) to the extent there are oil & gas assets in the Group, the after tax net present value of the most recent Engineering Report of the Proved plus Probable oil & gas reserves (discounted at 10% per annum), less the net cash realized from the production and sale of said assets from the effective date of the Engineering Report to the date of the Conversion Price Notice

(ii) plus Group cash,

(iii) plus the net realizable value of the non-oil & gas assets of the Group as determined in the manner the Company uses to determine such value for its financial statements,

(iv) less the value of the Group's liabilities as determined in the manner the Company uses to determine such value for its financial statements,

(v) less the net present value of any contingent claims on a risk-adjusted basis and discounted at 10% per annum.

NEV shall be determined as of the Conversion Notice Date and shall be expressed in United States Dollars.

- S is the number of Common Shares outstanding on the Conversion Notice Date.
- (c) The Conversion Price set out in the applicable Conversion Price Notice shall be conclusively deemed correct and accepted by the Shareholders unless a Shareholder disputes the Conversion Price (a "**Disagreeing Shareholder**") by giving notice to the other Parties within 10 Days of the Conversion Notice Date which notice shall include the reasons why the Conversion Price is inaccurate and any other supporting information the Disagreeing Shareholder believes is helpful. Sections 6.9(d) to 6.9(g) shall apply where there is such a Disagreeing Shareholder.
- (d) If the Disagreeing Shareholder and the other Shareholders agree on the Conversion Price within 14 Days of the Conversion Notice Date, the Conversion Price shall be the price so agreed and conclusively deemed correct and accepted by the Shareholders.
- (e) If the Disagreeing Shareholder and other Shareholders do not agree the Conversion Price within 14 Days of the Conversion Notice Date, the Conversion Price shall provisionally be the price set out in the applicable Conversion Price Notice. In such case:
- (i) the conversion in the applicable Conversion Notice shall proceed based on the Conversion Price set out in the applicable Conversion Price Notice; and
 - (ii) the Disagreeing Shareholder shall have the right to refer the determination of the applicable Conversion Price to an Expert in accordance with Section 14.2(c) by providing notice to the other Parties within a further seven Days.
- (f) If the Disagreeing Shareholder does not refer the determination of the applicable Conversion Price to an Expert in accordance Section 6.9(e)(ii), the Conversion Price set out in the applicable Conversion Price Notice shall be conclusively deemed correct and accepted by the Shareholders.
- (g) Where the Disagreeing Shareholder refers the determination of the applicable Conversion Price to an Expert in accordance with Section 6.9(e)(ii):
- (i) if the Conversion Price as determined by the Expert is (1) not more than 5% above the Conversion Price set out in the applicable Conversion Price Notice, and (2) not more than 5% below the Conversion Price set out in the applicable Conversion Price Notice, then:
 - (A) the Conversion Price set out in the applicable Conversion Price Notice shall be conclusively deemed correct and accepted by the Shareholders; and
 - (B) the Disagreeing Shareholder shall be responsible for and pay all the costs of the Expert;
 - (ii) if the Conversion Price as determined by the Expert is more than 5% above the Conversion Price set out in the applicable Conversion Price Notice then:
 - (A) the Conversion Price determined by the Expert shall be conclusively deemed correct and accepted by the Shareholders;

- (B) the Parties shall take all steps reasonably necessary to retroactively adjust the number of Common Shares issued in respect of the applicable Conversion Notice to reflect the Conversion Price determined by the Expert; and
 - (C) the Company shall be responsible for and pay all the costs of the Expert; and
- (iii) if the Conversion Price as determined by the Expert is more than 5% below the Conversion Price set out in the applicable Conversion Price Notice, then:
- (A) the Conversion Price determined by the Expert shall be conclusively deemed correct and accepted by the Shareholders;
 - (B) the Parties shall take all steps reasonably necessary to retroactively adjust the number of Common Shares issued in respect of the applicable Conversion Notice to reflect the Conversion Price determined by the Expert; and
 - (C) the Disagreeing Shareholder shall be responsible for and pay all the costs of the Expert.
- (h) If the reason for the Disagreeing Shareholder's dispute of the Conversion Price is expressed to be the inaccuracy of the Engineering Report, any Shareholder may, at its own cost and without prejudice, commission an updated Engineering Report from the authors of the most recent Engineering Report to facilitate the resolution of such dispute.
- (i) Concurrently with the completion of the conversion of any Shortfall Loans, the Shareholder converting such Shortfall Loans shall equalize its Shareholder Loan Balance pursuant to Section 11.3(e).

6.10 Shortfall Loan Purchase

- (a) An Underfunding Shareholder, may until a Conversion Notice has been given in respect of a Shortfall Loan, elect to purchase all of such Shortfall Loan from the Overfunding Shareholders. To exercise this right, the Underfunding Shareholder must provide notice, together with the Purchase Amount to such Overfunding Shareholders (in the proportion that such Overfunding Shareholders funded the Shortfall Loan) before such a Conversion Notice is given.
- (b) Upon the purchase of such Shortfall Loan by the Underfunding Shareholder in accordance with this Section 6.10:
- (i) such Shortfall Loan shall no longer be a Shortfall Loan between the Overfunding Shareholders and the Company and shall be automatically converted to and deemed to be a Shareholders' Loan (other than a Shortfall Loan) between the Underfunding Shareholder and the Company; and
 - (ii) the interest rate in such Shortfall Loan shall be automatically revised to be the same rate as the Shareholders' Loans.

ARTICLE 7
DIVIDENDS AND DISTRIBUTION POLICY

7.1 Regular Distributions

- (a) For each Calendar Quarter meeting of the Board, the Board shall consider if the Company (also considering any distributions to be made by its Subsidiaries) is able to make a Regular Distribution under Applicable Law and, to the extent applicable, the IFC Loan Agreement.
- (b) If the Board determines that the Company (also considering any distributions to be made by its Subsidiaries), is able to make a Regular Distribution under Applicable Law and, to the extent applicable, the IFC Loan Agreement:
 - (i) the Board shall (and, where applicable, shall cause Subsidiaries to) declare and pay a Regular Distribution in accordance with the Distribution Policy; and
 - (ii) the Board shall take all other actions as may be necessary to facilitate such Regular Distribution.
- (c) The Parties may, from time to time and subject to any requirements or restrictions under the IFC Loan Agreement, amend the Distribution Policy by a written instrument signed by each of them. The Company shall give notice to any Subsidiary of any amendments to the Distribution Policy.

7.2 Deferred Distributions

- (a) Each Shareholder that is entitled to receive a Regular Dividend Distribution shall have the right, on notice to the Company, to defer the payment of its share of such Regular Dividend Distribution. If a Shareholder exercises such right (a "**Deferring Shareholder**"):
 - (i) the Company shall hold such Deferring Shareholder's share of the Regular Dividend Distribution in trust for the benefit of such Deferring Shareholder; provided that the Company shall not be required to hold such amount in a separate account and that such amount shall not bear interest;
 - (ii) the Company shall keep a written record of the balance of the amounts held in trust for such Deferring Shareholder ("**Deferral Balance**");
 - (iii) the Company shall set off such Deferring Shareholder's Deferral Balance against such Deferring Shareholder's share of Funding Requests in accordance with Section 6.3; and
 - (iv) the Company shall be deemed to have discharged its obligation to pay such Deferring Shareholder its share of such Regular Dividend Distribution.
- (b) A Deferring Shareholder may, at any time, require, by notice to the Company, that the Company pay such Deferring Shareholder its Deferral Balance. Upon receiving such a notice, the Company shall pay the Deferral Balance to such Deferring Shareholder within 15 Days.

7.3 First Regular Distribution

[Redacted – details of initial cash distribution]

[Redacted – footer]

ARTICLE 8
DEFAULT AND COMPULSORY SHARE TRANSFER

8.1 Default Trigger Events and Notice

- (a) Any Shareholder that:
- (i) fails to pay when due its share of Required Funds (a "**Funding Default**"), or
 - (ii) suffers an Insolvency Event,
- shall be in default under this Agreement (a "**Defaulting Shareholder**"). Any Party may give notice (a "**Default Notice**") to the Defaulting Shareholder and each of the other Parties, specifying the default in reasonable detail.
- (b) For the duration of the Default Period the Shareholder in default shall be a Defaulting Shareholder for the purposes of this Agreement.

8.2 Rights Suspended

- (a) If there is a Defaulting Shareholder, then (despite any provision of this Agreement, the Constitutional Documents or Applicable Law) from the date of the Default Notice until the earlier of (A) the Defaulting Shareholder curing its default, (B) if applicable, the Non-Defaulting Shareholders providing a Shortfall Loan for the full amount of the Funding Default, and (C) the Buyers having completed the purchase of the Defaulting Shareholder's Interest under Section 8.4 (the "**Default Period**"), the Defaulting Shareholder has no right, in respect of any Group Company, to:
- (i) call or attend Shareholder, Board or subcommittee meetings;
 - (ii) vote on any matter coming before the Shareholders, the Board or any subcommittee;
 - (iii) have access to any data or information relating to any operations, including pursuant to Section 5.5, and including any draft Annual Business Plan and Budget under Article 5;
 - (iv) dispute or participate in the determination of the Conversion Price under Section 6.9;
 - (v) purchase a Shortfall Loan under Section 6.10;
 - (vi) be paid its Deferred Balance under Section 7.2(b);
 - (vii) consent to or reject any Transfer or otherwise exercise any other rights with respect to Transfers or a Change in Control under Article 9;
 - (viii) take assignment of any portion of another Shareholder's Interest, exercise a ROFR Option under Section 9.5, send a Drag-Along Notice under Section 9.6 or accept an Offer to tag-along under Sections 9.5 and 9.7;
 - (ix) be offered or issued any further Common Shares;
 - (x) nominate an observer to the Board under Section 4.1(c) or exercise any of the rights given to an observer hereunder;

- (xi) provide additional Required Funding or Shortfall Funding; or
 - (xii) except in a liquidation of the Company, receive any interest, dividend or other payment from the Company including any Regular Distribution.
- (b) During the Default Period, the Defaulting Shareholder may not Transfer all or part of its Interest, except to Non-Defaulting Shareholders under Section 8.4.
- (c) Despite any other provisions in this Agreement, the Constitutional Documents or Applicable Law, during the Default Period:
- (i) the Defaulting Shareholder shall immediately remove its nominees under Section 4.1(d) and the Non-Defaulting Shareholders shall redetermine their nomination rights under Section 4.1(d) with each Non-Defaulting Shareholder having a deemed Percentage Interest equal to the ratio such Non-Defaulting Shareholder's Percentage Interest bears to the total Percentage Interests of all Non-Defaulting Shareholders;
 - (ii) until the Defaulting Shareholder has removed its nominees under Section 4.1(d):
 - (A) the Defaulting Shareholder's nominee Directors shall not be required to be present to establish quorum for any meeting;
 - (B) any matters requiring a unanimous vote or approval of the Directors shall not require the vote or approval of the Defaulting Shareholder's nominee Directors;
 - (C) the Defaulting Shareholder's nominee Directors shall be deemed to have approved, and shall join with the Non-Defaulting Shareholders' nominee Directors in taking, any other actions voted on during the Default Period;
 - (iii) unless agreed otherwise by the Non-Defaulting Shareholders, the voting interest of each Non-Defaulting Shareholder shall be equal to the ratio such Non-Defaulting Shareholder's Percentage Interest bears to the total Percentage Interests of all Non-Defaulting Shareholders;
 - (iv) the Defaulting Shareholder shall not be required to be present to establish quorum for any meeting;
 - (v) any matters requiring a unanimous vote or approval of the Shareholders shall not require the vote or approval of the Defaulting Shareholder; and
 - (vi) the Defaulting Shareholder shall be deemed to have approved, and shall join with the Non-Defaulting Shareholders in taking, any other actions voted on during the Default Period.
- (d) For greater certainty, during the Default Period, the Company shall retain the amounts referenced in Section 8.2(a)(xii) that are otherwise payable to the Defaulting Shareholder and the amount so retained shall be set off against the amounts payable by the Defaulting Shareholder to the Company. Any amounts so retained and set off by the Company may be used by the Company to fund the Group's operations and the Business, including the payment of Regular Distributions to the Non-Defaulting Shareholders and, subject to the requirements set out in Article 3 of the Investment Agreement, the redemption of Redeemable Shares (Mauritius).

8.3 Opportunity to Remedy

- (a) Where the Defaulting Shareholder's default is a Funding Default, then at any time before:
- (i) where the Non-Defaulting Shareholders agree to provide the funds under the applicable Shortfall Funding Request, the Non-Defaulting Shareholders providing such funds to the Company; and
 - (ii) where the Non-Defaulting Shareholders do not agree to or do not provide the funds under the applicable Shortfall Request, the earliest of:
 - (A) a Non-Defaulting Shareholder delivering a Sale Notice;
 - (B) the Funding Request being retracted pursuant to Section 6.7(e)(ii)(B) such that the relevant Funding Default is deemed to be remedied; or
 - (C) the Non-Defaulting Shareholders agreeing another course of action under Section 6.7(e)(ii)(A)(I) or 6.7(e)(ii)(A)(II) and taking any substantive step in respect of such other course of action;

the Defaulting Shareholder may remedy its default by (1) paying the full amount of its share of the applicable Funding Request, and/or (2) the Company setting off amounts against such Funding Request under Section 8.2(d). At any time thereafter, the Defaulting Shareholder may remedy its Funding Default in such manner as the Shareholders may agree.

- (b) Where:
- (i) the Defaulting Shareholder no longer has the right to remedy its Funding Default because a Sale Notice has been given; and
 - (ii) the relevant Transfer has not been completed within the period set out in Section 9.3(d),
- then the Defaulting Shareholder shall again have the right to remedy its Funding Default pursuant to Section 8.3(a) without regard to such Sale Notice.
- (c) Where the Defaulting Shareholder's default is an Insolvency Event, then at any time before a Non-Defaulting Shareholder delivers a Sale Notice, the Defaulting Shareholder may remedy its default by removing the circumstances which gave rise to the Insolvency Event. At any time thereafter, the Defaulting Shareholder may remedy its default in such manner as the Shareholders may agree.
- (d) The Company shall promptly notify the Shareholders if the Defaulting Shareholder remedies its default.

8.4 Compulsory Sale Notice

- (a) If a Compulsory Transfer Event occurs in respect of a Shareholder (the "**Seller**" for the purposes of this potential Transfer), the Seller shall give notice of such event to the other Parties. Notwithstanding the Seller's compliance with the foregoing notice requirement, any other Shareholder (the "**Buyer**" for the purposes of this potential Transfer) may deliver notice (a "**Sale Notice**" for the purposes of this potential Transfer) to the Seller (copied to the other Parties):

- (i) at any time before the Seller cures its default in respect of a Compulsory Transfer Event in paragraphs (i) or (ii) of the definition thereof; provided that a Buyer may not give a Compulsory Sale Notice in respect of a Funding Default (A) before the expiry of the 15 Day period set out in Section 6.7(c)(ii), (B) where Section 6.7(g) applies, after the Funding Default is deemed cured under Section 6.7(g), or (C) where Section 6.7(e)(ii)(B) applies, after the cancelation and retraction of the Funding Request related to such Funding Default;
 - (ii) at any time in respect of a Compulsory Transfer Event in paragraphs (v), (vi), or (vii) of the definition thereof; and
 - (iii) within 45 Days after the Buyer receives the Seller's notice or otherwise becomes aware of such event in respect of a Compulsory Transfer Event in paragraphs (iii) or (iv) of the definition thereof.
- (b) The Sale Notice shall stipulate that the Buyer has elected to exercise its rights to purchase the Seller's Interest under this Section 8.4 and shall include the price the Buyer proposes to pay for the Seller's Interest (allocated between the Seller's Common Shares and Shareholder Loans).
 - (c) The delivery of a Sale Notice shall be without prejudice to any other right or remedy that the Buyer or the other Party may have under Applicable Law.
 - (d) If more than one Buyer delivers a notice under Section 8.4(a) only the notice first delivered shall be the Sale Notice and all other notices shall be null and void. For the purposes of this Section 8.4(d) and despite Article 13, the actual time and Day of delivery of the notice under Section 8.4(a) shall determine which notice is the Sale Notice and the competing delivery times shall be compared based on their Mauritius Time equivalents.
 - (e) Each of the other Shareholders shall be entitled to join with the Buyer (and then itself become a Buyer) in exercising its right to purchase the Seller's Interest, by giving notice to the Parties within 15 Days after its receipt of the Sale Notice.

8.5 Sale Price

- (a) The Seller may, within 30 Days after the delivery of the Sale Notice:
 - (i) accept the price set out in the Sale Notice;
 - (ii) agree a price with the Buyers; or
 - (iii) refer the matter for determination by the Expert in accordance with Section 14.2(c).
- (b) If the Seller fails to do any of the foregoing within such 30 Day period, it shall be deemed to have accepted the price set out in the Sale Notice.
- (c) The price for the Seller's Interest (the "**Sale Price**") shall be:
 - (i) the price agreed by the Parties, if agreed;
 - (ii) the price set out in the Sale Notice if, at the expiry of the 30 Day period, the Seller:
 - (A) has accepted that price; or

- (B) has neither accepted that price nor requested the determination of a market value by the Expert; or
- (iii) the Market Value (expressed per Common Share and per United States Dollar of Shareholder Loan outstanding) determined by the Expert, provided that the Seller has requested such a determination before the expiry of the 30 Day period.
- (d) If the Expert is required to determine the Market Value of the Seller's Interest, the Parties shall instruct the Expert to determine the Market Value of each Common Share and each United States Dollar of Shareholder Loans outstanding. "**Market Value**" of a Shareholder's Interest shall be determined in accordance with the following principles:
 - (i) the Group is to be valued given the then existing market conditions for sales of exploration and production companies and other relevant companies, and taking into account, amongst other things, country of operations, reserves, operations, commodity prices, comparable transactions, and the specific circumstances related to the sale;
 - (ii) where applicable, a premium or discount for the size of the Seller's Interest;
 - (iii) the sale is assumed to be between a willing buyer and a willing seller on the open market on arm's length terms;
 - (iv) the valuation date is the date on which the Compulsory Transfer Event which triggered the Sale Notice occurred;
 - (v) the Group's businesses shall continue to be carried on as a going concern; and
 - (vi) the Seller's Interest is sold free of all liens, charges and other Encumbrances (other than those provided in favour of any Party under or pursuant to this Agreement).
- (e) Despite anything else in this Agreement, if the Compulsory Transfer Event involves a Defaulting Shareholder (other than in the circumstance of Governmental Action), then the Sale Price determined by the Expert shall be discounted by [Redacted – percentage discount].

8.6 Exercise of Purchase Rights

- (a) Each Buyer shall have the option to purchase the Seller's Interest at the Sale Price for 30 Days after the acceptance of, the agreement on, or the determination of the Sale Price, as applicable. A Buyer who wishes to exercise its option shall give notice to the Seller (copied to all Parties) within such 30 Day period.
- (b) If a Buyer does not deliver a notice within the 30 Day period in Section 8.6(a), it shall be deemed to have elected not to exercise its option.
- (c) If no Buyer exercises its option to purchase the Seller's Interest, then there shall be no Transfer under this Section 8.6.
- (d) If a Buyer exercises its option, the Seller shall be bound to sell its Interest to such Buyer at the Sale Price. If one or more Buyers exercise their options in accordance with this Section 8.6, the Seller shall be bound to sell and the Buyers shall be bound to buy the Seller's Interest, in proportion to the Buyers' Percentage Interest.

8.7 Sale Mechanics

- (a) The Seller shall promptly join in such actions as may be necessary or desirable to obtain any government and third party approvals (including any under the IFC Loan Agreement) required regarding the sale and assignment of its Interest. The Buyers shall use reasonable endeavors to assist the Seller in obtaining such approvals. The Seller shall, without delay after any request from the Buyers, do any act required to be done by Applicable Laws in order to render the Transfer of its Interest legally valid, including obtaining all necessary governmental and third party consents and approvals, and shall sign any document and take such other actions as may be necessary in order to effect a prompt and valid Transfer of its Interest. The Seller shall promptly remove any Encumbrances which may exist on the date of Transfer of its Interest (other than those provided in favour of any Party under or pursuant to this Agreement). If all government and third party approvals are not timely obtained, the Seller shall, to the extent allowed under Applicable Laws, hold its Interest in trust or escrow arrangement for the benefit of the Buyers who are entitled to receive it.
- (b) Where the Seller is a Defaulting Shareholder, the Seller shall bear any penalties, damages, losses, costs (including reasonable legal costs and attorneys' fees and any stamp duty incurred on the documents signed to effect such Transfer) and liabilities incurred by the Shareholders in connection with such Transfer.
- (c) Where the Seller is not a Defaulting Shareholder, the Seller and the Buyers shall each bear their own costs related to the Transfer.
- (d) If necessary under the IFC Loan Agreement, the Seller shall obtain the approval or consent of IFC required to sell its Interest.

8.8 Remedies Cumulative

The rights and remedies granted to the Non-Defaulting Shareholders in this Article 8 shall be cumulative, not exclusive, and shall be in addition to any other rights and remedies that may be available to the Non-Defaulting Shareholders, whether at law, in equity or otherwise. Each right and remedy available to the Non-Defaulting Shareholders may be exercised from time to time and so often and in such order as may be considered expedient by the Non-Defaulting Shareholders in their sole discretion.

8.9 Survival

The obligations of the Defaulting Shareholder and the rights of the Non-Defaulting Shareholders shall survive the termination of this Agreement.

8.10 No Right of Set Off

Each Shareholder acknowledges and accepts that a fundamental principle of this Agreement is that each Shareholder pays its Percentage Interest share of all Funding Requests as and when required. Accordingly, any Shareholder that becomes a Defaulting Shareholder undertakes that, in respect of either any exercise by any other Party of any rights under or the application of any of the provisions of this Agreement, such Defaulting Shareholder hereby waives any right to raise by way of set off or invoke as a defense, whether in law or equity, any failure by any other Party to pay amounts due and owing under this Agreement or any alleged claim that such Defaulting Shareholder may have against a Party, whether such claim arises under this Agreement or otherwise. Each Shareholder further agrees that the nature and the amount of the remedies granted to the other Parties are reasonable and appropriate in the circumstances.

**ARTICLE 9
TRANSFER OF SHARES AND CHANGE OF CONTROL**

9.1 Exceptions

The Parties acknowledge and agree that, notwithstanding anything else contained herein, the provisions of Sections 9.2(a), 9.2(e), 9.5, 9.6 and 9.7 do not apply to:

- (a) the Transfer of the Investment Shares pursuant to the Investment Agreement;
- (b) any Transfer of the Redeemable Shares (Mauritius); or
- (c) the conversion of Shortfall Loans into Common Shares.

9.2 Restrictions

- (a) Each Shareholder undertakes that:
 - (i) it will not at any time Transfer any Common Shares, any Shareholder Loans or any right or interest in this Agreement except in accordance with this Agreement; and
 - (ii) without prejudice to Section 9.3(b)(vi), except as set out in Section 6.10, it will not at any time Transfer a Shareholder Loan independently of a Transfer of its Common Shares.
- (b) The Parties agree that any Transfer of Common Shares, Shareholder Loans or a right or interest in this Agreement other than in accordance with this Agreement and the IFC Loan Agreement shall not be binding on the Parties and shall be null and void.
- (c) No Transfer shall relieve the Transferring Shareholder of its obligations and liabilities under this Agreement incurred and existing as of the date of Transfer unless otherwise agreed in writing by the non-Transferring Shareholders.
- (d) The Company shall refuse to register any Transfer of any Common Share other than a Transfer permitted by or under and made in accordance with Article 8 and/or Article 9, which Transfer the Company shall register.
- (e) No Transfer shall be made by any Shareholder which would result in the Transferring Shareholder or the transferee holding less than a 10% Percentage Interest, except where the Transferring Shareholder is Transferring all of its Percentage Interest.
- (f) The Parties acknowledge that the IFC Loan Agreement imposes restrictions on Transfers of Shares and Changes in Control and agree that their rights and obligations under this Article 9 must be exercised and discharged in a manner which is consistent and compliant with such restrictions.

9.3 Transfer Conditions and Mechanisms

- (a) This Section 9.3 shall apply to all Transfers, including a Transfer under Article 8.
- (b) It shall be a condition precedent to each Transfer that:
 - (i) where the transferee is not a Shareholder, the remaining Shareholders and the transferee shall execute a Deed of Adherence;

- (ii) if consent is required for such Transfer under the IFC Loan Agreement, such consent has been obtained;
 - (iii) the transferee is permitted to hold the relevant Common Shares in accordance with Applicable Law, has provided all relevant information required by Applicable Laws and has obtained all necessary governmental and regulatory consents;
 - (iv) the transferee establishes to the satisfaction of the non-Transferring Shareholders that it is a Qualified Buyer;
 - (v) if the transferee is not a Shareholder, it becomes a party to the Shareholder Loan Agreement; and
 - (vi) despite anything else contained herein, concurrently with the Transfer, the transferee takes an assignment of a proportionate amount of the Transferring Shareholder's Shareholder Loans.
- (c) Subject to Section 9.3(b)(vi), in the event that there is more than one Buyer, the Buyers may unanimously agree to allocate the Seller's Interest between them in any proportion.
- (d) Completion of a Transfer:
- (i) in respect of a Transfer to a Proposed Buyer under Section 9.5, must take place within 180 Days after the expiry of the last Option Period; and
 - (ii) in respect of a Compulsory Transfer Event Transfer under Section 8.6, will take place within 60 Days after the acceptance of, agreement on or determination of the Sale Price,
- or, with the approval of the Shareholders (excluding any Defaulting Shareholder), which approval shall not be unreasonably withheld or delayed, such additional period that may be reasonably required to obtain any approval required by any governmental authority or sought by the parties to the Transfer. If a Transfer to a Proposed Buyer under Section 9.5 is not completed within the said period (or such longer Shareholder-approved period), the Seller must give an additional Sale Notice for such Transfer.
- (e) Unless otherwise specified or agreed and except as provided in Article 8:
- (i) the Seller shall be responsible for and shall bear the cost of obtaining any approval required by any Governmental Authority or sought by the parties to the Transfer. If the Seller:
 - (A) fails to diligently and continuously pursue obtaining such approvals; or
 - (B) has failed to obtain such approvals within 30 Days after:
 - (I) in respect of a Transfer to a Proposed Buyer under Section 9.5, the expiry of the last Option Period; or
 - (II) in respect of a Compulsory Transfer Event Transfer under Section 8.6, the acceptance of, agreement on or determination of the Sale Price,
- the Buyer may, on notice to the Seller, take responsibility for obtaining such approvals. If the Buyer takes responsibility for obtaining such approvals, its out-of-pocket expenses

shall be born equally by all Shareholders (buying and selling) participating in the Transfer; and

- (ii) if any transfer fee (excluding any tax) is payable to any government as a result of the sale, it shall be born equally by all Shareholders and other Persons (buying and selling) participating in the Transfer.
- (f) If the Seller fails to Transfer its Interest to the Buyer:
- (i) the Directors appointed by the Buyer may authorize any Director to execute a transfer and assignment of the Seller's Interest to the Buyer on behalf of the Seller; and
 - (ii) the Buyer may pay the purchase money to the Company who shall hold such purchase money in trust for the Seller. The receipt by the Company of the purchase money shall be a valid discharge of the Buyer's payment obligations and after the Buyer's name has been entered in the Company's register of members, the validity of the proceedings shall not be questioned by any Person.

9.4 Transfer to Affiliates

- (a) Each Shareholder shall have the right to Transfer all or part of its Interest to an Affiliate of such Shareholder, provided that:
- (i) the Transferring Shareholder has provided 30 Days' prior notice of such Transfer to the other Parties;
 - (ii) such Transfer has been approved in writing by the other Shareholders (such approval not to be unreasonably withheld or delayed); and
 - (iii) the Transferring Shareholder remains jointly and severally liable with such Affiliate for the obligations of such Affiliate under this Agreement, the Constitutional Documents, and the Shareholder Loan Agreement.
- (b) Where:
- (i) a Shareholder who makes a Transfer to an Affiliate pursuant to Section 9.4(a) (the "**Original Shareholder**") does not have an Ultimate Parent; and
 - (ii) such Affiliate (the "**Former Affiliate**") ceases to be an Affiliate of the Original Shareholder;

the Former Affiliate and the Original Shareholder shall immediately procure that the Former Affiliate effect a Transfer of any Interest held by the Former Affiliate to another Affiliate of the Original Shareholder approved by the other Shareholders (such approval not to be unreasonably withheld or delayed) or the Original Shareholder.

- (c) Where:
- (i) a Shareholder who makes a Transfer to an Affiliate pursuant to Section 9.4(a) (the "**Original Shareholder**") has an Ultimate Parent (the "**Original Ultimate Parent**"); and

- (ii) such Affiliate (the "**Former Affiliate**") ceases to be an Affiliate of the Original Ultimate Parent;

the Former Affiliate and the Original Shareholder shall immediately procure that the Former Affiliate effect a Transfer of any Interest held by the Former Affiliate to another Affiliate of the Original Ultimate Parent approved by the other Shareholders (such approval not to be unreasonably withheld or delayed) or the Original Ultimate Parent.

9.5 Transfers to Third Parties

For certainty, this Section 9.5 and Sections 9.6 and 9.7 do not apply to Transfers made as a result of Compulsory Transfer Events.

- (a) A Shareholder (the "**Seller**" for the purposes of this Transfer) may Transfer all or part of its Interest to a third party who is not an Affiliate of the Seller in accordance with this Section 9.5. The Seller shall give notice (a "**Sale Notice**" for the purposes of this Transfer) of its intention to Transfer to the other Shareholders (the "**Option Holders**") and the Company, which shall include:
 - (i) the name of the Person to whom the Seller proposes to make the Transfer (the "**Proposed Buyer**"), in the event that the Option Holders do not exercise their ROFR Options under this Section 9.5;
 - (ii) the number of Common Shares and the proportionate amount of Shareholder Loans it proposes to Transfer (the "**Sale Interest**");
 - (iii) the price for the Sale Interest (allocated between the Common Shares and the Shareholder Loans and expressed as per Common Share and per United States Dollar of outstanding Shareholder Loans) offered by or to the Proposed Buyer; provided that:
 - (A) if the consideration offered by or to the Proposed Buyer involves any non-cash consideration; or
 - (B) if the proposed Transfer includes assets other than the Sale Interest;

then the price shall reflect the portion of the total monetary value (expressed in United States Dollars) of the consideration (including any cash, other assets, and tax savings to the transferor from a non-cash deal) that reasonably and in good faith should be allocated to the Sale Interest;

(the "**Sale Price**" for the purposes of this Transfer);
 - (iv) the Proposed Buyer's Ultimate Parent, if any;
 - (v) any other material terms of the proposed Transfer;
 - (vi) where the Transfer may be a Drag-Along Transfer, any applicable Drag-Along Notice, which shall be conditional on such Transfer being a Drag-Along Transfer; and
 - (vii) where the Transfer may be a Tag-Along Transfer, an offer (an "**Offer**") from the Proposed Buyer to the relevant Shareholder, conditional on such Transfer being a Tag-Along Transfer, to purchase such Shareholder's Interest at the same price per Common Share and

per United States Dollar of outstanding Shareholder Loans (and otherwise on the same terms) as the proposed sale of the Seller's Interest to the Proposed Buyer.

The Sale Notice shall not be effective unless it contains all of the information referred to in this Section 9.5(a). Each effective Sale Notice is unconditional (save for the Offer and the Drag-Along Notice) and irrevocable when given. If there is a Dispute regarding the valuation of non-cash consideration or the allocation of a portion of the consideration to the Sale Interest, any Party shall be entitled to refer the matter for determination by the Expert in accordance with Section 14.2(c) and, in such case, the Option Period shall be extended for the number of Days between such referral and the Expert's final determination or the Parties final agreement on such valuation or allocation.

- (b) Each Option Holder shall have the option:
- (i) to acquire the Sale Interest at the Sale Price and on the other terms set out in the Sale Notice in priority to any right of the Proposed Buyer to acquire the Sale Interest (the "**ROFR Option**"); or
 - (ii) where applicable, to accept the Offer, conditional on such Transfer being a Tag-Along Transfer.

Such option shall be exercisable by each Option Holder for a period of 30 Days after its receipt of the Sale Notice (the "**Option Period**"). An Option Holder who wishes to exercise its option shall give notice (an "**Exercise Notice**") to the Parties before the expiry of its Option Period specifying whether it is exercising its ROFR Option or accepting the Offer.

- (c) If an Option Holder does not deliver an Exercise Notice within its Option Period, it shall be deemed:
- (i) not to have exercised its ROFR Option, and not to have accepted any Offer, and
 - (ii) to consent to the Transfer of the Sale Interest to the Proposed Buyer, provided that the Proposed Buyer has satisfied the requirements of Section 9.3(b)(iv).
- (d) If no Option Holder delivers an Exercise Notice within the Option Period, the Seller shall be free to complete the Transfer of the Sale Interest to the Proposed Buyer, subject always to Section 9.3, on terms no more favourable to the Proposed Buyer than the terms set out in the Sale Notice.
- (e) If an Option Holder delivers an ROFR Option Exercise Notice within its Option Period, the Seller shall be bound to sell the Sale Interest to such Option Holder (the "**Buyer**" for the purposes of this Transfer) who shall be bound to buy the Sale Interest. If more than one Option Holder has delivered a ROFR Option Exercise Notice to acquire the Sale Interest (each a "**Buyer**" for the purposes of this Transfer), the Seller shall be bound to sell and such Buyers shall be bound to buy the Sale Interest, in proportion to the Buyers' Percentage Interests.

9.6 Drag-Along Rights

- (a) For the purposes hereof, a Transfer shall be a "**Drag-Along Transfer**" if:
- (i) Section 9.5 applies to that Transfer;
 - (ii) the Seller holds a 50% or greater Percentage Interest;

- (iii) the Seller is Transferring all of its Interest; and
- (iv) no Option Holder has exercised its ROFR Option in accordance with Section 9.5.

Where there is a Drag-Along Transfer, the Seller shall have the right to require the other Shareholders to each Transfer their entire Interest as set forth in this Section 9.6.

- (b) The Seller shall exercise such right by delivering notice (a "**Drag-Along Notice**") to the other Shareholders with the Sale Notice under Section 9.5(a), setting forth the price for each other Shareholder's Interest determined in the same manner as the Sale Price; provided that the Drag-Along Notice shall be conditional on no Option Holder exercising its ROFR Option in accordance with Section 9.5.
- (c) Upon (i) delivery of the Drag-Along Notice, and (ii) no Option Holder exercising its ROFR Option in accordance with Section 9.5, the other Shareholders shall be required to sell or otherwise Transfer their entire Interest to the Proposed Buyer, on the same terms as have been agreed by the Seller and the Proposed Buyer for the Sale Interest, including making the same representations, warranties, covenants, indemnities and agreements that the Seller agrees to make (except that in the case of representations, warranties, covenants, indemnities and agreements pertaining specifically to a particular Shareholder, the other Shareholders shall make the comparable representations, warranties, covenants, indemnities and agreements and shall agree to comparable conditions, in each case to the extent applicable and pertaining specifically to itself and only to itself); provided that all representations, warranties, covenants, indemnities and agreements made by the other Shareholders shall be expressly stated to be several and not joint.
- (d) The Seller shall determine in its sole discretion whether or not to pursue, consummate, postpone or abandon any proposed Drag-Along Transfer and, subject to Section 9.6(c), the terms and conditions thereof. The Seller shall have no liability to any other Party arising from, relating to or in connection with the pursuit, consummation, postponement, abandonment or terms and conditions of any such proposed Drag-Along Transfer, except to the extent the Seller has failed to comply with the provisions of this Agreement, including this Section 9.6.

9.7 Tag-Along Rights

- (a) For the purposes hereof, a Transfer shall be a "**Tag-Along Transfer**" if:
 - (i) Section 9.5 applies to that Transfer;
 - (ii) the Seller holds a 50% or greater Percentage Interest;
 - (iii) the Seller is Transferring all of its Interest;
 - (iv) no Option Holder has exercised its ROFR Option in accordance with Section 9.5; and
 - (v) either (A) there is no Drag-Along Transfer under Section 9.6, or (B) there is a Drag-Along Transfer under Section 9.6, but no Drag-Along Notice in respect of such Drag-Along Transfer has been given.
- (b) Where there is a Tag-Along Transfer (including a conditional Tag-Along Transfer), the non-selling Shareholder shall have the right to accept the Offer from the Proposed Buyer by delivering an Exercise Notice (including an Exercise Notice which is conditional on the Transfer being a Tag-

Along Transfer) within its Option Period. In such case and after the condition is satisfied, but subject to Section 9.7(f):

- (i) such Party (the "**Tag-Along Seller**") will also be a "**Seller**" for the purposes of such Transfer;
 - (ii) the Tag-Along Seller shall be bound to sell all of its Interest;
 - (iii) the original Seller shall be bound to sell all of its Interest; and
 - (iv) the Proposed Buyer shall be bound to buy all of the Tag-Along Seller's and the original Seller's Interests. Such sales shall be on the terms set out in the Sale Notice and completed simultaneously.
- (c) The Tag-Along Seller must agree to make the same representations, warranties, covenants, indemnities and agreements that the original Seller agrees to make (except that in the case of representations, warranties, covenants, indemnities and agreements pertaining specifically to a particular Shareholder, the Tag-Along Seller shall make the comparable representations, warranties, covenants, indemnities and agreements and shall agree to comparable conditions, in each case to the extent applicable and pertaining specifically to itself and only to itself); provided that all representations, warranties, covenants, indemnities and agreements made by the Tag-Along Seller shall be expressly stated to be several and not joint.
- (d) The Tag-Along Seller shall be obligated to pay only its *pro rata* share of the costs of the proposed Transfer to the extent such costs are not paid or reimbursed by the proposed transferee. Each *pro rata* share shall be based on the number of Common Shares being Transferred by the specific Shareholder and the number of Common Shares being Transferred by all Shareholders.
- (e) The original Seller shall determine in its sole discretion whether or not to pursue, consummate, postpone or abandon any proposed Tag-Along Transfer and, subject to Section 9.7(c), the terms and conditions thereof. The original Seller shall have no liability to any other Party arising from, relating to or in connection with the pursuit, consummation, postponement, abandonment or terms and conditions of any such proposed Tag-Along Transfer, except to the extent the original Seller has failed to comply with the provisions of this Agreement, including this Section 9.7.
- (f) Despite anything else contained herein, the original Seller shall have the right to buy out and terminate each Tag-Along Seller's rights under this Section 9.7 by notice to such Tag-Along Seller within 15 Days after such Tag-Along Seller's Exercise Notice being or becoming unconditional. If the original Seller gives such a notice:
- (i) the Tag-Along Seller shall be deemed not to have given its Exercise Notice and such Exercise Notice shall be null and void; and
 - (ii) the original Seller shall, within 5 Days of the completion of the Tag-Along Transfer (if completed), pay the Tag Termination Fee to the Tag-Along Seller.

9.8 Change in Control

- (a) This Section shall apply where there is a Change in Control of a Shareholder and is without prejudice to Section 8.4.

- (b) A Shareholder subject to a Change in Control (an "**Acquired Shareholder**") shall:
- (i) obtain any necessary government approval or approval under the IFC Loan Agreement with respect to the Change in Control and furnish any replacement security required as a result of such Change in Control on or before the applicable deadlines;
 - (ii) provide the other Parties, as soon as practicable, the name of its new Ultimate Parent. If the Acquired Shareholder satisfies (in all material respects) the requirements of this Agreement in respect of such Change in Control, then such new Ultimate Parent shall be deemed to be such Shareholder's Ultimate Parent for the purposes of this Agreement;
 - (iii) except in the case of an Exempt Change in Control, provide evidence reasonably satisfactory to the other Shareholders that, after the Change in Control, the Acquired Shareholder shall continue to have (and, to the extent applicable, its new Ultimate Parent shall have):
 - (A) the technical ability to discharge its obligations under this Agreement and the Shareholder Loan Agreement;
 - (B) a good reputation; and
 - (C) the financial capability to satisfy its payment obligations under this Agreement, and the Shareholder Loan Agreement, including providing any required guarantees.

If the Acquired Shareholder fails to provide such evidence, any other Shareholder, by notice to the Acquired Shareholder, may require the Acquired Shareholder to provide security satisfactory to the other Parties concerning its Percentage Interest share of any Funding Requests or obligations or liabilities that the Shareholders may reasonably be expected to incur under this Agreement during the next two Calendar Years.

- (c) Once the final terms and conditions of a Change in Control (other than an Exempt Change in Control) have been fully negotiated, the Acquired Shareholder shall disclose all such final terms and conditions as are relevant to the acquisition of its Interest, and the determination of the Market Value of its Interest in a notice to the other Parties, which notice shall be accompanied by a copy of all instruments or relevant portions of instruments establishing such terms and conditions. The other Shareholders shall consider such information when assessing whether to send a Sale Notice under Section 8.4 and the Sale Price to be included in such Sale Notice.
- (d) If a Change in Control occurs without satisfaction (in all material respects) by the Shareholder subject to the Change in Control, as applicable, of the requirements of this Agreement, then each other Party shall be entitled to enforce specific performance of the terms of Sections 8.4 and 8.7 and this Section 9.8, in addition to any other remedies (including damages) to that it may be entitled. Each Party agrees that monetary damages alone would not be an adequate remedy for the breach of any Shareholder's obligations under Sections 8.4 and 8.7 and this Section 9.8.

9.9 Successors and Assignees

- (a) Subject to the limitations on Transfer contained in Article 9, this Agreement shall inure to the benefit of and be binding upon the successors and assignees of the Parties.

- (b) No Shareholder may assign, nor grant any security over, this Agreement or any of its rights and obligations hereunder, except as expressly permitted in this Agreement.

**ARTICLE 10
REPRESENTATIONS AND WARRANTIES**

Each Shareholder represents and warrants to the other Parties that:

- (a) it is a company duly incorporated, validly existing and in good standing under the laws of its country of incorporation and the laws of each country in which it conducts a material portion of its business and has all requisite corporate power and authority to own and operate properties and carry on its business as now conducted;
- (b) it has the requisite power and authority to enter into and perform its obligations under this Agreement and has taken all necessary corporate action to authorize the signing, delivery and performance of this Agreement;
- (c) this Agreement has been duly and validly executed and delivered by it, and (assuming the due authorization, execution and delivery by the other Parties) this Agreement constitutes its legal, valid and binding obligations, enforceable against it in accordance with the terms of the Agreement, subject to applicable bankruptcy, insolvency, reorganization, moratorium and similar Applicable Law affecting creditors' rights and remedies generally, and subject, as to enforceability, to general principles of equity, including principles of commercial reasonableness, good faith and fair dealing (regardless of whether enforcement is sought in a proceeding at law or in equity);
- (d) its entry into this Agreement and performance of its obligations hereunder will not:
- (i) conflict with, or result in any violation of or default (with or without notice or lapse of time or both) under, or give rise to a right of termination or cancellation or acceleration of performance under, any provision of:
- (A) any order of any Governmental Authority applicable to it;
- (B) its organizational documents;
- (C) any other agreement to which it is party or bound; or
- (D) any Applicable Law; or
- (ii) require it, or any Affiliate, to obtain any consent, waiver, approval, order, permit or authorization of, or declare or file with, or give notification to, any Person or Governmental Authority other than any consents, waivers, approvals, orders, permits or authorizations previously obtained; and
- (e) it is in compliance, in all material respects, with all Applicable Law applicable to its business or operations and it has not received written notice of and has not been charged with any violation of any Applicable Law.

ARTICLE 11
RELATIONSHIP OF PARTIES, TAX AND ANTIDILUTION

11.1 Relationship of Parties

The rights, duties, obligations, and liabilities of the Parties under this Agreement shall be individual, not joint or collective. It is not the intention of the Parties to create, nor shall this Agreement be deemed or construed to create, a mining or other partnership, joint venture or association or (except as explicitly and solely to the extent provided in this Agreement) a trust. This Agreement shall not be deemed or construed to authorize any Party to act as an agent, servant or employee for any other Party for any purpose whatsoever except as explicitly set forth in this Agreement. In their relations with each other under this Agreement, the Parties shall not be considered fiduciaries except as expressly provided in this Agreement.

11.2 Tax

Each Party shall be responsible for reporting and discharging its own tax measured by the profit or income of the Party and the satisfaction of such Party's share of all obligations under this Agreement. Each Party shall protect, defend, and indemnify each other Party from any damage, loss, cost or liability arising from the indemnifying Party's failure to report and discharge such taxes or satisfy such obligations.

11.3 Anti Dilution

- (a) The Shareholders shall procure that the Company shall not issue any Common Shares or any other form of equity security (including shares of a different class to the Common Shares, or redeemable shares of any kind) to third parties without first offering such Common Shares or other form of equity security to the Shareholders in proportion to their Percentage Interests and on terms no less favourable to the Shareholders than the terms proposed to be offered to any third parties. If any Shareholder declines to acquire any or all of its portion of such Common Shares or other equity securities, then the other Shareholders shall be entitled to acquire such unallotted Common Shares or other equity securities in proportion to their Percentage Interest. The Company shall only be able to issue Common Shares or other equity securities to a third party (i) after the Shareholders have declined to acquire such Shares/other equity securities, (ii) on terms no more favourable than those offered to the Shareholders, and (iii) within 30 Days after the Shareholders decline to acquire such Common Shares or other equity securities.
- (b) Section 11.3(a) shall not apply to (i) a conversion of Shortfall Loans into Common Shares or (ii) the issuance of Redeemable Shares (Mauritius) to Orca in connection with the Pre-Effective Date Assets.
- (c) The Parties shall comply with any obligations under the IFC Loan Agreement regarding the issuance of Shares.
- (d) It shall be a condition precedent to any issuance of Common Shares to a third party that:
 - (i) the Parties and the third party shall execute a Deed of Adherence;
 - (ii) if consent is required for such action under the IFC Loan Agreement, such consent has been obtained;

- (iii) the third party is permitted to hold the relevant Common Shares in accordance with Applicable Law, has provided all relevant information required by Applicable Laws and has obtained all necessary governmental and regulatory consents;
 - (iv) the third party establishes to the satisfaction of the Company that it is a Qualified Buyer; and
 - (v) the third party becomes a party to the Shareholder Loan Agreement.
- (e) If the Percentage Interests of the Shareholders change as the result of the issuance of Common Shares to one or more Persons (including as a result of the conversion of Shortfall Loans), then the Persons whose Percentage Interests increased (each in the ratio of the increase in its Percentage Interest to the increase in all the increased Percentage Interests) shall pay a portion of the Shareholder Loan Balance to the Persons whose Percentage Interests decreased (each in the ratio of the decrease in its Percentage Interest to the decrease in all the decreased Percentage Interests), so that thereafter each Shareholder holds a portion of the Shareholder Loan Balance equal to its Percentage Interest.

11.4 Share Certificates

- (a) If a share certificate is requested by a Shareholder, such share certificate in respect of the Common Shares shall have typed on the back thereof the following legend:
- "The Common Shares represented by this certificate are held by the registered owner subject to the terms of a Shareholders' Agreement dated [●] (as amended or replaced in accordance with the Shareholders' Agreement) which prevents the registered owner from (*inter alia*) selling, transferring, assigning, mortgaging, charging, pledging or otherwise disposing in any way whatsoever of the said Common Shares otherwise than in accordance with that agreement, a copy of which has been filed at, and can be inspected at, the Company's registered office."
- (b) The Shareholders shall procure that the Company maintains an executed copy of this Agreement on file at its registered office.

ARTICLE 12 CONFIDENTIALITY

12.1 Confidential Information

- (a) Subject to the provisions of this Article 12, each Party agrees that all information which it may have or acquire in relation to the Business, finance, assets or affairs of the Group and the Shareholders shall be considered confidential and shall be kept confidential, and shall not be disclosed during the term of this Agreement and for a period of four years afterwards to any Person not a Party to this Agreement, except:
- (i) to an Affiliate, where such disclosure is for a purpose related to this Agreement;
 - (ii) to the extent such information must be furnished in compliance with Applicable Law (including Transparency Laws applicable to a Shareholder or its Affiliates), or pursuant to any legal proceedings or because of any order of any court binding upon a Party;

- (iii) to prospective or actual attorneys engaged by any Party where disclosure of such information is essential to such attorney's work for such Party;
 - (iv) to prospective or actual contractors and consultants engaged by any Party where disclosure of such information is essential to such contractor's or consultant's work for such Party;
 - (v) to a *bona fide* prospective transferee of a Shareholder's Interest to the extent appropriate in order to allow the assessment of such Interest (including a Person with whom a Shareholder and/or its Affiliates are conducting bona fide negotiations directed toward a merger, consolidation, or the sale of a majority of its or an Affiliate's shares);
 - (vi) to a bank or other lender to a Party arranging for funding to the extent appropriate or the "Security Trustee " referenced in the Consent and Acknowledgment;
 - (vii) to the extent such information must be disclosed pursuant to any rules or requirements of any government or stock exchange having jurisdiction over such Party, or its Affiliates; provided that if any Party desires to disclose information in an annual or periodic report to its or its Affiliates' shareholders and to the public and if such disclosure is not required under any rules or requirements of any government or stock exchange, then such Party shall comply with Section 12.3;
 - (viii) to its respective employees for the purposes of performing its obligations or enforcing its rights as a Shareholder, subject to each Party taking customary precautions to ensure such information is kept confidential; and
 - (ix) any information that, through no fault of a Party, becomes a part of the public domain.
- (b) Disclosure under Sections 12.1(a)(iv), 12.1(a)(v), and 12.1(a)(vi) shall not be made unless before such disclosure the disclosing Party has obtained a written undertaking from the recipient party to keep the information strictly confidential for at least two years and to use the information for the sole purpose described in Sections 12.1(a)(iv), 12.1(a)(v), and 12.1(a)(vi), whichever applies, with respect to the disclosing Party.

12.2 Continuing Obligations

Any Shareholder ceasing to own an Interest during the term of this Agreement shall nonetheless remain bound by the obligations of confidentiality in Section 12.1, and any Disputes in relation thereto shall be resolved under Article 14.

12.3 Public Announcements

If a Party wishes to issue or make any public announcement or statement regarding this Agreement or the Business, it shall not do so unless, before the release of the public announcement or statement, such Party furnishes all the Parties with a copy of such announcement or statement, and obtains the approval of the other Parties; provided that, despite any failure to obtain such approval, no Party shall be prohibited from issuing or making any such public announcement or statement if it is necessary to do so in order to comply with the applicable laws, rules, or regulations of any government, legal proceedings or stock exchange having jurisdiction over such Party or its Affiliates as set forth in Section 12.1.

**ARTICLE 13
NOTICES**

13.1 Form of Notices

(a) Except as otherwise specifically provided, all notices authorized or required between the Parties by any of the provisions of this Agreement shall be in writing (in English), shall be deemed to have been properly given when addressed to the appropriate Parties at the addresses as set out below, and:

- (i) delivered in person or by a recognized international courier service maintaining records of delivery; or
- (ii) transmitted by facsimile; provided that the sender can and does provide evidence of successful and complete transmission; or
- (iii) transmitted by e-mail; in which case the item so transmitted shall be deemed to have been received when the recipient responds to such e-mail or a manual delivery receipt is received by the Party who has sent such e-mail:

(A) Orca

Orca Exploration Group Inc.
c/o Orca Exploration UK Services Ltd.
[Redacted – address]

Attention: Chief Executive Officer
Facsimile No.: [Redacted]
E-mail: [Redacted]

(B) Swala

Swala (PAEM) Limited
[Redacted – address]

Attention: Dr. David Mestres Ridge
Facsimile No.: [Redacted]
E-mail: [Redacted]

(C) The Company

PAE PanAfrican Energy Corporation
[Redacted – address]

Attention: Chief Financial Officer
Facsimile No.: [Redacted]
E-mail: [Redacted]

(b) Oral communication does not constitute notice for purposes of this Agreement, and telephone numbers for the Parties are listed above as a matter of convenience only. Email communication does not constitute notice for the purposes of Sections 14.2 and 14.3.

13.2 Delivery of Notices

A notice given under this Agreement shall be deemed delivered only when received by the Party to whom such notice is directed, and the time for such Party to deliver any notice in response to such originating notice shall run from the date the originating notice is received. "**Received**" for purposes of giving notice under this Agreement shall mean actual delivery of the notice to the address of the Party specified in Section 13.1 or to the most current address specified in a notice under Section 13.3; provided that any notice sent by facsimile after 5:00 p.m. on a business day or on a weekend or holiday at the location of the receiving Party shall be deemed given on the next following business day of the receiving Party.

13.3 Change of Address

Each Party shall have the right to change its address at any time and/or designate that copies of all such notices be directed to another Person at another address, by giving notice thereof to all other Parties.

ARTICLE 14 APPLICABLE LAW AND DISPUTE RESOLUTION

14.1 Applicable Law

The substantive laws of England and Wales, exclusive of any conflicts of laws principles that could require the application of any other law, shall govern this Agreement for all purposes.

14.2 Notice of Dispute

- (a) A Party who desires to submit a Dispute for resolution shall commence the Dispute resolution process by providing the other parties to the Dispute notice of the Dispute ("**Notice of Dispute**"). The Notice of Dispute shall identify the parties to the Dispute and contain a brief statement of the nature of the Dispute and the relief requested. The submission of a Notice of Dispute shall toll any applicable statutes of limitation related to the Dispute, pending the conclusion or abandonment of Dispute resolution proceedings under this Article 14.
- (b) The Parties shall endeavour, by consultation and negotiation between Senior Executives, or by mediation (if agreed), to amicably resolve in good faith any Dispute arising out of or in connection with this Agreement. If there is no agreed resolution within 15 Days of the receipt by any Party of a Notice of Dispute, Disputes shall be resolved in accordance with the following Sections.
- (c) For any decision referred to an Expert under Sections 6.9, 8.5 or 9.5, the Parties hereby agree that such decision shall be conducted expeditiously by an Expert selected unanimously by the parties to the Dispute. The Expert is not an arbitrator of the Dispute and shall not be deemed to be acting in an arbitral capacity. The Party desiring an expert determination shall give the other parties to the Dispute notice of the request for such determination. If the parties to the Dispute are unable to agree upon an Expert within ten Days after receipt of the notice of request for an expert determination, then, upon the request of any of the parties to the Dispute, the International Centre for Expertise of the International Chamber of Commerce (ICC) shall appoint such Expert and shall administer such expert determination through the ICC's Rules for Expertise. The Expert, once appointed, must not have any *ex parte* communications with any of the parties to the Dispute concerning the expert determination or the underlying Dispute. All Parties agree to cooperate fully in the expeditious conduct of such expert determination and to provide the Expert with access to all facilities, books, records, documents, information, and personnel necessary to make a fully

informed decision in an expeditious manner. Before issuing his final decision, the Expert shall issue a draft report and allow the parties to the Dispute to comment on it. The Expert shall endeavour to resolve the Dispute within 30 Days (but no later than 60 Days) after his appointment, taking into account the circumstances requiring an expeditious resolution of the matter in Dispute. The Expert's decision shall be final and binding on the parties to the Dispute unless challenged in an arbitration to be commenced under Section 14.3 within 60 Days of the date the Expert's final decision is received by the parties to the Dispute. In such arbitration (i) the expert determination on the specific matter under Sections 6.9, 8.5 or 9.5 shall be entitled to a rebuttable presumption of correctness; and (ii) the Expert shall not (without the written consent of the parties to the Dispute) be appointed to act as an arbitrator or as adviser to the parties to the Dispute.

14.3 Dispute Resolution

- (a) Any Dispute, other than the initial determination of a Dispute under Section 6.9, 8.5 or 9.5 which may be referred to an Expert, shall be resolved through final and binding arbitration, it being the intention of the Parties that this is a broad form arbitration agreement designed to encompass all possible Disputes, including Disputes about the arbitrability of a Dispute.
- (i) The arbitration shall be conducted under the Rules of Arbitration of the International Chamber of Commerce by three arbitrators appointed in accordance with the said Rules (the "**Rules**"). The Emergency Arbitrator Provisions in the said Rules shall apply.
 - (ii) The seat and place of arbitration shall be London, England.
 - (iii) The arbitration proceedings shall be conducted in the English language and the arbitrators shall be fluent in the English language. The governing law of this arbitration clause and of any Dispute to be determined pursuant to this Section 14.3 shall be the substantive law of England and Wales.
 - (iv) The award of the arbitral tribunal shall be final and binding. Judgment on the award of the arbitral tribunal may be entered and enforced by any court of competent jurisdiction.
 - (v) The award shall include interest, as determined by the arbitral tribunal, from the date of any default or other breach of this Agreement until the arbitral award is paid in full.
 - (vi) The arbitral award shall be made and payable in United States Dollars, free of any tax or other deduction.
 - (vii) The Parties waive their rights to claim or recover from each other, and the arbitral tribunal shall not award any punitive, multiple, or other exemplary damages (whether statutory or common law) except to the extent such damages have been awarded to a third party and are subject to allocation between or among the parties to the Dispute.
- (b) All negotiations, mediation, arbitration, and expert determinations relating to a Dispute (including a settlement resulting from negotiation or mediation, an arbitral award, documents exchanged or produced during a mediation or arbitration proceeding, and memorials, briefs or other documents prepared for the arbitration) are confidential and may not be disclosed by the Parties, their employees, officers, directors, counsel, consultants, and expert witnesses, except (under Section 12.1) to the extent necessary to enforce this Article 14 or any arbitration award, to enforce other rights of a Party, or as required by law; provided, however, that breach of this confidentiality provision shall not void any settlement, expert determination or award.

ARTICLE 15
GENERAL PROVISIONS

15.1 Conduct of the Parties

- (a) Each Party with regard to operations and/or activities under this Agreement:
- (i) warrants that such Party and its Affiliates and their respective directors, officers, employees and personnel have not made, offered, or authorized; and
 - (ii) covenants that such Party and its Affiliates and their respective directors, officers, employees, and personnel will not make, offer, or authorize,
- any payment, gift, promise or other advantage, whether directly or through any other Person, to or for the use or benefit of any Government Official where such payment, gift, promise or advantage would violate the Anti-Bribery Laws and Obligations applicable to such Party.
- (b) In addition, each Party with regard to operations and/or activities under this Agreement:
- (i) warrants that such Party and its Affiliates and their respective directors, officers, employees and personnel have complied with; and
 - (ii) covenants that such Party and its Affiliates and their respective directors, officers, employees, and personnel will comply with,
- the Anti-Bribery Laws and Obligations applicable to such Party and its Affiliates.
- (c) Each Party shall as soon as possible notify the other Parties of any investigation or proceeding initiated by a governmental authority relating to an alleged violation of applicable Anti-Bribery Laws and Obligations by such Party, or its Affiliates, or any of their directors, officers, employees, personnel, or any service providers of such Party or its Affiliates, concerning operations and activities under this Agreement. Such Party shall use reasonable efforts to keep the other Parties informed as to the progress and disposition of such investigation or proceeding, except that such Party shall not be obligated to disclose to the other Parties any information that would be considered legally privileged.
- (d) Each Party shall indemnify the other Parties for any damages, losses, penalties, costs (including reasonable legal costs and attorneys' fees), and liabilities arising from, or related to the events underlying:
- (i) such Party's admission of allegations made by a governmental authority concerning operations and/or activities under this Agreement that such Party or its Affiliates or their directors, officers, employees and personnel have violated Anti-Bribery Laws and Obligations applicable to such Party; or
 - (ii) the final adjudication concerning operations and/or activities under this Agreement that such Party or its Affiliates or their directors, officers, employees and personnel have violated Anti-Bribery Laws and Obligations applicable to such Party.

Such indemnity obligations shall survive termination or expiration of this Agreement.

- (e) Each Party shall, concerning matters that are the subject of this Agreement:
 - (i) devise and maintain adequate internal controls concerning such Party's undertakings under Section 15.1(a);
 - (ii) establish and prepare its books and records in accordance with generally accepted accounting practices applicable to such Party;
 - (iii) properly record and report such Party's transactions in a manner that accurately and fairly reflects in reasonable detail such Party's assets and liabilities;
 - (iv) retain such books and records for a period of at least five Calendar Years; and
 - (v) comply with the laws applicable to such Party.
- (f) Each Party must be able to rely on the adequacy of the other Parties' system of internal controls, and on the adequacy of full disclosure of the facts, and of financial and other information concerning operations and/or activities under this Agreement.
- (g) Each Party shall promptly respond in reasonable detail to any reasonable request from any other Party concerning a notice sent by such Party under Section 15.1(c) and shall furnish applicable documentary support for such Party's response, including showing such Party's compliance with the undertakings set out in Section 15.1(a) and Section 15.1(e), except that such Party shall not be obligated to disclose to the other Parties any information that would be considered legally privileged.

15.2 Conflicts of Interest

Unless otherwise agreed, the Parties and their Affiliates are free to engage or invest (directly or indirectly) in an unlimited number of activities or businesses, any one or more of which may be related to or in competition with the business activities contemplated under this Agreement, without having or incurring any obligation to offer any interest in such business activities to any Party.

15.3 Waiver

No waiver by any Party of any one or more defaults by another Party in the performance of any provision of this Agreement shall operate or be construed as a waiver of any future default or defaults by the same Party, whether of a like or of a different character. Except as expressly provided in this Agreement, no Party shall be deemed to have waived, released, or modified any of its rights under this Agreement unless such Party has expressly stated, in writing, that it does waive, release, or modify such right.

15.4 No Third Party Beneficiaries

The interpretation of this Agreement shall exclude any rights under legislative provisions conferring rights under a contract to persons not a party to that contract, including rights solely by virtue of the Contracts (Rights of Third Parties) Act of 1999.

15.5 Joint Preparation

Each provision of this Agreement shall be construed as though all Parties participated equally in the drafting of the same. Consequently, the Parties acknowledge and agree that any rule of construction that a document is to be construed against the drafting party shall not be applicable to this Agreement.

15.6 Severance of Invalid Provisions

If and for so long as any provision of this Agreement shall be deemed to be judged invalid for any reason whatsoever, such invalidity shall not affect the validity or operation of any other provision of this Agreement except only so far as shall be necessary to give effect to the construction of such invalidity, and any such invalid provision shall be deemed severed from this Agreement without affecting the validity of the balance of this Agreement.

15.7 Counterpart Execution

This Agreement may be executed in any number of counterparts with the same effect as if all signatories to the counterparts had signed one document. All such counterparts shall together constitute and be construed as one instrument. For avoidance of doubt, a signed counterpart provided by way of facsimile transmission or other electronic means shall be as binding upon the Parties as an originally signed counterpart.

15.8 Amendment

Except as set out in Sections 7.1(c), 9.8(b)(ii) and 15.6, this Agreement may not be modified except by a written amendment signed by all Parties.

15.9 Costs

All costs in connection with the negotiation, preparation, execution and performance of this Agreement shall be borne by the Party that incurred the costs.

15.10 Entirety

This Agreement, including any attachments, constitutes the entire agreement of the Parties, supersedes all prior representations, understandings and negotiations of the Parties relating to the subject matter of this Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their respective officers thereunto duly authorized, as of the date first written above.

ORCA EXPLORATION GROUP INC.

Per: (signed) "W. David Lyons"
Name: W. David Lyons
Title: Chairman and Chief Executive Officer

SIGNED by **DAVID MESTRES RIDGE**
for **SWALA (PAEM) LIMITED**

)
) (signed) "David Mestres Ridge"
) Director

**PAE PANAFRICAN ENERGY
CORPORATION**

Per: (signed) "Blaine Karst"
Name: Blaine Karst
Title: Chief Financial Officer

SCHEDULE 1 - DEED OF ADHERENCE

Deed of Adherence

Dated _____, _____

Between

- (1) ** [insert name of transferee] (the "New Shareholder") a company incorporated in ** and having its registered office at ** ; and
- (2) **Orca Exploration Group Inc.**, a company incorporated under the laws of the British Virgin Islands ("**Orca**");
- (3) **Swala (PAEM) Limited**, a company formed under the laws of England ("**Swala**");
- (4) **PAE PanAfrican Energy Corporation**, a company incorporated under the laws of the Republic of Mauritius (the "**Company**"); and
- (5) ** [Any other Person becoming bound by the Agreement].

Recitals

By virtue of the transfer referred to in the Schedule to this Deed the New Shareholder became entitled subject, *inter alia*, to the execution of this Deed, to the Common Shares (the "**New Shareholder's Shares**") in the capital of the Company referred to in the Schedule.

This deed witnesses:

1. In this Deed (including the recitals to this Deed):
 - (a) the Agreement means the shareholders agreement dated [●] and made between Orca Exploration Group Inc., Swala (PAEM) Limited, and PAE PanAfrican Energy Corporation; and
 - (b) terms and expression defined in the Agreement shall have the same meaning when used in this Deed unless the context requires or admits otherwise.
2. In consideration of the sum of \$1 now paid by the Company (on behalf of itself and each other party hereto other than the New Shareholder) to the New Shareholder, receipt whereof is hereby acknowledged, the New Shareholder hereby covenants with and undertakes to each other party to this Deed and to the Company as trustee for all other parties who hereafter become bound by the Agreement pursuant to a deed in a similar form to this Deed and entered into pursuant to the Agreement, to adhere to and be bound by the provisions of the Agreement as if the New Shareholder had been an original party to the Agreement.
3. The New Shareholder represents and warrants to the other parties to this Deed and to the Company as trustee for all other parties who hereafter become bound by the Agreement pursuant to a deed in a similar form to this Deed and entered into pursuant to the Agreement:
 - (a) that it is duly incorporated in [●];

[Redacted – footer]

(b) the signature, execution and performance of this Deed and the obligations contemplated hereunder and all ancillary documents have been duly authorized and are within its corporate power, constitute binding obligations on it in accordance with their terms and will not give rise to any breach of any instrument, agreement, law, order, judgment or decree by which [name of new shareholder] or the Company will be bound; and

(c) that it's Ultimate Parent, if applicable, is [●] duly incorporated in [●].

4. **[In the case of a transfer to an Affiliate:** Notwithstanding anything contained in this Deed or the transfer of the New Shareholder's Shares to the New Shareholder by the transferor and the entry by the New Shareholder into this Deed, nothing in this Deed shall in any way release, discharge or diminish the liability of the transferor from the due and prompt performance of its obligations under the Agreement.

[in the case of all other transfers: Save as provided in Section [surviving provisions] of the Agreement, the Company and the Shareholders hereby release the transferor from [its/their] obligations under the Agreement.]

5. The provisions of this Deed (other than those contained in this Section) shall not have any effect until this document has been dated.

In witness whereof this Deed has been duly executed

Schedule

Transferor
**

Transferee
**

Common Shares
**

Price
**

SCHEDULE 2 - FORM OF SHAREHOLDER LOAN AGREEMENT

Shareholder Loan Agreement dated _____

Between:

PAE PanAfrican Energy Corporation, a company incorporated under the laws of the Republic of Mauritius (the "**Company**"), as borrower;

-and-

The Shareholders under and as defined in the Shareholders' Agreement (defined below), as lenders.

WHEREAS the Company and the Shareholders are parties to a shareholders' agreement dated _____ (as amended, restated, supplemented or otherwise modified from time to time, the "**Shareholders' Agreement**") between the Shareholders and the Company.

AND WHEREAS the Company may from time to time make Funding Requests or Shortfall Funding Requests under the Shareholders' Agreement and the Shareholders have agreed to make available Shareholder Loans including, if applicable, Shortfall Loans to the Company to fund such Funding Requests or Shortfall Funding Requests subject to the terms and conditions of this Agreement.

AND WHEREAS each of the Shareholders has agreed to participate in the Facility by way of an undivided interest in each Loan in accordance with its Commitment Amount.

NOW THEREFORE the parties agree as follows:

1. Definitions and Interpretation

Unless otherwise defined herein, defined terms have the meaning given to them in the Shareholders' Agreement. In addition:

"**Commitment Amount**" means, in respect of each Shareholder, the product of the Total Commitment multiplied by such Shareholder's Percentage Interest from time to time.

"**Conversion Date**" means the date that is 14 Days after the Conversion Notice Date.

"**Conversion Notice**" has the meaning given to such term in Section 10(d).

"**Conversion Notice Date**" means the date on which a Conversion Notice is received by the Company.

"**Distribution**" means, any payment (including by way of set-off) of principal, interest or fee or other distribution of cash or other property received in respect of the Obligations.

"**Event of Default**" has the meaning given to such term in Section 9.

"**Facility**" means the credit facility described in Section 2.

"Interest Rate" means: (i) in respect of Shareholder Loans other than Shortfall Loans, 10% per annum, and (ii) in respect of Shortfall Loans 15% per annum.

"Loan" means a loan made or to be made under the Facility or the principal amount outstanding for the time being of that loan.

"Loan Account" means an account maintained by each Shareholder on its books with respect to the Loans.

"Obligations" means all present and future debts, liabilities and obligations of the Company to the Shareholders pursuant to this Agreement, whether for principal, interest, costs, expenses or otherwise.

"Outstanding Balance" means the outstanding principal amount of all Shortfall Loans and any accrued but unpaid interest thereon as of the Conversion Date.

"Party" means a party to this Agreement.

"Proportionate Share" means the ratio of the actual advances by a Shareholder to the aggregate of the actual advances by all Shareholders under the Facility.

"Tax" means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same).

"Tax Deduction" means a deduction or withholding for or on account of Tax from a payment under this Agreement.

"Total Commitment" means [Redacted – dollar amount].

"Utilisation" means a utilisation of the Facility.

"Utilisation Date" means the date of a Utilisation, being the date on which the relevant Loan is to be made.

Unless a contrary indication appears, any reference in this Agreement to:

- (a) the expressions "Section", "Subsection", and "paragraph" followed by a number or letter or combination thereof mean and refer to the specified section, subsection, and paragraph of or to this Agreement;
- (b) when the context reasonably permits, words suggesting the singular shall be construed as suggesting the plural and vice versa, and words suggesting gender or gender neutrality shall be construed as suggesting the masculine, feminine and neutral genders. If a term is defined in this Agreement, a derivative of that term shall have a corresponding meaning;
- (c) indebtedness includes any obligation, whether incurred as principal or as surety, for the payment or repayment of money, whether present or future, actual or contingent and whether owed jointly or severally or in any other capacity;

- (d) liabilities includes any obligation whether incurred as principal or as surety, whether or not in respect of indebtedness, whether present or future, actual or contingent and whether owed jointly or severally or in any other capacity;
- (e) any Person includes one or more of that Person's assigns, transferees, successors in title, delegates, sub-delegates and appointees (in the case of a Party, in so far as such assigns, transferees, successors in title, delegates, sub-delegates and appointees are permitted);
- (f) the division of this Agreement into Sections, Subsections and paragraphs and the provision of headings for all or any thereof are for convenience and reference only and shall not affect the construction or interpretation of this Agreement; and
- (g) all monetary amounts expressed herein or calculated or to be paid pursuant hereto shall be in United States Dollars unless otherwise specified. If any amount must be converted from United States Dollars to any other currency or from any other currency to United States Dollars for the purposes of this Agreement, such amount shall be converted using the conversion methodology of the Company consistent with past practice.

2. The Facility

- (a) Subject to the terms and conditions hereof, each Shareholder shall make available to the Company a credit facility (the "**Facility**") in an amount of up to its Commitment Amount to satisfy Funding Requests and Shortfall Funding Requests.
- (b) The Facility may be utilized by the Company by way of Loans evidenced by debit entries made by the applicable Shareholder to its Loan Account.
- (c) The Company may, borrow, repay and reborrow Loans subject always to the terms and conditions hereof. No Shareholder shall have any obligation to make a Loan if, after giving effect thereto, the outstanding principal amount under the Facility would exceed its Commitment Amount or if this Agreement has been terminated in accordance with Section 9.

3. Repayment

The Company shall repay each Loan together with accrued but unpaid interest with Available Funds (Mauritius) in accordance with the terms of the Shareholders Agreement and in accordance with the order of priority set forth in the Distribution Policy. Any repayment of the Loans and any interest or other benefit received in connection with any such repayment will be applied, allocated and paid to the Shareholders, in accordance with each Shareholders' Proportionate Share thereof. If insufficient funds are received by the Shareholders in respect of the Obligations then due and payable, or any Shareholder for any reason is not able to receive its Proportionate Share of any Distribution, the Shareholders shall make such adjustments as are reasonably necessary between them with respect to Distributions received from time to time on account of the Obligations so that the Obligations remain outstanding to the Shareholders in accordance with their Proportionate Shares.

4. Interest

- (a) Interest on each Loan shall accrue from day to day from the relevant Utilisation Date at the Interest Rate. Interest accruing due hereunder shall be calculated daily in accordance with

the "nominal rate" method of interest calculation on the basis of a 365 or 366 day year (as the case may be) and shall be due and payable:

- (i) monthly in arrears, on the last Business Day of each Calendar Month, and
 - (ii) on the date of any principal repayment hereunder, in respect of the principal amount being repaid.
- (b) Any amount of interest not paid when due (including overdue and unpaid interest) shall:
- (i) bear interest at the Interest Rate,
 - (ii) be calculated daily and compounded on the last Business Day of each Calendar Month, and
 - (iii) be paid without the necessity of any demand being made, but if demand is made, on demand.
- (c) The theory of deemed reinvestment shall not apply to the calculation of interest or the payment of other amounts hereunder. In no event shall any interest or other amounts payable hereunder exceed the maximum rate permitted by law. In the event and for so long as any such interest or fee exceeds such maximum rate, such interest or fee shall be reduced to the maximum rate recoverable under law assuming that the Parties had agreed to such amount by contract.

5. Evidence of Loan Obligations

Each Shareholder shall maintain records in accordance with its usual practice evidencing, in respect of the Company:

- (a) The principal amount of each Loan, the date of each Loan and all payments of interest in respect of Loans and whether such Loan was to fund a Shareholder Loan (other than a Shortfall Loan) or a Shortfall Loan; and
- (b) All repayments and prepayments of Loans.

The records and entries kept and made by each Shareholder shall constitute prima facie evidence of the matters recorded therein and the existence and amounts of the obligations of the Company to such Shareholder hereunder, provided, however, that the failure of such Shareholder to record or to correctly record any such amount or date shall not affect the obligation of the Company to pay amounts actually due hereunder in accordance with this Agreement.

6. Loan Account

- (a) Each Loan shall be evidenced by a debit entry in the amount of such Loan made by each Shareholder to its Loan Account.
- (b) Each Shareholder shall credit its Loan Account for each repayment of Loans and for each payment of interest.
- (c) Each Shareholder shall provide the Company with a statement setting forth all debits and credits made to its Loan Account upon the request of the Company.

- (d) The Loan Account shall distinguish between Shareholder Loans (other than Shortfall Loans) and Shortfall Loans.

7. Place and Timing of Payment

All principal and interest payable hereunder shall be paid by the Company to each Shareholder for same day value on the day such amount is due, and if such day is not a Business Day, on the next Business Day (with interest calculated to and including the date of payment) by deposit or transfer of such amount to the account of such Shareholder designated by such Shareholder for such purpose at such bank or other depository as each Shareholder may from time to time advise.

8. Tax Gross-Up

- (a) The Company shall make all payments to be made by it under this Agreement without any Tax Deduction, unless a Tax Deduction is required by law.
- (b) The Company shall promptly upon becoming aware that it has had or will have to make a Tax Deduction (or that there has been or will be any change in the rate at which or the basis on which any Tax Deduction has to be made) notify the applicable Shareholder accordingly. Similarly, the applicable Shareholder shall notify the Company on becoming so aware in respect of a payment payable to such Shareholder.
- (c) If a Tax Deduction is required by law to be made by the Company, the amount of the payment in respect of which the Tax Deduction is required to be made shall be increased to the amount which (after the Tax Deduction) will leave an amount equal to the payment which would have been due if no Tax Deduction had been required.

9. Termination

- (a) The Shareholders shall be entitled to terminate this Agreement immediately upon the occurrence of any one or more of the following events (each, an "**Event of Default**"):
 - (i) failure to pay – the Company shall fail to pay to pay any amounts owing hereunder within 30 Days after the due date therefor; or
 - (ii) insolvency - the Company shall suffer an Insolvency Event (as if such term applied to the Company, but not its Affiliates);
- (b) In the event this Agreement is terminated pursuant to Section 9(a)(i), the outstanding principal, all accrued and unpaid interest thereon and all other amounts due under the Facility shall, at the option of the Shareholders, upon notice in writing to the Company, become immediately due and payable with interest thereon calculated at the rate or rates determined as herein provided to the date of actual payment thereof, all without any further notice, presentment, protest or demand, all of which are hereby expressly waived by the Company.
- (c) Immediately upon any amounts becoming due and payable under Section 9(a)(i), the Shareholders may, in their sole discretion, exercise any right or recourse and/or proceed by any action, suit, remedy or proceeding authorized or permitted by law for the enforcement and recovery of all indebtedness and liabilities of the Company to the Shareholders and no such remedy for the enforcement of the rights of any Shareholder shall be exclusive of or

dependent on any other remedy but any one or more of such remedies may from time to time be exercised independently or in combination.

10. Conversion of Shortfall Loans into Common Shares

- (a) If the relevant Underfunding Shareholder has not purchased the relevant Shortfall Loan from the applicable Shareholder in accordance with Section 6.10 of the Shareholders' Agreement, then such Shareholder shall have the right at its option, at any time which is 6 months after the Funding Date but prior to the repayment of an Outstanding Balance, to convert the whole of such Outstanding Balance for each such Shortfall Loan into Common Shares at the Conversion Price in accordance with this Section 10 and Section 6.9 of the Shareholders' Agreement.
- (b) The Conversion Price shall be determined in accordance with Section 6.9 of the Shareholders' Agreement.
- (c) Such right of conversion shall extend only to the maximum number of whole Common Shares into which the applicable Outstanding Balance may be converted. Fractional interests in Common Shares shall be adjusted for in the manner provided in Section 10(f).
- (d) The Shareholder desiring to convert an Outstanding Balance into Common Shares shall give the Company notice exercising its right to convert such Outstanding Balance in accordance with this Section 10 (a "**Conversion Notice**"); provided that a Shareholder cannot give a Conversion Notice between the date when a Funding Request has been made and the applicable Funding Date in such Funding Request. Thereupon such Shareholder shall be entitled to be entered in the books of the Company as at the Conversion Date as the holder of the number of Common Shares into which such Outstanding Balance is converted in accordance with this Section 10 and the Company shall (i) deliver to the Shareholder, a certificate for such Common Shares and (ii) make or cause to be made any payment in respect of fractional Common Shares as provided in Section 10(f) on the Conversion Date.
- (e) The Common Shares issued upon such conversion shall rank only in respect of distributions or dividends declared in favour of Shareholders of record on and after the Conversion Date, from and after which such Common Shares will for all purposes be and be deemed to be issued and outstanding as fully paid and non-assessable Common Shares.
- (f) The Company shall not be required to issue fractional Common Shares upon the conversion of the Outstanding Balance pursuant to this Section 10. If any fractional interest in a Common Share would, except for the provisions of this Section 10(f), be deliverable upon the conversion of the Outstanding Balance, the Company shall, in lieu of delivering any certificate representing such fractional interest, make a cash payment to the applicable Shareholder in an amount equal to the fractional interest which would have been issuable multiplied by the Conversion Price (less applicable withholding taxes, if any).
- (g) The Company covenants that it will at all times reserve and keep available out of its authorized Common Shares, solely for the purpose of issue upon conversion of the Outstanding Balance as provided in this Section 10, and conditionally allot to Shareholders who may exercise its conversion rights hereunder, such number of Common Shares as shall then be issuable upon the conversion of the Outstanding Balance. The Company covenants

that all Common Shares which shall be so issuable shall be duly and validly issued as fully-paid, non-assessable and freely tradeable.

- (h) The Company and each Shareholder agree that the satisfaction and discharge of the Outstanding Balance, to the extent of the Outstanding Balance so converted, and completion of conversion, constitutes full payment of the subscription price for the Common Shares issuable on such conversion and thereafter such portion of the Outstanding Balance shall not be considered outstanding hereunder and the applicable Shareholder shall have no right with respect to such Outstanding Balance except to receive the certificate for the to which it is entitled with respect to the Outstanding Balance being converted.

11. Pari Passu

Subject to the Shareholders' Agreement including the Distribution Policy, the Obligations owed to each Shareholder shall rank for all purposes in favour of each Shareholder on a pari passu basis, and no Shareholder or any claim of any Shareholder shall have priority over any other Shareholder or claims thereof, notwithstanding:

- (a) the time or sequence in which any amount is advanced or any of the Obligations become due (whether at their stated maturity, by acceleration or otherwise) or are incurred;
- (b) the time or sequence of commencement or completion of any proceedings to enforce or collect any of the Obligations or the time or sequence in which any order or judgment in respect thereof is made or entered or any execution is obtained or registered or any other proceeding is commenced or completed; or
- (c) any other factor of legal relevance, whether similar or dissimilar to any of the foregoing, other than the terms of this Agreement, establishing the priority or ranking or relative rights of repayment or enforcement among the Shareholders.

12. Shareholders' Obligations Several

The rights and obligations of each Shareholder under this Agreement and in respect of the Facility are several and no Shareholder shall be obligated to make any advances available to the Company in excess of the amount of such Shareholder's Commitment Amount. No Shareholder shall be liable for the actions, or failure or refusal to act, including breach of contract or negligence, of any other Shareholder.

13. Standard of Care

No Shareholder makes any representation or assumes or shall have any responsibility to the other Shareholder for the financial condition of the Company, the accuracy or completeness of any information or document relating to the Company or for the repayment of any amount, whether principal, interest, costs, fees or expenses, payable by the Company in respect of the Facility. No Shareholder makes any representation or warranty, or accepts and assumes any responsibility or duty, to the other Shareholder. No Shareholder has been induced by any other Shareholder to make the Facility available or to enter into this Agreement. It is understood and agreed that no Shareholder is lending money to, or depositing money with, any other Shareholder under this Agreement, but each is independently lending money directly to the Company based solely on its own credit decision without any warranty by or recourse to the other Shareholder and for its own account and risk, except however for each Shareholder's recourse to the other Shareholder as a result of the other Shareholder's breach of the provisions of this Agreement.

14. Reimbursement of Expenses

Each Shareholder agrees to be responsible for and pay its Proportionate Share of out-of-pocket expenses (including the fees and disbursements of counsel on a solicitor-client basis) incurred in connection with the determination or preservation of any rights or remedies of the Shareholders under, or the enforcement of, or legal advice in respect of, rights, remedies or responsibilities under, this Agreement, to the extent that such expenses are not reimbursed by the Company. The obligations of the Shareholders under this Section 14 shall survive the repayment of the Obligations and the termination of this Agreement. For the avoidance of doubt, no Shareholder shall be required to reimburse the other Shareholder for any expenses incurred in connection with the resolution of any dispute between the Shareholders unless it is determined by a court of competent jurisdiction that the losses incurred by a Shareholder resulted from a breach by the other Shareholder of its obligations under this Agreement.

15. Default under the Facilities

Each Shareholder agrees to exercise reasonable efforts to notify the other Shareholders promptly upon becoming aware of the occurrence of any Event of Default, provided that no Shareholder shall be liable for any accidental failure to give such notice. No Shareholder will be entitled to grant a waiver or any forbearance in respect of any Event of Default without first obtaining the prior written consent of, or a comparable waiver or forbearance being granted by, the other Shareholders. The Shareholders agree that they will consult and cooperate with each other and endeavour to agree with respect to any enforcement action with a view to maximizing Distributions for their mutual benefit.

16. Enforcement

Unless the Shareholders otherwise unanimously agree, where there is an Event of Default, all Shareholders shall:

- (a) exercise any or all of the rights or remedies provided in this Agreement or otherwise in respect of the Event of Default;
- (b) demand the immediate payment by the Company of the Obligations then outstanding, together with all interest thereon and costs and fees payable with respect thereto up to the date of payment; and
- (c) institute an action or other proceeding against the Company to recover the Obligations.

17. Application of Payments

- (a) Application of Payments Before Exercise of Rights

Subject to the provisions of the Shareholders Agreement including the Distribution Policy, all Distributions made by or on behalf of the Company to any Shareholder before demand for repayment of the Obligations shall be applied in each instance to each Shareholder's Proportionate Share of the following and in the following order:

- (i) Firstly, in payment of any amounts due and payable as and by way of out of pocket costs and expenses under this Agreement;
- (ii) Secondly, in payment of any interest, fees or default interest then due and payable on or in respect of the Obligations;

- (iii) Thirdly, in repayment of any principal amounts then due and payable on the Obligations; and
- (iv) Fourthly, in payment of any other amounts then due and payable by the Company under this Agreement.

(b) Application of Payments After Exercise of Rights

All Distributions made by or on behalf of the Company after demand for repayment of the Obligations shall be applied in each instance in the following order:

- (i) Firstly, in payment of the costs and expenses of any enforcement or realization against the Company, including all out-of-pocket expenses of the Shareholders in connection therewith and the reasonable fees and out-of-pocket expenses of counsel, consultants and other advisers employed by the Shareholders or any receiver in connection therewith on a solicitor-client basis and in payment of all costs and expenses incurred by the Shareholders in connection with the administration and enforcement of this Agreement;
- (ii) Secondly, on a rateable basis in proportion to each Shareholder's Proportionate Share, in payment or repayment of all accrued and unpaid interest and fees payable in respect of the Obligations pursuant to this Agreement;
- (iii) Thirdly, on a rateable basis in proportion to each Shareholder's Proportionate Share in payment or repayment of the principal amount of the Obligations and any other amounts payable in respect of the Obligations; and
- (iv) Fourthly, in payment of the balance, if any, to the Company or such other persons who may be entitled thereto at law or, in each case, their respective successors or assigns, or as a court of competent jurisdiction may otherwise direct.

18. Subrogation Rights

In the event that any Shareholder is required by this Agreement to pay any amount to another Shareholder, either directly or indirectly, to effect an adjustment so that each receives (or retains) the amount to which it is entitled pursuant to the provisions of this Agreement, the Shareholder paying such amount shall be subrogated to the rights of the Shareholder receiving such amount to the extent of the amount so paid.

19. Assignment and Benefits of this Agreement

No Party may assign any of its rights or transfer any of its liabilities under this Agreement, except in accordance with Section 6.10, Article 8 and/or Article 9 of the Shareholders' Agreement. This Agreement shall enure to the benefit of and be binding upon the Company, the Shareholders and their respective successors and permitted assigns.

20. Set-Off

- (a) Each Shareholder may set off any matured obligation due from the Company under this Agreement against any matured obligation owed by such Shareholder to the Company, regardless of the place of payment or currency of either obligation. If the obligations are in different currencies, the applicable Shareholder may convert either obligation at a market rate of exchange in its usual course of business for the purpose of effecting such set-off.
- (b) All payments to be made by the Company under this Agreement shall be calculated and be made without (and free and clear of any deduction for) any tax, set-off or counterclaim.

21. Notices

Any communication to be made under or in connection with this Agreement shall be given in accordance with the notice provisions of the Shareholders Agreement subject to any necessary changes.

22. Partial Invalidity

If, at any time, any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

23. Amendments, Waivers and Consents

This Agreement may only be amended by agreement in writing between the Company and the Shareholders, and provisions hereof may be waived or matters consented to by the Shareholders only if the Shareholders so agree in writing. Any waiver or consent by the Shareholders under this Agreement may be given subject to any conditions thought fit by the Shareholders, except to the extent otherwise specifically provided herein. Any waiver or consent shall be effective only in the specific instance and for the purpose for which it is given.

24. Further Assurances

Each Party shall promptly cure any defect by it in the execution and delivery of this Agreement. The Company, at its expense, shall promptly execute and deliver (or cause to be executed and delivered) to the Shareholders, upon request by a Shareholder, all such other and further documents, agreements, certificates and instruments in order to give effect to this Agreement, and shall make any recording, file any notice or obtain any consent in connection therewith, all as may be reasonably necessary or appropriate.

25. Counterparts and Execution

This Agreement may be executed in counterpart and by means of facsimile signature or other means of electronic communication producing a printed copy, each of which when so executed and delivered shall be an original, and all such counterparts shall together constitute one and the same instrument.

26. Applicable Law and Dispute Resolution

Article 14 (Applicable Law and Dispute Resolution) of the Shareholders' Agreement shall apply to this Agreement mutatis mutandis.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their respective officers thereunto duly authorized, as of the date first written above.

PAE PANAFRICAN ENERGY CORPORATION

Per: _____
Name:
Title:

ORCA EXPLORATION GROUP INC.

Per: _____
Name: W. David Lyons
Title: Chairman and Chief Executive Officer

SIGNED by **DAVID MESTRES RIDGE**
for **SWALA (PAEM) LIMITED**

)
)
) _____
Director

SCHEDULE 3 – DISTRIBUTION POLICY

Reference is made to Section 7.1 of the Agreement.

- (a) The Parties agree that Regular Distributions made by JerseyCo shall be made in the following order of priority:

[Redacted – distribution priorities]

- (b) The Parties agree that Regular Distributions made by the Company shall be made in the following order of priority:

[Redacted – distribution priorities]

- (c) The Parties agree that any cash distribution that is considered a dividend under Applicable Law of the Available Funds (Mauritius) shall be made out of the Company's retained earnings.

SCHEDULE 4 – GUARANTEE

GUARANTEE

THIS GUARANTEE dated and effective as of _____ by Swala Oil and Gas (Tanzania) plc, a corporation incorporated under the laws of Tanzania (the "**Guarantor**") to and in favour of the Beneficiaries (as defined below).

For good and valuable consideration, the receipt and sufficiency of which is acknowledged by the Guarantor, the Guarantor hereby agrees as follows:

1. Definitions

In this Guarantee, capitalized terms used but not otherwise defined herein shall have the meanings given to them in the SHA, and in addition, the following terms shall have the following meanings:

- (a) "**Beneficiaries**" means each of:
 - (i) PAE PanAfrican Energy Corporation, a corporation incorporated under the laws of Mauritius;
 - (ii) Orca Exploration Group Inc., a company incorporated under the laws of the British Virgin Islands;and their respective successors and permitted assigns.
- (b) "**Obligations**" means all present and future amounts payable (including damages, if any, arising from a failure to perform) when due (whether on maturity, acceleration or otherwise) and any and all other indebtedness, liabilities and obligations owing by any Subsidiary to each Beneficiary under or pursuant to the SHA;
- (c) "**SHA**" means the Shareholders' Agreement (Common Shares) dated the date hereof between Swala and the Beneficiaries as amended, restated or modified in accordance with the terms thereof;
- (d) "**Subsidiaries**" means Swala and any Affiliate thereof which is or becomes a party to the SHA and "**Subsidiary**" means any one of them; and
- (e) "**Swala**" means Swala (PAEM) Limited and its successors and permitted assigns.

2. Guarantee of Obligations

The Guarantor irrevocably and unconditionally guarantees to each Beneficiary the due and punctual payment and performance of the Obligations. In addition, the Guarantor agrees to pay each Beneficiary, upon demand, all out-of-pocket costs and expenses (including, without limitation, reasonable legal fees on a solicitor/client basis) incurred in connection with enforcing any of the Beneficiaries' rights under and collecting upon this Guarantee and all interest payable pursuant to Section 9(a).

3. Nature of Guarantee

The liability of the Guarantor shall be absolute and unconditional irrespective of:

- (a) any change in the corporate existence, name, ownership, structure, objects, capital, constating documents or by-laws of any Subsidiary or any other Person;
- (b) any change in the financial condition of any Subsidiary or any other Person;
- (c) any amalgamation, sale, merger or re-organization of any Subsidiary or any other Person or, if a partnership, in the firm (in which case this Guarantee shall apply to the corporation or partnership, as the case may be, resulting or continuing therefrom);
- (d) any incapacity, disability, or lack or limitation of status, authorization or power of any Subsidiary or any other Person or any of its directors, officers, partners or agents or any other irregularity, defect or informality on the part of any Subsidiary or any other Person in the Obligations;
- (e) any Subsidiary or any other Person not being a legal entity;
- (f) the bankruptcy, insolvency, winding-up, dissolution, liquidation of any Subsidiary or any other Person or other similar proceeding affecting any Subsidiary or any other Person or its assets or any release, stay or discharge of any Obligations resulting from any such proceeding; and
- (g) any lack of a written contract or of execution of documents by any Subsidiary or any other Person if such Subsidiary or other Person has agreed in writing with the Beneficiaries to be bound by transactions without such writing or execution.

This Guarantee is a guarantee of payment and not of collection.

4. Indemnity

The Guarantor shall indemnify and save the Beneficiaries harmless from and against any losses which may arise by virtue of any of the Obligations being or becoming for any reason whatsoever in whole or in part: (a) void, illegal, invalid, ineffective or otherwise unenforceable in accordance with its terms; or (b) released or discharged by operation of law (collectively, an "**Indemnifiable Circumstance**"). For greater certainty, these losses shall include, without limitation, the amount of all Obligations which would have been payable by any Subsidiary but for the existence of an Indemnifiable Circumstance.

5. Continuing Guarantee

This is a continuing guarantee and shall apply to and secure payment and performance of all Obligations and any ultimate unpaid balance thereof. Notwithstanding anything in this Guarantee to the contrary, this Guarantee shall continue to be effective or shall be reinstated (as the case may be) in respect of a particular Obligation if at any time (before or after termination of this Guarantee) any payment in connection with that Obligation is rescinded or must otherwise be restored or returned by a Beneficiary upon the insolvency, bankruptcy or reorganization of any Subsidiary or any other Person or for any other reason whatsoever, all as though such payment had not been made.

6. Term

This Guarantee will be a continuing guarantee until all Obligations have been satisfied in accordance with their terms.

7. Right to Payment

The Guarantor's liability under this Guarantee will not be affected by the existence, validity, enforceability, perfection or extent of any collateral or security for the Obligations. The Beneficiaries shall not be obligated to file any claim relating to the Obligations if any Subsidiary or any other Person becomes subject to a bankruptcy, reorganization or similar proceeding and the failure of the Beneficiaries to do so shall not affect the Guarantor's obligations under this Guarantee. The Beneficiaries shall not be bound to file suit or seek or exhaust its recourse against any Subsidiary or any other Person or to realize on any security it may hold in respect of the Obligations before being entitled to payment or performance thereof under this Guarantee. The Guarantor renounces all benefits of discussion and division.

8. Dealings by Beneficiaries

The Beneficiaries may, without giving Notice to or obtaining the consent of the Guarantor, enter into agreements and transactions with any Subsidiary, amend or modify agreements with any Subsidiary, settle or compromise any of the Obligations, grant extensions of time and other indulgences, take and give up securities, accept compositions, grant releases and discharges, whether full, partial, conditional or otherwise, perfect or fail to perfect any securities, release any undertaking, property or assets charged by any securities to third parties and otherwise deal or fail to deal with any Subsidiary and other Persons (including, without limitation, any other guarantors) and securities, hold all money received from any Subsidiary and others or from any securities unappropriated, apply such money against part of the Obligations and change any such application in whole or in part from time to time, all as the Beneficiaries may see fit, without prejudice to or in any way discharging or diminishing the liability of the Guarantor. No loss of or in respect of any securities received by the Beneficiaries from any Subsidiary or any other Persons, whether occasioned through the fault of the Beneficiaries or otherwise, shall in any way discharge or diminish the liability of the Guarantor.

9. Payment

- (a) If any Subsidiary fails to pay or perform any Obligation when due, the Guarantor will pay or perform that Obligation directly to or in favour of the Beneficiaries promptly upon a Beneficiary's demand in accordance with this Guarantee. The liability of the Guarantor shall arise immediately upon written demand delivered to the Guarantor's address set forth in this Guarantee or at such other address as the Guarantor may from time to time designate by Notice to the Beneficiaries. All amounts payable by Guarantor hereunder shall bear interest from the date of such demand to the date of payment (and both before and after any judgement) at the lesser of the rate of 10% per annum and the maximum legal rate per annum.
- (b) The Guarantor shall make payment of each Obligation in the currency (the "**Contract Currency**") in which the applicable Subsidiary is required to pay that Obligation. If the Guarantor makes payment of any Obligation to the Beneficiaries in a currency (the "**Other Currency**") other than the Contract Currency (whether voluntarily or pursuant to an order or judgment of a court or tribunal of any jurisdiction), such payment shall constitute a discharge only to the extent of the amount of the Contract Currency that the applicable Beneficiary is able to purchase with such payment on the date of receipt in accordance with normal commercial practice. The Guarantor indemnifies the Beneficiaries, and shall promptly pay the Beneficiaries, for any difference between the amount of the Contract Currency so purchased and the amount of the Obligation paid in the Other Currency.

10. Waivers and Remedies

The Guarantor waives notice of acceptance of this Guarantee and waives diligence, presentment, protest, notice of protest, acceleration or dishonour and all demands whatsoever other than the demand described in the preceding section of this Guarantee. Any failure of the Beneficiaries to exercise, and any delay by the Beneficiaries (other than a delay that gives rise to a defence under an applicable statute of limitation) in exercising, any right, remedy or power under this Guarantee shall not operate as a waiver of such right, remedy or power. Any single or partial exercise by the Beneficiaries of any right, remedy or power under this Guarantee shall not preclude any other or future exercise of any right, remedy or power.

11. Subrogation Rights

Until all Obligations have been fully paid and discharged, the Guarantor shall not have any right to be subrogated to any rights of the Beneficiaries against any Subsidiary. Upon the Guarantor having fully and unconditionally paid, performed and discharged its obligations under this Guarantee, the Guarantor shall be subrogated to the rights of the Beneficiaries against the applicable Subsidiary.

12. Taxes and Set-off

All amounts payable by the Guarantor hereunder shall be paid free and clear of and without any set-off or any deduction or withholding whatsoever, whether for duties, levies, taxes or other withholdings imposed, levied or assessed by any authority or any other matter whatsoever, unless and to the extent that the Guarantor shall be prohibited by law from doing so, in which event the Guarantor shall:

- (a) forthwith pay to the applicable Beneficiary an additional amount so that the amount received by the applicable Beneficiary will equal the full amount of the Obligations; and
- (b) pay to the relevant authorities the full amount of the deduction or withholding (including any deduction or withholding on any additional amounts payable pursuant to this sentence) in accordance with Applicable Law.

Notwithstanding the preceding sentence, the Guarantor has the right to set-off any amounts due by the Beneficiaries to any Subsidiary under the SHA against any payment due under this Guarantee.

13. Reservation of Defences

The Guarantor hereby waives all suretyship defences of every kind and all payments or performance required hereunder shall be made in accordance with the terms hereof, provided that the Guarantor shall have the benefit of and the right to assert any defences against the claims of the Beneficiaries which are available to any Subsidiary and which would have been available to the Guarantor if it were in the contractual position of any Subsidiary under the SHA, other than defences:

- (a) arising from the bankruptcy, insolvency, winding-up, dissolution, liquidation of any Subsidiary or other similar proceeding affecting any Subsidiary or its assets or any release, stay or discharge of any Obligations resulting from any such proceeding;
- (b) expressly waived in this Guarantee;
- (c) arising from the lack of due authorization, execution or delivery by any Subsidiary of any agreement(s) creating or giving rise to the Obligations; and

- (d) previously asserted by any Subsidiary, to the extent that the claim of the Beneficiaries against which any defence was asserted by any Subsidiary has been successfully and finally resolved in favor of the Beneficiaries by a court of competent jurisdiction and last resort.

14. Representations and Warranties

The Guarantor hereby represents and warrants that:

- (a) it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation;
- (b) the execution, delivery and performance of this Guarantee are within the Guarantor's powers, have been duly authorized by all necessary action and do not violate the Guarantor's charter or by-laws or any law, order or contractual restriction binding on the Guarantor;
- (c) any governmental and other consents required with respect to the execution, delivery and performance of this Guarantee by the Guarantor have been obtained and are in full force and effect and all conditions of any such consents have been complied with;
- (d) this Guarantee constitutes the legal, valid and binding obligation of the Guarantor, enforceable against it in accordance with its terms (except as enforceability may be limited by bankruptcy, insolvency, moratorium and other laws affecting enforcement of creditors' rights in general and general principles of equity); and
- (e) it expects to derive advantage from each Subsidiary being party to the SHA.

15. Additional Security

This Guarantee is in addition and without prejudice to any security of any kind (including, without limitation, any other guarantees, whether or not in the same form) held by the Beneficiaries.

16. Notices

Except as otherwise specifically provided, every communication, request, demand and notice of any kind (in each case, a "**Notice**") delivered or required to be delivered under this Guarantee shall be in writing and delivered either personally, via prepaid overnight courier service, or via facsimile transmission or email, and shall be in writing (in English), and shall be deemed to have been properly given when addressed to the appropriate Parties at the addresses as set out below, and:

- (a) delivered in person or by a recognized international courier service maintaining records of delivery; or
- (b) transmitted by facsimile; provided that the sender can and does provide evidence of successful and complete transmission; or

- (c) transmitted by e-mail; in which case the item so transmitted shall be deemed to have been received when the recipient responds to such e-mail or an automatic delivery receipt is received by the Party who has sent such e-mail:

To the Guarantor:

-
-
-

Attn: •
Tel: •
Fax: •
Email: •

To the Beneficiaries:

c/o Orca Exploration UK Services Ltd.
[Redacted – address]

Attn: •
Tel: •
Fax: •
Email: •

The Guarantor and the Beneficiaries may change their respective addresses for Notices by providing Notice to the other.

17. Further Assurances

The Guarantor shall from time to time upon the request of the Beneficiaries, execute and deliver, under seal or otherwise, all such further agreements, instruments and documents and do all such further acts and things as the Beneficiaries may reasonably require to give effect to the transactions contemplated by this Guarantee.

18. Severability

If any provision of this Guarantee is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability will apply only to that provision and all other provisions of this Guarantee will continue in full force. Any word herein contained importing the singular number shall include the plural and vice versa.

19. Successors and Assigns

This Guarantee shall enure to the benefit of and be binding upon the successors and permitted assigns of the Guarantor and the Beneficiaries. This Guarantee shall not be assigned or otherwise transferred, in whole or in part, by the Guarantor or the Beneficiaries without the prior written consent of the other, provided that this Guarantee may be assigned or transferred by a Beneficiary to any Person to whom a Beneficiary transfers or assigns its interest in the SHA.

20. Governing Law and Attornment

Article 14 (Applicable Law and Dispute Resolution) of the SHA shall apply to this Guarantee mutatis mutandis.

21. Entire Agreement

There are no representations, warranties, conditions, agreements or understandings with respect to this Guarantee or affecting the liability of the Guarantor or the Beneficiaries other than as expressly set forth or

[Redacted – footer]

referred to in this Guarantee. No provision of this Guarantee may be amended or waived except by a written instrument executed by the Guarantor and the Beneficiaries.

[Signature page follows.]

The Guarantor has executed this Guarantee as a Deed as of the date first above written.

Executed by SWALA OIL & GAS)
(TANZANIA) PLC)
acting by)
)

sign here: _____
Director

print name: _____

sign here: _____
Director/ Secretary

print name: _____