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**9th AMENDMENT TO THE  
PRODUCTION SHARING CONTRACT  
BY AND AMONG  
THE DEMOCRATIC REPUBLIC OF SAO TOME AND PRINCIPE  
REPRESENTED BY THE  
AGÊNCIA NACIONAL DO PETRÓLEO DE SÃO TOMÉ E PRÍNCIPE  
AND  
KE STP COMPANY B.V.  
AND  
GALP STP UNIPessoal, LIMITADA  
AND  
SHELL SAO TOME AND PRINCIPE B.V.  
FOR  
BLOCK 11**

**Amendment Executed on the 6th day of February 2023**

*X* <sup>DS</sup> *AO* <sup>DS</sup> *FM* <sup>DS</sup> *DB*



**THIS 9th AMENDMENT TO THE PRODUCTION SHARING CONTRACT is entered into the 6th day of February 2023 among:**

- (1) **THE DEMOCRATIC REPUBLIC OF SAO TOME AND PRINCIPE (the "State")** represented by the Agência Nacional do Petróleo de São Tomé e Príncipe, hereinafter referred to as **"ANP-STP"**;
  - (2) **KE STP COMPANY B.V.**, a company organized and established under the laws of the Netherlands, whose registered office is located at Carel van Bylandtlaan 30, 2596 HR the Hague, with a branch registered in Sao Tome and Principe with the Guiché Único under nº 9707/20201126 and offices at Condomínio da Praia Lagarto C.P. 987, Distrito de Água Grande, São Tomé - São Tomé e Príncipe, hereinafter named **"KE"**;
  - (3) **GALP STP UNIPessoal, LDA.**, a company existing under the laws of República Democrática de S. Tomé e Príncipe, registered in the Guiché Único para Empresas with the number A100001/2015, with the tax number 517274968, with registered offices in Avenida da Independência 392 II/III, São Tomé – São Tomé e Príncipe, hereinafter referred to as **"GALP"**;
- and
- (4) **SHELL SAO TOME AND PRINCIPE B.V.**, a company existing under the laws of the Netherlands, registered in the trade register of the Chambers of Commerce with the number 53861922, and registered offices at Carel van Bylandtlaan 30, 2596 HR the Hague, with a branch registered in Sao Tome and Principe with the Guiché Único under nº 9431/2019 and offices at Bairro Quinta de S. Antonio, em frente a TVS, Distrito de Agua Grande, São Tomé - São Tomé e Príncipe hereinafter referred to as **"SHELL"**;

**WHEREAS**

- A. THE DEMOCRATIC REPUBLIC OF SAO TOME AND PRINCIPE, represented by ANP-STP and ERHC Energy EEZ, LDA (**"ERHC"**) entered into the Production Sharing Contract, signed with the State on 23 July 2014 (the **"Contract"**), in pursuance of which ERHC obtained the exclusive right to undertake petroleum operations in Block 11 within the Exclusive Economic Zone of Sao Tome and Principe;
- B. Pursuant to clause 19 of the Contract, ANP-STP, ERHC, and Kosmos Energy Sao Tome and Principe (**"KOSMOS"**) executed on 16 October 2015, a deed of assignment by way of which ERHC validly assigned to KOSMOS eighty-five percent (85%) participating interest in the Contract.
- C. Pursuant to clause 19 of the Contract, ANP-STP, KOSMOS and GALP executed on 13 December 2016, a deed of assignment by way of which KOSMOS validly assigned to GALP a twenty percent (20%) participating interest in the Contract.
- D. ANP-STP, GALP, and KOSMOS executed the Third Amendment to the Contract on 8 March 2018 to provide a one (1) year extension to Phase I of the Exploration Period and ANP-STP, pursuant to its letter under Ref. No 157/ANP/GM/2017, dated 2 November



2017, approved the extension.

- E. ANP-STP, GALP, and KOSMOS executed the Fourth Amendment to the Contract on 5 July 2019 to amend the minimum Work Program of Phase II of the Exploration Period and the minimum Work Program of Phase III of the Exploration Period and ANP-STP, pursuant to its letter under Ref. No 301/ANP/DE/2019, granted such amendment.
- F. Pursuant to clause 19 of the Contract, ANP-STP, KOSMOS, GALP, and SHELL executed on 7 October 2019 a deed of assignment by way of which KOSMOS validly assigned to SHELL a thirty percent (30%) participating interest in the Contract.
- G. ANP-STP, GALP, KOSMOS and SHELL executed the Sixth Amendment to the Contract on 28th July 2020 to provide a one (1) year extension to Phase II of the Exploration Period and ANP-STP, pursuant to its letter under Ref. No. 269/DE/ANP/2020, dated 29 June 2020, approved the extension.
- H. Pursuant to clause 19 of the Contract, ANP-STP, KOSMOS, GALP and SHELL executed on 8<sup>th</sup> December 2020, the Deed of Assignment by way of which KOSMOS validly assigned to KE a thirty-five per cent (35%) participating interest in the Contract and, in accordance with Article 31 (3) of the Framework Law on Petroleum Operations, KE was approved to assume the role of Operator in Block 11.
- I. ANP-STP, GALP, KOSMOS and SHELL executed the Eighth Amendment to the Contract on 25 May 2022 to provide a six (6) month extension to Phase II of the Exploration Period and ANP-STP, pursuant to its letter under Ref. 133/DE/ANP/2022, dated 18 April 2022, approved the extension.
- J. KE, as Operator and on behalf of the Parties to the Contract has requested a one (1) year extension to Phase II of the Exploration Period and ANP-STP, issued its letter under Ref. No 017/ANP-STP-DE/2023, dated 19 Jan 2023, grants such extension; ANP-STP, KE, GALP, and SHELL (hereinafter collectively identified as the "Parties") hereby execute this amendment to the Contract (the "Amendment") subject to the following terms and conditions:

THEREFORE:

- 1. As a consequence of the one (1) year extension to Phase II granted by ANP-STP, the Parties agree that, as of the date hereof, pursuant to clauses 27.3 and 32.1 of the Contract, the following clauses of the Contract are changed as follows:
  - 1.1. Clauses 4.1. and 4.2. of the Contract are hereby amended as follows:

*"4.1. Subject to Clause 20, the term of this Contract shall be for a period of twenty- eight (28) years from the Effective Date, comprising an eight (8) year*



*Exploration and Appraisal period, as extended pursuant to Clauses 5.1(b) and/or (c) (the "Exploration Period") and a twenty (20) year Production period (the "Production Period").*

*As a result of the extensions granted by ANP-STP, one (1) year has been added to Phase I and two (2) years and six (6) months shall be added to Phase II to the eight (8) years referred to above, during the Exploration Period. Regardless of the extension granted in the Phase I and Phase II, Contractor shall be entitled to twenty (20) years of Production Period.*

**4.2. The Exploration Period shall be divided as follows:**

- Phase I: Four (4) years from the Effective Date plus one (1) year extension*
- Phase II: from the end of Phase I until two (2) years after the end of Phase I plus two (2) years and six (6) months extension; and*
- Phase III: from the end of Phase II until two (2) years after the end of Phase II, as extended pursuant to Clauses 5.1(b) and/or (c)."*

1.2. For the avoidance of doubt, the provisions of Clauses 14.7 and 14.9 of the Contract shall also apply to the one (1) year extension provided for in this Amendment.

1.3. Clause 2.5. of the Contract is hereby amended as follows:

**"2.5. Social Projects**

*The Contractor commits to undertake social projects during each phase of the Exploration Period valued at a minimum of the amounts below:*

- Phase I: Three Hundred Thousand United States dollars (U.S \$300,000) per year for a total of One million Five Hundred Thousand United States dollars (U.S \$1,500,000);*
- Phase II: Five Hundred Thousand United States dollars (U.S \$500,000) per year for a total of Two Million Two Hundred and Fifty Thousand United States dollars (U.S. \$2,250,000) pursuant to Clauses 4.1 and 4.2;*

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- Phase III: Four Hundred Thousand United States dollars (U.S \$400,000) per year for a total of Eight Hundred Thousand United States dollars (U.S \$800,000);

If Petroleum is produced from the Contract Area, the Contractor shall undertake additional social projects according to the following schedule:

Cumulative Production (millions of Barrels or Barrels equivalent)	Value (US\$ million) of Project
20	2
40	4
60	6

1.4. Clause 9.2. of the Contract is hereby amended as follows:

9.2 In accordance with this Contract, the Contractor shall:

- (a) promptly pay to the State by deposit into the National Petroleum Account all fees, bonuses, and other amounts due to the State under the terms of this Contract;
- (b) provide all necessary funds for the payment of Operating Costs including funds required to provide all materials, equipment, facilities, supplies and technical requirements (including personnel) whether purchased or leased;
- (c) provide such other funds for the performance of Work Programs including payments to third parties who perform services to the Contractor in the conduct of Petroleum Operations;
- (d) prepare Work Programs and Budgets and carry out approved Work Programs in accordance with Good Oil Field Practice with the objective of avoiding waste and obtaining maximum ultimate recovery of Petroleum at a minimum cost;
- (e) exercise all the rights, comply with all the obligations under the Petroleum Law and any other applicable laws and pay the following fees to the State by deposit into the National Petroleum Agency Account (all expressed in United States dollars):

On application for the Production Period:	\$500,000
To assign or otherwise transfer any interest during Exploration Period:	\$100,000
To assign or otherwise transfer any interest during Production Period:	\$300,000
On application to terminate this Contract:	\$100,000
On application for the Contractor to commence drilling:	\$25,000


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- (f) ensure that all leased equipment brought into the Territory of Sao Tome and Principe for the conduct of Petroleum Operations is treated in accordance with the terms of the applicable leases;
- (g) with its Associates, have the right of ingress to and egress from the Contract Area and to and from facilities therein located at all times during the term of this Contract;
- (h) promptly submit to the National Petroleum Agency for permanent custody the originals of all geological, geophysical, drilling, well production, operating and other data, information and reports as it or its Associates may compile during the term of this Contract;
- (i) prepare estimated and final tax returns and submit the same to the relevant tax authority on a timely basis in accordance with the Petroleum Taxation Law;
- (j) have the right to lift in accordance with lifting and allocation procedures to be agreed by the Parties within six (6) months prior to the commencement of Production, in accordance with the principles set forth in Schedule 3, and to freely export and retain abroad the receipts from the sale of Available Crude Oil allocated to it under this Contract;
- (k) prepare and carry out plans and programs of the State for industry training and education of nationals of Sao Tome and Principe for all job classifications with respect to Petroleum Operations pursuant to and in accordance with the Petroleum Law;
- (l) employ only such qualified personnel as is required to conduct Petroleum Operations, in accordance with Good Oil Field Practice and in a prudent and cost effective manner, giving preference to qualified nationals of Sao Tome and Principe;
- (m) give preference to such goods, material and equipment which are available in Sao Tome and Principe or services that can be rendered by nationals of Sao Tome and Principe in accordance with the Petroleum Law and this Contract;
- (n) with its Associates shall, as the case may be, pay all charges and fees as are imposed by law in Sao Tome and Principe. The Contractor and its Associates shall not be treated differently from any other Persons engaged in similar petroleum operations in the Territory of Sao Tome and Principe;
- (o) indemnify and hold the State, including the National Petroleum Agency, harmless against all losses, damages, injuries, expenses, actions of whatever kind and nature including all legal fees and expenses suffered by the State or the National Petroleum Agency where such loss, damage, injury, expense or action is caused by the negligence or willful misconduct of the Contractor, its

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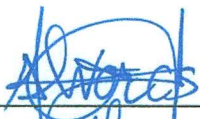
Affiliates, its sub-contractors or any other Person acting on its or their behalf or any of their respective directors, officers, employees, agents or consultants;

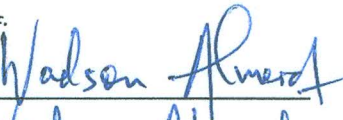
- (p) not exercise all or any rights or authority over the Contract Area in derogation of the rights of the State or in breach of the Petroleum Law; and
  - (q) in the event of any emergency requiring immediate operational action, take all actions it deems proper or advisable to protect the interests of the Parties and any other affected Persons and any costs so incurred shall be included in the Operating Costs. Prompt notification of any such action taken by the Contractor and the estimated cost shall be given to the National Petroleum Agency within forty-eight (48) hours of becoming aware of the event.
2. All the remaining provisions of the Contract, which are not expressly modified by this Amendment, shall remain in full force and effect in their precise original terms.
  3. Capitalized terms in this Amendment not specifically defined herein shall have the same meaning as defined in the Contract.

Signed and executed on 6th day of February 2023, in four originals, being each one of them held by each one of the Parties hereto.

**IN WITNESS WHEREOF** the Parties have caused this Amendment to be executed the date above written.

SIGNED AND DELIVERED for and on behalf of **THE STATE** represented by the **AGÊNCIA NACIONAL DO PETRÓLEO OF SAO TOME AND PRINCIPE**

Signature:   
Name: Alvaro Silva  
Designation: Executive Director

*In the presence of:*  
Signature:   
Name: Wadson Almeida  
Designation: Technical Director



SIGNED AND DELIVERED for and on behalf of **KE STP COMPANY B.V.**

Signature: DocuSigned by:  
Fiona Mulock van der Vlies Bik  
07C9DB3E15B141D...  
Name: Fiona Mulock van der Vlies Bik  
Designation: Director

Signature: DocuSigned by:  
Dina Blades  
D6BDF4568CC048D...  
Name: Dina Blades  
Designation: Director

SIGNED AND DELIVERED for and on behalf of **GALP STP UNIPessoal, LDA**

Signature: \_\_\_\_\_  
Name: \_\_\_\_\_  
Designation: \_\_\_\_\_

Signature: \_\_\_\_\_  
Name: \_\_\_\_\_  
Designation: \_\_\_\_\_

SIGNED AND DELIVERED for and on behalf of **SHELL SAO TOME AND PRINCIPE B.V.**

Signature: DocuSigned by:  
Alexandre Oudalov  
FCB729FDA13643D...  
Name: Alexandre Oudalov  
Designation: Director

Signature: DocuSigned by:  
Dina Blades  
D6BDF4568CC048D...  
Name: Dina Blades  
Designation: Director

