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THIRD 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

GALP ENERGIA SÃO TOMÉ E PRÍNCIPE UNIPessoal, LIMITADA

AND

KOSMOS ENERGY SAO TOME AND PRINCIPE

FOR

BLOCK 11

Amendment Executed on the 8<sup>th</sup> day of March 2018

AGÊNCIA NACIONAL DE PETRÓLEO	
DE S. TOMÉ E PRÍNCIPE	
ESTÁ CONFORME AO ORIGINAL	
Em	<u>214/19</u>
Ass.:	<u>[Signature]</u>

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**THIS THIRD AMENDMENT TO THE PRODUCTION SHARING CONTRACT** is entered into the 8 day of March 2018 among:

(1) **THE DEMOCRATIC REPUBLIC OF SAO TOME AND PRINCIPLE** (the “State”) represented by the Agência Nacional do Petróleo de São Tomé e Príncipe, (“ANP-STP”);

(2) **GALP ENERGIA SÃO TOMÉ E PRÍNCIPE UNIPessoal, Limitada**, 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**

(3) **KOSMOS ENERGY SAO TOME AND PRINCIPLE**, a company existing under the laws of the Cayman Islands, registered in the Commercial Registry of the Cayman Islands with the number WT-301785, with registered offices in 4th Floor, Century Yard, Cricket Square, Hutchins Drive, Elgin Avenue, George Town, Grand Cayman KY1-1209, Cayman Islands with a branch registered in Sao Tome and Principe with the Guiché Único under nº 5492/2016 at Rua Soldado Paulo Ferreira, Edifício Francisco Cabral, 1º Andar CP. 410 São Tomé, hereinafter referred to as “Kosmos”.

**WHEREAS:**

A. 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 article 19 of the Contract, ANP-STP, ERHC and Kosmos executed on 16<sup>th</sup> day of October 2015, the Deed of Assignment by way of which (i) ERHC assigned to Kosmos the whole of its eighty-five per cent (85%) participating interest in the Contract; (ii) ANP-STP duly authorized the above-mentioned assignment; (iii) ANP-STP waived

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AGÊNCIA NACIONAL DE PETRÓLEO	
DE S. TOMÉ E PRÍNCIPE	
ESTÁ CONFORME AO ORIGINAL	
Em	<u>2 / 4 / 19</u>
Ass.:	<u>[Signature]</u>

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any preferential rights it has under the Contract or under applicable Laws to pre-empt the transaction contemplated by the Deed of Assignment.

C. Pursuant to article 19 of the Contract, ANP-STP, Galp, and Kosmos executed on 13th day of December 2016, the Deed of Assignment by way of which (i) Kosmos assigned to Galp a twenty percent (20%) participating interest in the Contract; (ii) ANP-STP duly authorized the above-mentioned assignment; (iii) ANP-STP waived any preferential rights it has under the Contract or under applicable Laws to pre-empt the transaction contemplated by the Deed of Assignment. Consequently the participating interests held by the Parties in the Contract is as of that date:

ANP-STP – fifteen per cent (15%);

KOSMOS – sixty-five per cent (65%);

GALP twenty per cent (20%);

D. ANP-STP, Galp, and Kosmos (hereinafter collectively identified as the “Parties”) executed the Second Amendment to the Contract on the 13 December 2016.

E. Kosmos, as Operator and on behalf of the Parties to the Contract has requested 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, grants such extension.

F. ANP-STP, Galp, and Kosmos (hereinafter collectively identified as the “Parties”) hereby execute this Third Amendment to the Contract (the “Amendment”), subject to the following terms and conditions:

AGÊNCIA NACIONAL DE PETRÓLEO	
DE S. TOMÉ E PRÍNCIPE	
ESTÁ CONFORME AO ORIGINAL	
Em	<u>214119</u>
Ass.:	<u>[Signature]</u>

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THEREFORE, the Parties agree as follows:

1. As a consequence of the one (1) year extension 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 extension granted by ANP-STP, one (1) year shall be added to the eight (8) years referred to above, during the Exploration Period. Regardless of the extension granted in the Phase I, 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; 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.

AGÊNCIA NACIONAL DE PETRÓLEO	
DE S. TOMÉ E PRÍNCIPE	
ESTÁ CONFORME AO ORIGINAL	
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Ass.:	JJ

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*[Handwritten signatures and initials]*



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 One Million United States dollars (U.S \$1,000,000);*
  
- *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:*

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

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 8<sup>th</sup> day of March 2018, in three originals, being each one of them held by each one of the Parties hereto.

AGÊNCIA NACIONAL DE PETRÓLEO
DE S. TOMÉ E PRÍNCIPE
ESTÁ CONFORME AO ORIGINAL
Em <u>2 / 4 / 18</u>
Ass.: <u>[Signature]</u>

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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: *[Handwritten Signature]*

Name: ORLANDO DE COSTA S. COSTES



Designation: EXECUTIVE DIRECTOR

In the presence of:

Signature: *[Handwritten Signature]*

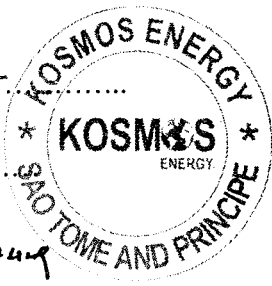
Name: ALVARO SILVA

Designation: LEGAL AND ECONOMIC DIRECTOR

SIGNED AND DELIVERED for and on behalf of KOSMOS ENERGY SAO TOME AND PRINCIPE

Signature: *[Handwritten Signature]*

Name: JON W. CALLOW

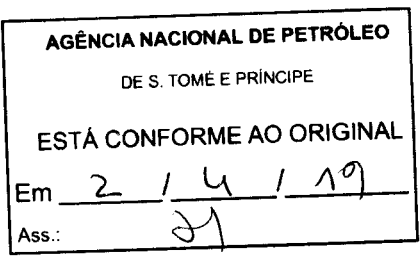


Designation: V.P. COUNTY MANAGER

SIGNED AND DELIVERED for and on behalf of GALP ENERGIA SÃO TOMÉ E PRÍNCIPE UNIPESSOAL, LIMITADA

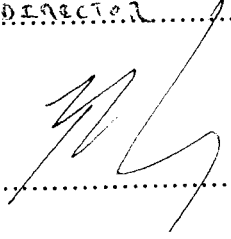
Signature: *[Handwritten Signature]*

Name: THOMAS R. KRISTENOWSKI




*[Handwritten Initials]*

Designation: DIRECTOR.....

Signature: .....

Name: FELIPE SILVA.....

Designation: DIRECTOR.....

AGÊNCIA NACIONAL DE PETRÓLEO  
DE S. TOMÉ E PRÍNCIPE  
ESTÁ CONFORME AO ORIGINAL  
Em 2 14 119  
Ass.: 

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