

194
/

Execution Version

**FOURTH AMENDMENT TO THE
PRODUCTION SHARING CONTRACT**

BY AND AMONG

THE DEMOCRATIC REPUBLIC OF SÃO TOMÉ AND PRÍNCIPE

REPRESENTED BY THE

AGÊNCIA NACIONAL DO PETRÓLEO DE SÃO TOMÉ E PRÍNCIPE

AND

GALP STP UNIPESSOAL, LIMITADA

AND

EQUATOR EXPLORATION STP BLOCK 12 LIMITED

FOR

BLOCK 12

Amendment Executed on the 24th day of June 2022

LA
/

THIS 4th AMENDMENT TO THE PRODUCTION SHARING CONTRACT is entered into the 24th day of June 2022 among:

- (1) THE DEMOCRATIC REPUBLIC OF SÃO TOMÉ AND PRÍNCIPE (the "State")** represented by the Agência Nacional do Petróleo de São Tomé e Príncipe, hereinafter referred to as "**ANP-STP**";
- (2) GALP STP 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) EQUATOR EXPLORATION STP BLOCK 12 LIMITED.**, a company existing under the laws of the British Virgin Islands, registered under the number 1000133, with registered offices at Craigmuir Chambers, Road Town, Tortola, British Virgin Islands, with a branch registered in Sao Tome and Principe with the Guiché Único under nº 343/012 at Praia Lagarto, Água Grande, São Tomé, São Tomé e Príncipe, hereinafter referred to as "**EQUATOR**";

ANP-STP, EQUATOR and GALP may hereinafter be designated individually as "**Party**" and together as "**Parties**";

Whereas:

A. THE DEMOCRATIC REPUBLIC OF SÃO TOMÉ AND PRÍNCIPE, represented by the ANP-STP and EQUATOR, entered into the Production Sharing Contract signed on February 19, 2016 (the "**Contract**"), in pursuance of which EQUATOR obtained the exclusive right to undertake petroleum operations in Block 12 within the Exclusive Economic Zone of São Tomé and Príncipe.

B. Pursuant to clause 19 of the Contract, ANP-STP, EQUATOR and Kosmos Energy Sao Tome and Principe ("**KOSMOS**") executed the first amendment to the Contract, dated March 31, 2016, by which (i) EQUATOR assigned to KOSMOS a sixty-five per cent (65%) participating

interest in the Contract; (ii) ANP-STP authorised the assignment mentioned above; and (iii) ANP-STP waived any preferential rights it has under the Contract or under the applicable Laws to pre-empt the transaction contemplated by the assignment of EQUATOR's participating interest to KOSMOS.

C. Pursuant to clause 19 of the Contract, ANP-STP, EQUATOR, KOSMOS and GALP executed the second amendment to the Contract, dated December 13, 2016, by which (i) KOSMOS assigned to GALP a twenty per cent (20%) participating interest in the Contract; (ii) ANP-STP authorised the assignment mentioned above, and (iii) ANP-STP waived any preferential rights it has under the Contract or under the applicable Laws to pre-empt the transaction contemplated by the assignment of KOSMOS' participating interests to GALP.

D. ANP-STP, EQUATOR, KOSMOS and GALP executed a deed of assignment and contractual amendment, dated December 7, 2020, by which (i) KOSMOS assigned its participating interest in the Contract pro-rata to EQUATOR and GALP and withdrew from the Contract with effect from January 31, 2020; (ii) ANP-STP authorised the assignment mentioned above, and (iii) ANP-STP waived any preferential rights it has under the Contract or under the applicable Laws to pre-empt the transaction contemplated by the assignment of KOSMOS' participating interest to EQUATOR and GALP. As a consequence, the participating interest held by ANP-STP, GALP, and EQUATOR is the following:

ANP-STP - 12.500000%;
GALP - 41.176471%; and
EQUATOR - 46.323529%.

E. As a consequence of KOSMOS withdrawing from the Contract, ANP-STP authorised the appointment of GALP to replace KOSMOS as Operator of Block 12.

F. GALP, 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 the amendment of the Minimum Work Obligations and the Minimum Financial Commitment. By its letter dated July 1, 2020, with ref. n.º 271/DE/ANP/2020, ANP-STP granted such extension and amendment as authorised by the Government of São Tomé and Príncipe in its Resolution nº 25/2020;

641
A
[Handwritten signature]

G. ANP-STP, GALP, and EQUATOR executed the third amendment to the Contract on December 7, 2020 to amend the Minimum Work Obligations, the Minimum Financial Commitment and extend by one (1) year the duration of Phase II of the Exploration Period to reflect the terms of ANP-STP's approvals in paragraph F above;

H. GALP, as Operator and on behalf of the Parties to the Contract, has requested a six (6) month extension to Phase II of the Exploration Period and ANP-STP, issued its letter under ref. no 225/DE/ANP/2022, dated June 13, 2022, granting such extension.

THEREFORE:

The Parties hereby execute this fourth amendment to the Contract (the "**Amendment**") to reflect the terms of ANP-STP's approvals in paragraph H above, subject to the following terms and conditions:

1. As a consequence of the six (6) month extension to Phase II granted by ANP-STP, the Parties agree that, as of the date hereof, pursuant to clauses 27.4 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 a 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 and six (6) months have been added to Phase II of the Exploration Period, making the total of nine (9) years and six (6) months of the Exploration Period referred to above. Regardless of the extension granted in the Phase II, Contractor shall be entitled to twenty (20) years of Production Period.

Handwritten signature and initials in the bottom right corner of the page.

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

Phase I: Four (4) years from the Effective Date;

Phase II: from the end of Phase I until two (2) years after the end of Phase I plus one (1) year 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. 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: One Hundred Fifty Thousand United States dollars per year (U.S \$150,000) for a total of Six Hundred Thousand United States dollars (U.S \$600,000);

- Phase II: Two Hundred Thousand United States dollars per year (U.S \$200,000) for a total of Six Hundred Thousand United States dollars (U.S \$ 600,000) and for the six-month extension of the Contract pursuant to Clauses 4.1 and 4.2, One Hundred Thousand United States dollars (U.S \$100,000);

- Phase III: Two Hundred Thousand United States dollars per year (U.S \$200,000) for a total of Four Hundred Thousand United States dollars (U.S \$400,000).

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

[Handwritten signature and initials]

Cumulative Production (millions of Barrels or Barrels equivalent)	Value (US\$ million) of Project
40	2
70	3
100	5

- 1.3. For the avoidance of doubt, the provisions of Clauses 14.7 and 14.9 of the Contract shall also apply to the six (6) months extension provided for in this Amendment.
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.

IN WITNESS WHEREOF the Parties have caused this Fourth Amendment to be executed, the day and year first above written.

SIGNED AND DELIVERED for an on behalf of the **STATE** represented by the Agência Nacional do Petróleo de São Tomé e Príncipe

Signature(s): 

Name(s): LUIZ GAMBOA

Designation(s): EXECUTIVE DIRECTOR

Date: 24.06.2022

A 6-11

In the presence of:

Signature(s): 

Name(s): *James Bantoi*

Designation(s): *Legal Consultant*

Date: *24th June 2022*

SIGNED AND DELIVERED for an on behalf of Galp STP Unipessoal, Lda

Signature(s): 

Name(s): *Thore Kristiansen*

Designation(s): *Executive Director*

Date: *17.06.2022*

Signature(s): 

Name(s): *Filipe Silva*

Designation(s): *Executive Director*

Date: *17.06.2022*

SIGNED AND DELIVERED for an on behalf of Equator Exploration STP Block 12 Limited

Signature(s): 

Name(s): *Ainojie 'Alex' Irune*

Designation(s): *Director*

Date: *24th June 2022*

Signature(s): 

Name(s): *Adeola Ogunsemi*

Designation(s): *Director*

Date: *24th June 2022*