

SECOND AMENDMENT TO THE PRODUCTION SHARING CONTRACT
BETWEEN
THE DEMOCRATIC REPUBLIC OF SAO TOME AND PRINCIPE REPRESENTED
BY THE
AGENCIA NACIONAL DO PETROLEO DE SAO TOME AND
PRINCIPE
AND
EQUATOR EXPLORATION STP BLOCK S LIMITED FOR
BLOCK "5"

This SECOND AMENDMENT TO THE PRODUCTION SHARING CONTRACT is made and entered into on this 15 day of September 2015 by and between:

- (1) THE DEMOCRATIC REPUBLIC OF SAO TOME AND PRINCIPE represented by the Agencia Nacional do Petroleo de Sao Tome e Principe; and
- (2) EQUATOR EXPLORATION STP BLOCK 5 LIMITED, a company organized and existing under the laws of the British Virgin Islands with registration number 1000133 whose registered office is at Craigmuir Chambe a branch registered in Sao Tome & Principe with the *Guiche Unico* no. 343/012 and located at Avenida da Independencia, no. 392, Sao Tome (the "Contractor")

BACKGROUND:

The Agencia Nacional do Petroleo de Sao Tome e Principe, with the approval of the government of Sao Tome e Principe, and the Contractor have previously entered into a Production Sharing Contract dated as of 18th day of April 2012 (the "Contract") and an Amendment dated as of 24th day of November 2014 (the "First Amendment").

(A) The Contractor has requested in a letter dated 29th of April 2015 approval to readjust the quantities of the 20 and 30 seismic data acquisition commitment within the Exclusive Economic Zone Block 5 Contract Area and the Agencia Nacional do Petroleo de Sao Tome e Principe has agreed to such request.

(B) The Parties now wish to amend the Contract to provide for the agreed amendment.

NOW, THEREFORE, IT IS AGREED as follows:

1. DEFINED TERMS

Unless otherwise defined herein, capitalized terms used herein shall have the meanings assigned to such terms in the Contract or as defined in the Petroleum Law or the Petroleum Taxation Law. The following word shall have the following meaning:

"Second Amendment" means this amendment to the Contract executed and delivered through mutual agreement in writing between the Parties hereto pursuant to clause 27 of the Contract;

2. AMENDMENT

The section listed below from the Contract is hereby deleted and restated in its entirety as follows:

7.2 The minimum Work Program for each phase of the Exploration Period is as follows (the "Minimum Work Obligations"):

Phase I: The Contractor shall:

- reprocess all existing two dimensional seismic data (20) within the block;
- carry out Geological & Geophysical studies (AVO, geochemical studies, sequence stratigraphy);
- carry out environmental studies;
- acquire magnetic and gravity surveys covering the full block;
- acquire, process and interpret a minimum of one thousand four hundred square kilometres of three dimensional seismic data (1400 km² of 30);
- hand over full documentation of the interpretation and an extensive evaluation report covering all relevant stratigraphic levels in the full block, based on all existing two dimensional seismic data (20) and three dimensional seismic data (30) to the National Petroleum Agency no later than two (2) months before the expiry of phase I.

Phase II: If the Contractor elects to enter phase II then during such phase II of the Exploration period the Contractor shall:

- carry out environmental studies;
- drill one (1) Exploration Well to a minimum T/D of 5500 meters TYO subsea on the Contract area; and
- carry out technical and economical evaluation studies of discoveries and remaining prospectivity.

Phase III: If the Contractor elects to enter phase III of the Exploration Period, then during such phase III the Contractor shall:

- carry out environmental studies;
- drill one (1) Exploration Well or Appraisal Well;
- drill one (1) optional Exploration Well or Appraisal Well: and
- carry out technical and economical evaluation studies of discoveries and remaining prospectivity. In case of a Commercial Discovery, submit a declaration of a Commercial Discovery and submit a Field Development Program.

3. EFFECTIVE DATE

This Amendment will become effective on the 15th May 2015.

4. MISCELLANEOUS

- 4.1. Except as set forth in this Amendment, the Contract is unaffected and shall continue in full force and effect in accordance with its terms.
- 4.2. This Amendment shall be deemed incorporated into, and a part of, the Contract.
- 4.3. If there is a conflict between this Second Amendment and the Contract or the First Amendment, the terms of this Second Amendment will prevail.

IN WITNESS WHEREOF the Parties have caused this Second Amendment to be duly executed as of the day and year first above written.

SIGNED AND DELIVERED for and on behalf of:
THE STATE represented by the Agenda Nacional do Petroleo de Sao Tome e Principe

By: /s/ Orlando Pontes _____

Name: ORLANDO SOUSA PONTES _____

Designation: EXECUTIVE DIRECTOR _____

In the presence of:

Name: ÁLVARO SILVA _____

Signature: /s/ Álvaro Silva _____

Designation: LEGAL AND ECONOMIC DIRECTOR _____

SIGNED AND DELIVERED for and on behalf of:
EQUATOR EXPLORATION STP BLOCK 5 LIMITED

By: /s/ Olapade Durotoye _____

Name: OLAPADE DUROTOYE _____

Designation: MD _____

In the presence of:

Name: JUMOKE TAGBURE _____

Signature: /s/ Jumoke Tagbure _____

Designation: ATTORNEY _____