

LICENSE COMPLEMENTARY AGREEMENT

between

MINISTRY OF ECONOMY, TRADE AND ENERGY

- and -

ALBPETROL SH.A

- and -

BANKERS PETROLEUM ALBANIA LTD.

In relation to the

LICENSE AGREEMENT

dated June 7, 2004

for the Development and Production in

Patos-Marinza Field

ALBANIA

LICENCE COMPLEMENTARY AGREEMENT

TO THE LICENCE AGREEMENT

This Licence Complementary Agreement (hereinafter referred to as "LCA") is made and signed this 8th day of December, 2008 among the Ministry of Economy, Trade and Energy, as represented by the National Agency of Natural Resources (hereinafter referred to as "AKBN"), Albpetrol Sh.A. (hereinafter referred to as "Albpetrol") and Bankers Petroleum Albania Ltd. (hereinafter referred to as "Contractor"). AKBN, Albpetrol and Contractor hereinafter referred to as "Parties".

WHEREAS a Petroleum Agreement dated June 19, 2004 (hereinafter referred to as the "Petroleum Agreement") was entered into by and between Albpetrol and Saxon International Energy Ltd. (now Bankers Petroleum Albania Ltd.);

WHEREAS the Petroleum Agreement relates to the License Agreement (the "License Agreement") for the Development and Production of Petroleum in the Patos Marinza Oilfield dated June 7, 2004 between The Ministry of Industry and Energy (now Ministry of Economy, Trade and Energy) as represented by the National Petroleum Agency (now National Agency of Natural Resources) and Albpetrol;

WHEREAS the National Agency of Natural Resources based on the Decree of the Council of Ministers No. 547, date 09.08.2006, "On the Establishment of the National Agency of Natural Resources", is the successor of the National Petroleum Agency;

WHEREAS Contractor has the exclusive right to carry out Petroleum Operations and produce Petroleum in the Contract Area described in the Petroleum Agreement and the License Agreement;

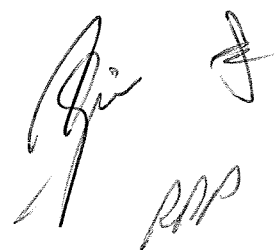
WHEREAS the Parties acknowledge that the production, processing and disposal of such Petroleum will require considerable investments; and

WHEREAS the Parties acknowledge that approval of the Development Plan for such Petroleum discovery is subject to the unanimous agreement of the Parties;

WHEREAS Albpetrol and Bankers have agreed to amend the Petroleum Agreement;

WHEREAS the Parties wish to amend the License Agreement in a manner consistent with the amendments to the Petroleum Agreement;

NOW THEREFORE in consideration of the premises and mutual covenants contained herein the Parties hereto agree to amend certain provisions of Article 1, Article 10 and Article 14 of the License Agreement, for Development and Production of Petroleum in Patos-Marinza Field.

Handwritten signatures of the parties, including a large signature on the left and a smaller one on the right, with the initials 'RPP' written below them.

**ARTICLE I
SCOPE**

- 1.1 This LCA, together with License Agreement, describes the terms and conditions regulating the Petroleum Operations in the Contract Area or in any portion hereof retained under the License Agreement, and the rights and obligations provided for hereunder and in the License Agreement.
- 1.2 It is hereby recognised and agreed that the rights and obligations of the Parties in respect to Petroleum shall be governed by the provisions of the License Agreement as amended by this LCA.
- 1.3 All the provisions of the License Agreement as amended by this LCA are hereby ratified and confirmed, and shall remain in full force and effect, it being understood that, in the event of any conflict with the License Agreement, the provisions of this LCA shall supersede those of the License Agreement.
- 1.4 The reference to the Sections of the License Agreement is made with respect to the text of License Agreement dated June 7, 2004.

**ARTICLE II
DEFINITIONS AND INTERPRETATION**

The terms and definitions used in this LCA shall have the same meaning as specified in the License Agreement, with the following additions and changes:

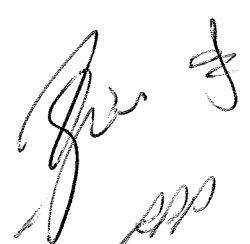
"AKBN" has the meaning given in Article 1.6A of the Amending Agreement of the Petroleum Agreement.

"AKBN Share" has the meaning given in Article 9.2 of the Amending Agreement of the Petroleum Agreement.

"Royalty Tax" means the tax defined in the Law No. 9975, dated 28.07.2008 "On the National Taxes".

The definition of "Petroleum Cost" shall be amended as following:

"Petroleum Costs" means costs and expenditures incurred for the performance of or in connection with the Petroleum Operations including a portion of the Royalty Tax, as provided by the Amending Agreement of the Petroleum Agreement."



**ARTICLE III
ARTICLE 10 OF LICENSE AGREEMENT**

3.1 Article 10.2(a) of the License Agreement is amended as follows:

Licensee shall recover all Petroleum Costs under this License Agreement out of one hundred (100%) per cent of the Available Petroleum after deducting the Royalty Tax, Albpetrol Share and AKBN Share (hereinafter referred to as "Cost Recovery Petroleum").

3.2 Article 10.3(a) of the License Agreement is amended as follows:

The difference, if any, in any Fiscal Year between (i) the Value of Cost Recovery Petroleum taken by LICENSEE pursuant to Section 10.2(a) and (ii) all recoverable costs and expenses under the License Agreement shall be the "Profit" and LICENSEE shall be liable to taxation as mentioned in Article 14, Section 14.1

3.3 Article 10.3(b)(i) of the License Agreement is amended as follows:

The Profit Tax Payable by Licensee, in conformity with Article 14, shall be paid in cash for each fiscal year.

3.4 Article 10.3(b)(ii) and Article 10.3(b)(iii) of the License Agreement are deleted.

3.5 Article 10.4 of the License Agreement is amended as follows:

Subject to Section 10.3(b)(i), LICENSEE may freely use, sell, export, realize or otherwise dispose of all Available Petroleum and keep the income that it is entitled to.

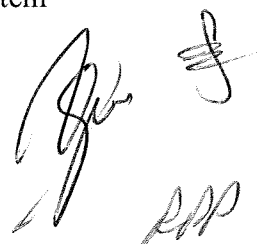
**ARTICLE IV
ARTICLE 14 OF THE LICENCE AGREEMENT**

4.1 The title of Article 14 of the License Agreement is amended as follows:

Royalty Tax and Tax on Profit.

4.2 Article 14.1 of the License Agreement is amended as follows:

LICENSEE shall be liable to Royalty Tax according to the Law No. 9975, dated 28.07.2008 "On the National Taxes" and tax on Profit in conformity with Law No.7811, date 12.04.1994 "On Approval of Decree No.782, date 22.2.1994 "On the fiscal system in the hydrocarbons sector (Exploration-Production)".



4.3 Article 14.2(a) of the License Agreement is amended as follows:

Pursuant to Article 10, Section 10.3(b)(i) and Section 14.2 (b) LICENSEE shall pay the Petroleum Profit Tax in cash for each fiscal year.

4.4 Article 14.2(b) of the License Agreement is amended as follows:

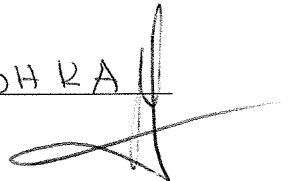
LICENSEE shall pay tax on Profit for each Fiscal Year, in cash, according to the Law No.7811, date 12.04.1994 "On the fiscal system in the hydrocarbons sector (Exploration-Production)" as determined under Section 14.2(a), and the Royalty Tax according to the Law No. 9975, dated 28.07.2008 "On the National Taxes.

4.5 Articles 14.2(c), 14.2 (d), 4.2(e) of the License Agreement are deleted.

IN WITNESS WHEREOF, the Parties have executed this LCA to be effective as of the date the Amending Agreement of the Petroleum Agreement becomes effective.

**THE MINISTRY OF ECONOMY, TRADE
AND ENERGY,**
as represented by
**THE NATIONAL AGENCY OF NATURAL
RESOURCES**

By: MIZO RUNESHKA



ALBPETROL SH.A

By: Ylli Gjoni



BANKERS PETROLEUM ALBANIA LTD.

By: R.P. Petryk
R.P. Petryk