AMENDMENT AND RESTATEMENT AGREEMENT
relating to the Senior Loan Agreement dated 20 November 2013, as amended

between

SERINUS ENERGY INC

and

WINSTAR TUNISIA B.V.

and

EUROPEAN BANK
FOR RECONSTRUCTION AND DEVELOPMENT
Dated 27 October 2017
This amendment and restatement agreement, dated 27 October 2017, (this “Amendment and Restatement Agreement”), is made by and between:-

(1) SERINUS ENERGY INC, a corporation organised and existing under the laws of Alberta, Canada (the "Borrower");

(2) WINSTAR TUNISIA B.V., a private limited company (besloten vennootschap met beperkte aansprakelijkheid) incorporated under the laws of the Netherlands, having its official seat (statutaire zetel) in Amsterdam, the Netherlands and its office at 65 St Paul’s Churchyard, c/o Lubbock Fine, 3rd Floor, Paternoster House, London EC4M 8AB, the United Kingdom, registered with the Dutch Trade Register of the Chamber of Commerce under number 33029116 (“Projco”); and

(3) the EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT, an international organisation formed by treaty ("EBRD").

WHEREAS:

(A) The Borrower entered into a senior loan agreement dated 20 November 2013, as amended by amendment agreements dated 20 February 2015 and 20 October 2016 (the "Original Agreement") with EBRD, pursuant to which EBRD made available loans in two tranches for the purpose of financing the development of conventional hydrocarbon deposits at certain oil and gas fields in Tunisia through the on-lending of such loans by the Borrower to Projco;

(B) The Borrower and EBRD wish to amend and restate the Original Agreement on and subject to the provisions of this Amendment and Restatement Agreement; and

(C) Projco wishes to confirm that its obligations under the Guarantee (as defined below) will extend to and cover all of the obligations of the Borrower under the Original Agreement as amended by this Amendment and Restatement Agreement.

NOW, THEREFORE, in consideration of these presents, the parties hereto agree as follows:
Section 1. Definitions and Interpretation

(a) In this Amendment and Restatement Agreement:-

"Amendments" means the amendments made or to be made pursuant to Section 2 of this Amendment and Restatement Agreement.

"Amended Agreement" means the Original Agreement, as amended and restated by this Amendment and Restatement Agreement.

"Effective Date" has the meaning given in Section 4 of this Amendment and Restatement Agreement.

"Guarantee" means the Deed of Guarantee and Indemnity dated 18 December 2013 between Projco and EBRD.

"Original Agreement" has the meaning given in Recital A.

"Restructuring Fee" has the meaning given to it in Section 3.

(b) Terms defined in the Original Agreement (whether directly or by reference to any other agreement or instrument) shall, unless otherwise defined herein, have the same meaning in this Amendment and Restatement Agreement (including the Recitals). The provisions of Section 1.02 of the Original Agreement shall have effect as if set out in this Amendment and Restatement Agreement in full, mutatis mutandis.

(c) The Original Agreement and this Amendment and Restatement Agreement shall be read and construed as a single document.

Section 2. Amendment, Continuity and Security Confirmation

(a) With effect on and from the Effective Date, the Original Agreement shall be amended and restated such that the provisions of the Original Agreement as so amended and restated are those set out in Schedule I to this Amendment and Restatement Agreement. For the avoidance of doubt, this Agreement does not constitute a novation of the Original Agreement.

(b) The provisions of the Original Agreement shall, save as amended by this Amendment and Restatement Agreement, continue in full force and effect.

(c) This Amendment and Restatement Agreement shall constitute a “Financing Agreement” for the purpose of the Original Agreement.

(d) Neither the entry into of this Amendment and Restatement Agreement nor the making of the Amendments are intended to and shall not adversely affect or prejudice the existence and enforceability of any and all of the Security existing prior to the date of this Amendment and Restatement Agreement and the other Financing Agreements and Project Agreements. Such Security shall continue in full force and effect.
(c) Projco confirms that its obligations under the Guarantee will extend to and cover all of the obligations of the Borrower under the Amended Agreement. Each of Projco and the Borrower confirms that the Security created by each Security Document to which it is a party will continue in full force and effect notwithstanding any amendment made by this Amendment and Restatement Agreement.

Section 3. Restructuring Fee

The Borrower shall pay to EBRD within five (5) Business Days of this Amendment and Restatement Agreement a restructuring fee of USD 25,000 (twenty-five thousand Dollars).

Section 4. Effective Date

The Effective Date shall be 31 October 2017, provided that on or before that date the following conditions precedent have been satisfied or waived, in whole or part, at the sole discretion of EBRD, as notified by EBRD to the Borrower.

(a) Charters. EBRD shall have received certified copies of:

(1) the Charters (and, if relevant, up-to-date extracts from the commercial register or certificates of registration and good standing) of the Borrower, Holdco, Projco, Winstar (Romania) and, at the request of EBRD, any other parties to the Financing Agreements, each as amended to date;

(2) in respect of Holdco, Projco and at the request of EBRD, any other party to any Financing Agreement or Project Agreement, an extract from the relevant trade register (or its equivalent, if available); and

(3) in respect of the Share Pledge (Romania) and Winstar (Romania), (i) a certified copy of the updated constitutional documents; (ii) a certified copy of the updated registration certificate; (iii) an original certificate of corporate status (in Romanian, certificat constatațor); (iv) an original excerpt (in Romanian, extras) (issued in accordance with Article 9(3) of the Romanian Law No. 359/2004) confirming that Winstar (Romania) is operational as of the date of such excerpt; and (v) an original certificate indicating that no proceeding act has been published in the Bulletin for Insolvency Proceedings (in Romanian, Buletinul Procedurilor de Insolvabilitate) with respect to Winstar (Romania).

(b) Corporate Authorisations. EBRD shall have received certified copies of all corporate Authorisations (including, if required, other than in respect of the Borrower, shareholder Authorisations) necessary for the due execution, delivery and performance of this Amendment and Restatement Agreement and the Share Pledge (Romania), and any other documents in implementation thereof, by the Borrower, Holdco, Projco and Winstar Romania, including the authorisations of the persons signing this Amendment and Restatement Agreement and the Share Pledge (Romania) to sign such documents and to bind the respective parties thereby.
(c) **Share Pledge (Romania).** The Share Pledge (Romania) shall have been validly created and perfected in a manner satisfactory to EBRD and EBRD shall have received duly executed originals of the Share Pledge (Romania), together with any document, recording, filing, notification, registration, notarisation or other evidence required, in the opinion of EBRD, for the creation, validity, perfection or priority of the Liens of EBRD in or under the Share Pledge (Romania).

(d) **Legal Opinions.** EBRD shall have received the following legal opinions regarding such matters incident to the transactions contemplated by this Amendment and Restatement Agreement and the Share Pledge (Romania) as EBRD reasonably requests:

1. the opinion of Linklaters LLP, special English counsel to EBRD;
2. the opinion of Linklaters LLP, special Dutch counsel to EBRD;
3. the opinion of McCarthy Tétrault LLP, special Canadian counsel to the Borrower, in form and substance requested by EBRD in relation to corporate law matters for the Borrower; and
4. the opinion of Kinstellar SPARL, special Romanian counsel to EBRD,
together with such other documents and evidence as may be reasonably requested by EBRD’s external counsel for the purpose of issuing a legal opinion.

**Section 5. Representations and Warranties**

(a) The Borrower represents and warrants to EBRD as follows:

1. It has all requisite power and authority, corporate or otherwise, to execute, deliver and perform all of its obligations under this Amendment and Restatement Agreement and the Amended Agreement.
2. It has taken all necessary action to authorise the execution, delivery and performance by it of this Amendment and Restatement Agreement and the Amended Agreement.
3. This Amendment and Restatement Agreement has been duly executed and delivered by it and this Amendment and Restatement Agreement and the Amended Agreement constitute its valid and legally binding obligations, enforceable against it in accordance with their respective terms.
4. All consents, authorisations and actions of any kind necessary for the valid execution, delivery and performance by it of this Amendment and Restatement Agreement and for the valid performance of the Amended Agreement have been obtained and are in full force and effect.
5. The execution and delivery by it of this Amendment and Restatement Agreement and the performance by it of its obligations under this Amendment and
Restatement Agreement and under the Amended Agreement do not require the consent or approval of any of its creditors and will not conflict with or constitute a breach or default under or violate any provision of its Charter or any agreement, law, rule, regulation, order, writ, judgement, injunction, decree, determination or award applicable to it.

(b) Except for any representation or warranty given under the Original Agreement which specifies that such representation and warranty is provided “as of the date of this Agreement”, each of the representations and warranties contained in Sections 2.01, 2.02 and Section 2.03 of the Original Agreement shall be deemed to be repeated by the Borrower on the date of this Amendment and Restatement Agreement by reference to the facts and the circumstances existing on the date hereof, as if set out herein in full, mutatis mutandis.

(c) The Borrower acknowledges that it has made the foregoing representations and warranties with the intention of inducing EBRD to enter into this Amendment and Restatement Agreement and that EBRD has entered into this Amendment and Restatement Agreement on the basis of, and in full reliance on, each of such representations and warranties. The Borrower warrants that it has no knowledge of any additional facts or matters the omission of which makes any of such representations and warranties misleading or which would or might reasonably be expected to affect the judgement of a prospective investor in entering into this Amendment and Restatement Agreement.

Section 6. Further Assurances

The Borrower shall, at the request of EBRD and at its own expense, do all such acts and things necessary or desirable to give effect to the amendments effected or to be effected pursuant to this Amendment and Restatement Agreement.

Section 7. Fees, Costs and Expenses

(a) The Borrower shall, from time to time on demand of EBRD, reimburse EBRD for all costs and expenses (including legal fees) together with any VAT thereon incurred by EBRD in connection with the negotiation, preparation and execution of this Amendment and Restatement Agreement and any related document.

(b) The Borrower shall, from time to time on demand of EBRD, reimburse EBRD for all costs and expenses (including legal fees) on a full indemnity basis together with any VAT thereon incurred in or in connection with the preservation or enforcement of any of the rights of EBRD under this Amendment and Restatement Agreement and any other document referred to in this Amendment and Restatement Agreement.

(c) The Borrower shall pay all stamp, registration and other taxes to which this Amendment and Restatement Agreement, any other document referred to in this Amendment and Restatement Agreement or any judgment given in connection herewith is or at any time may be subject and shall, from time to time on demand of EBRD,
indemnify EBRD against any liabilities, costs, claims and expenses resulting from any failure to pay or any delay in paying such tax.

Section 8. Miscellaneous

(a) All references to “this Agreement” in the Original Agreement and all reference to the Original Agreement in all instruments and agreements executed thereunder including, without limitation, in all Financing Agreements, Project Agreements, and Security Documents shall refer to the Amended Agreement.

(b) This Amendment and Restatement Agreement constitutes the entire obligation of the parties hereto with respect to the subject matter hereof and shall supersede any prior expressions of intent or understandings with respect to their subject matter.

(c) This Amendment and Restatement Agreement may be amended only by an instrument in writing duly executed by the parties hereto.

(d) This Amendment and Restatement Agreement may be executed in several counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

Section 9. Governing Law and Dispute Resolution

(a) This Amendment and Restatement Agreement shall be governed by and construed in accordance with English law.

(b) The provisions of Sections 8.09 and 8.11 of the Original Agreement are hereby incorporated by reference into, and made a part of, this Amendment and Restatement Agreement as if fully set forth herein in full, mutatis mutandis and (without prejudice to the generality thereof) as if reference therein to this “Agreement” were to this Amendment and Restatement Agreement.

(c) Nothing in this Amendment and Restatement Agreement shall be construed as a waiver by EBRD of any of the privileges, immunities and exemptions granted to EBRD under the Amendment and Restatement Agreement Establishing EBRD, international convention or any applicable law. Notwithstanding the foregoing, EBRD has made an express submission to arbitration under Section 8 (b) and accordingly, and without prejudice to its other privileges and immunities (including, without limitation, the inviolability of its archives), it acknowledges that it does not have immunity from suit and legal process under Article 5(2) of Statutory Instrument 1991, No. 757 (The European Bank for Reconstruction and Development (Immunities and Privileges) Order 1991), or any similar provision under English law, in respect of the enforcement of an arbitration award duly made against it as a result of its express submission to arbitration pursuant to Section 8 (b).

IN WITNESS WHEREOF, the parties hereto, acting through their duly authorised representatives, have caused this Amendment and Restatement Agreement to be executed and delivered on the date first above written.
SCHEDULE 1

FORM OF THE AMENDED AND RESTATED AGREEMENT
LOAN AGREEMENT

between

SERINUS ENERGY INC

and

EUROPEAN BANK
FOR RECONSTRUCTION AND DEVELOPMENT

Dated 20 November 2013
As amended by amendment agreements dated 20 February 2015 and 20 October 2016,
and as amended and restated by an amendment and restatement agreement
dated 27 October 2017
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LOAN AGREEMENT

LOAN AGREEMENT (this “Agreement”) dated 20 November 2013, as amended by amendment agreements dated 20 February 2015 and 20 October 2016, and as amended and restated by an amendment and restatement agreement dated 27 October 2017, between SERINUS ENERGY INC., a corporation organised and existing under the laws of Alberta, Canada (the “Borrower”), and the EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT, an international organisation formed by treaty (“EBRD”).

ARTICLE I - DEFINITIONS

Section 1.01. Definitions

Wherever used in this Agreement (including the Exhibits and any Schedules), unless the context otherwise requires, the following terms have the following meanings:

“Affiliate” means, with respect to any person, any other person, directly or indirectly, controlling, controlled by, or under common control with, such person.

“Amendment Agreement No. 1” means the amendment agreement dated 20 February 2015 between EBRD and the Borrower relating to this Agreement.

“Amendment Agreement No. 2” means the amendment agreement dated 20 October 2016 between EBRD and the Borrower relating to this Agreement.

“Amendment Agreements” means the Amendment Agreement No. 1, the Amendment Agreement No. 2, the Amendment and Restatement Agreement and any other agreement designated as an Amendment Agreement by the Borrower and EBRD.

“Amendment and Restatement Agreement” means the amendment and restatement agreement dated 27 October 2017 between EBRD and the Borrower relating to this Agreement.

“Assignment of Accounts Receivable” means a specific assignment of accounts receivable instrument to be issued by the Borrower in favour of EBRD pursuant to which the Borrower assigns to EBRD all of its rights, interests and benefits under the Onlending Arrangements, together with the notices and
acknowledgements and consents in the forms attached thereto (if any), which instrument shall be in form and substance satisfactory to EBRD.

"Auditors" means such firm of independent accountants as the Borrower may from time to time appoint as its auditors in accordance with Section 5.05.

"Authorisation" means any consent, registration, filing, agreement, notarisation, certificate, licence, approval, permit, authority or exemption from, by or with any Governmental Authority, whether given or withheld by express action or deemed given or withheld by failure to act within any specified time period and all corporate, creditors’ and shareholders’ approvals or consents.

"Bank Account Pledges (Tunisian Dividends)" means (i) the Dutch law pledge over the bank account of Holdco with ABN AMRO Bank, with account details to be provided once opened, pursuant to a deed of pledge over bank accounts to be entered into between Holdco as the pledgor and EBRD as the pledgee; and (ii) the Canadian law bank account pledge and blocked account agreement between Holdco, EBRD and Bank of Montreal together with instruments pursuant to which Holdco grants to EBRD a first ranking security interest in Holdco’s bank account with Bank of Montreal, with account details to be provided once opened, into which Holdco collects dividends payable by Projco, together with the notices and acknowledgements and consents in the forms attached thereto, which pledges and instruments shall be in form and substance satisfactory to EBRD.

"Bank Account Pledges" means the Bank Account Pledges (Tunisian Dividends) and, if required under Section 5.07(j), the Bank Accounts Pledge (Projco).

"Bank Accounts Pledge (Projco)" means the Tunisian law pledge over the Projco Tunisian Bank Accounts pursuant to a deed of pledge over bank accounts to be entered into between Projco as pledgor and EBRD as pledgee pursuant to which Projco grants to EBRD a first ranking security interest in the Projco Tunisian Bank Accounts, together with the notices and acknowledgements and consents in the forms attached thereto, which pledge shall be in form and substance satisfactory to EBRD.

"Boed" means barrels of oil equivalent per day.
"Business Day" means a day on which commercial banks are open for the transaction of general business (including dealings in foreign exchange and foreign currency deposits) in London, England and Toronto, Canada and on which commercial banks and foreign exchange markets settle payments in the Loan Currency in New York.

"C$" means the lawful currency of Canada.

"Cash Flows" has the meaning given to it in Section 5.11(c).

"CDS" CDS Clearing and Depository Services Inc. or such other entity designated by the Canadian Depository for Securities Limited as Canada’s central depository for securities.

"Charter" means, in respect of any company, corporation, partnership, enterprise or other entity, its charter, founding act, articles of incorporation and bylaws, memorandum and articles of association, statutes, deed of incorporation or similar instrument.

"Commitment Period" means the period commencing on the date of this Agreement and terminating on the earlier of the date thirty-six (36) months from the date of this Agreement and the date the obligation of EBRD to make Disbursements hereunder terminates in accordance with the terms of this Agreement.

"Concession S&P Agreements" means the sale and purchase agreements under which Projco has acquired participating interests in the Concessions and which are listed in Schedule 2.

"Concessions" means:

a concession granted by the Tunisian State on January 15, 1977 for the exploitation of bitumen, asphalt, petroleum and other solid, liquid and gaseous hydrocarbons in the Chouech Essaida block as amended (the “Chouech Essaida Concession”);

a concession granted by the Tunisian State on May 22, 1992 for the exploitation of bitumen, asphalt, petroleum and other solid, liquid and gaseous hydrocarbons in the Chouech Essaida block as amended (the “Ech Chouech Concession”);

a concession granted by the Tunisian State to ETAP and Mol Tunisia Oil and Gas Limited on November 17, 1998
for the exploitation of bitumen, asphalt, petroleum and other solid, liquid and gaseous hydrocarbons in the Sabria block (the “Sabria Concession”);

a concession granted by the Tunisian State on March 27, 1991 for the exploitation of bitumen, asphalt, petroleum and other solid, liquid and gaseous hydrocarbons in the Sanrhar block (the “Sanrhar Concession”);

the Chouech Essaida Concession, the Ech Chouech Concession, the Sabria Concession and the Sanrhar Concession together the "Concessions" and each a “Concession”.

“Convertible
Loan Agreement” means a convertible loan agreement between the Borrower and EBRD dated the date of this Agreement.

“Country of Operation” means Tunisia.

“Crude Oil Supply Agreement” means the agreement dated 23 May 2016 and made between Projco and Shell International Trading and Shipping Company Limited, the obligations under which are guaranteed under the Shell Deed of Guarantee.

“Deed of Contract Transfer” means a Dutch law governed deed of transfer of contract (contractsverveming) between EBRD, Winstar Resources, the Borrower and Holdco, pursuant to which the rights and obligations of Winstar Resources under the Share Pledge (Holdco) are transferred to the Borrower, which instrument shall be in form and substance satisfactory to EBRD.

“Debt” means, with respect to any person, all obligations of such person, whether incurred as principal or surety and whether present, future, actual or contingent, for the payment or repayment of money, including:

(a) any amounts payable by such person under leases or similar arrangements over their respective periods;

(b) any credit to such person from a supplier of goods or under any instalment purchase or other similar arrangement; and

(c) any liabilities and obligations of third parties to the extent that they are guaranteed by such person or such person has otherwise assumed or become liable for the payment of such liabilities or obligations or to the extent
that they are secured by any Lien upon property owned by such person whether or not such person has assumed or become liable for the payment of such liabilities or obligations.

“Default” means any Event of Default or any event which, with the giving of notice, the passage of time or the making of any determination, or any combination thereof, would become an Event of Default.

“Default Interest Determination Date” means the date two (2) London Banking Days prior to the first day of the relevant Default Interest Period (or, at EBRD’s option, the first day of such Default Interest Period).

“Default Interest Period” means, with respect to any amount overdue under this Agreement, a period commencing on the day on which such payment becomes due or, as the case may be, on the last day of the previous Default Interest Period with respect to such overdue amount, and ending on a Business Day selected by EBRD.

“Designated Performance Requirements” means Performance Requirements 1 through 8 and 10 (or, as the context may require, any one of such Performance Requirements) of the Performance Requirements dated May 2008 and related to EBRD’s Environmental and Social Policy dated May 2008 and which are listed in Schedule 4.

“Development Plan” means the development plan for the Project prepared by the Borrower and delivered to EBRD by the Borrower outlining the drilling and work-over activities to be performed at the Fields and related investments in equipment as set out in Schedule 6 (as the same may be amended by the Borrower on a yearly or such other basis as the Borrower may decide to the extent any such amendment is consistent with the Project) with a copy of any updated Development Plan to be provided to EBRD promptly upon being updated.

“Disbursement” means the disbursement of any portion of the Loan from time to time pursuant to Section 3.02 or, as the context may require, the principal amount thereof from time to time outstanding.

“Dollars”, “USD” or “$” means the lawful currency of the United States of America.
"EBRD Project" means any activity or project which EBRD has financed or committed to finance.


"Environmental and Social Action Plan" means the plan of environmental and social mitigation and improvement measures a copy of which is attached hereto as Schedule 3, as such plan may be amended from time to time with the prior written consent of EBRD in accordance with Section 5.03(e).

"Environmental and Social Law" means any applicable law or regulation which relates to:

(a) pollution or protection of the environment, including related laws or regulations relating to public access to information and participation in decision-making;

(b) labour and employment conditions;

(c) occupational health and safety;

(d) public health, safety and security;

(e) indigenous peoples;

(f) cultural heritage; or

(g) resettlement or economic displacement of persons.

"Environmental and Social Matter" means any matter that is the subject of any Environmental and Social Law, any Designated Performance Requirement or the Environmental and Social Action Plan.

"ETAP" means “L'Entreprise Tunisienne d'Activités Pétrolières”, a National Oil Company operating in industrial and commercial business with civil personality and financial autonomy, created by law No. 72-22 of 10 March 1972.

"ETAP Agreement" means a joint venture agreement (Association Contract) dated 25 September 1991 originally made between ETAP, with a 55% (fifty-five per cent.) participating interest, and Orszagos Koolaj Es Gazipari Troszt - OKGT, with a 45% (forty-five per cent.) participating interest in the Sabria Concession which has been subsequently purchased by Projco pursuant to a sale and purchase agreement dated 26 September 2000 between Projco as purchaser and MOL.
Tunisia Oil and Gas Co. Ltd. as seller, in each case as duly approved by the granting authority.

“Event of Default” means any one of the events or occurrences specified in Section 7.01.

“Fields” means oil and gas fields in Tunisia located in Sabria, Chouech Essaida, Ech Chouech and Sanrahr, and a “Field” means any of them.

“Financial Debt” means, with respect to any person, any Debt of such person for or in respect of:

(a) moneys borrowed;

(b) any amount raised by acceptance under any acceptance credit facility;

(c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;

(d) the amount of any liability in respect of any lease or hire purchase contract which would in accordance with IFRS, be treated as a finance or capital lease;

(e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);

(f) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of borrowing;

(g) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account);

(h) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and

(i) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (h) above.

“Financial Statements” means the consolidated and unconsolidated financial statements (including balance sheet, income statement,
statement of changes in equity, cash flow statement and notes, comprising a summary of significant accounting policies and other explanatory notes) of the Borrower and its Subsidiaries prepared in accordance with IFRS.

“Financial Year” means the period commencing each year on 1 January and ending on the following 31 December, or such other period as the Borrower may, with EBRD’s consent, from time to time designate as the accounting year of the Borrower and its Subsidiaries.

“Financing Agreements” means:

(a) this Agreement,
(b) the Convertible Loan Agreement,
(c) the Guarantee,
(d) the Security Documents,
(e) upon a Permitted Transaction in relation to Winstar Resources taking place, the Deed of Contract Transfer,
(f) the Disbursement applications referred to in Section 3.02,
(g) the Letter of Information,
(h) the Amendment Agreements, and
(i) any other agreements entered into between the Borrower or any other party and EBRD and notices, certificates and applications issued by the Borrower or any other party to EBRD in each case in connection with this Agreement or the transactions contemplated by this Agreement.

“Financing Plan” means the plan for financing the Project as set forth in Section 2.01(c).

“Governmental Authority” means the government of any country, or of any political subdivision thereof, whether state, regional or local, and any agency, authority, branch, department, regulatory body, court, central bank, antimonopoly office or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government or any subdivision thereof (including any supra-national bodies), and all officials, agents and representatives of each of the foregoing.
“Granting Authority” means the State of Tunisia, a public enterprise or establishment that is authorised pursuant to its articles or governing laws to grant the Concessions.

“Guarantee” means the irrevocable guarantee by Projco of all amounts owing to EBRD under the Financing Agreements, which guarantee shall be in form and substance satisfactory to EBRD.

“Holdco” means Winstar B.V., a private limited company (besloten vennootschap met beperkte aansprakelijkheid) incorporated under the laws of the Netherlands, having its official seat (statutaire zetel) in Amsterdam, the Netherlands and its office at 65 St Paul’s Churchyard c/o Lubbock Fine, Paternoster House, London EC4M 8AB, United Kingdom, registered with the Dutch Trade Register of the Chamber of Commerce under number 34155692.

“IFRS” means International Financial Reporting Standards issued or adopted by the International Accounting Standards Board and consistently applied.

“Independent Petroleum Engineer” means RPS Energy or any other independent petroleum engineer acceptable to EBRD.

“Insurance Assignment” means the instrument or instruments pursuant to which the Borrower and/or Projco assigns to EBRD all of its rights, interests and benefits under all insurance now or hereafter maintained by the Borrower and/or Projco and all other insurance relating to the Project, together with the notices and acknowledgements and consents in the forms attached thereto, which instrument shall be in form and substance satisfactory to EBRD.

“Interbank Rate” means:

(a) for the first Interest Period of each Disbursement, the offered rate per annum for deposits in the Loan Currency which appears on the Reference Page as of 11:00 a.m., London time, on the relevant Interest Determination Date for the period which equals the duration of such Interest Period (or if no such rate appears on the Reference Page for a period equal to the duration of such Interest Period but rates (“Reference Rates”) do appear on the Reference Page both for a period that is shorter than and for a period that is longer than the duration of such Interest Period, the Interbank Rate shall be the rate (rounded upward, if necessary, to four decimal places) that would be applicable for a period equal to the duration of such Interest Period as...
determined through the use of straight-line interpolation by reference to the Reference Rate that appears on the Reference Page for the period that is the next shorter in length than the duration of such Interest Period and the Reference Rate that appears on the Reference Page for the period that is the next longer in length than the duration of such Interest Period); and

(b) for each subsequent Interest Period, the offered rate per annum for deposits in the Loan Currency which appears on the Reference Page as of 11:00 a.m., London time, on the relevant Interest Determination Date for the period which is closest to the duration of such Interest Period (or, if two periods are equally close to the duration of such Interest Period, the average of the two relevant rates);

provided that:

(i) if, for any reason, the Interbank Rate cannot be determined at such time by reference to the Reference Page, the Interbank Rate for such Interest Period shall be the rate per annum which EBRD determines to be the arithmetic mean (rounded upward, if necessary, to four decimal places) of the offered rates per annum for deposits in the Loan Currency in an amount comparable to the portion of the Loan scheduled to be outstanding during such Interest Period for a period equal to such Interest Period which are quoted to leading banks in the London interbank market as advised to EBRD by at least two major banks active in the London interbank market selected by EBRD; and

(ii) if pursuant to this definition of "Interbank Rate" the Interbank Rate would be below zero, the Interbank Rate will be deemed to be zero.

"Interest Conversion Period" means a period of at least one year, commencing on an Interest Payment Date and ending on an Interest Payment Date, selected by the Borrower as such in accordance with Section 3.05(b)(2).

"Interest Determination Date" means, for any Interest Period, the date two (2) London Banking Days prior to the first day of such Interest Period.

"Interest Fixing Date" means a London Banking Day at least two (2) London Banking Days prior to the first day of the Interest
Conversion Period selected by the Borrower as such in accordance with Section 3.05(b)(2).

“Interest Payment Date” means any day which is 31 March or 30 September in any year; provided, however, that, if any Interest Payment Date would otherwise fall on a day which is not a Business Day, such Interest Payment Date shall be changed to the next succeeding Business Day in the same calendar month or, if there is no succeeding Business Day in the same calendar month, the immediately preceding Business Day.

“Interest Period” means, for any Disbursement, the period commencing on the date of such Disbursement and ending on the next Interest Payment Date and each period of six (6) months thereafter commencing on an Interest Payment Date and ending on the next Interest Payment Date; provided that, if such Disbursement is made less than fifteen (15) Business Days prior to the next Interest Payment Date, the first Interest Period for such Disbursement shall commence on the date of such Disbursement and end on the Interest Payment Date following the next Interest Payment Date.

“International Standards on Auditing” means the International Standards on Auditing issued by the International Federation of Accountants.

“Letter of Information” means the letter dated on or about the date of this Agreement from the Borrower to EBRD containing the Borrower’s representations regarding all material facts concerning the use of the Disbursements, the organisation, status, operations, affiliations, liabilities and assets of the Borrower and other matters incidental to the transactions contemplated by this Agreement, and any amendment or supplement to such letter which is accepted by EBRD.

“Lien” means any mortgage, pledge, charge, privilege, priority, hypothecation, encumbrance, assignment, lien, attachment, set-off or other security interest of any kind or any other agreement or arrangement having the effect of conferring security upon or with respect to, or any segregation of or other preferential arrangement with respect to, any present or future assets, revenues or rights, including, any designation of loss payees or beneficiaries or any similar arrangement under any insurance policy.

“Loan” means, collectively, the Tranche I Loan and the Tranche II Loan or, as the context may require, the principal amount thereof from time to time outstanding.
“Loan Currency” means the currency in which the Loan is denominated as set forth in Section 3.01.

“London Banking Day” means a day on which commercial banks are open for the transaction of general business (including dealings in foreign exchange and foreign currency deposits) in London, England.

“Long-term Debt” means, as of any date with respect to any person, any Financial Debt of such person all or part of which, or the final payment of which, is due more than one year after such date.

“Margin” means 6% (six per cent.) per annum.

“Market Disruption Event” means:

(a) on the Interest Determination Date for the relevant Interest Period or the Default Interest Determination Date for the relevant Default Interest Period (in each case whether or not during a period in which all or any portion of the Loan is subject to a fixed interest rate in accordance with Section 3.05(b)), the Reference Page is not available and none or only one of the major banks active in the London interbank market supplies a rate to EBRD to determine the Interbank Rate for the Loan Currency for the relevant Interest Period or the default interest rate for the Loan Currency for the relevant Default Interest Period, as the case may be; or

(b) before close of business in London on the Interest Determination Date for the relevant Interest Period or the Default Interest Determination Date for the relevant Default Interest Period (in each case whether or not during a period in which all or any portion of the Loan is subject to a fixed interest rate in accordance with Section 3.05(b)), (1) EBRD determines that the cost to EBRD or (2) EBRD receives notification from one or more Participants whose aggregate participations in the Loan exceed 35% (thirty-five per cent.) of the Loan that the cost to such Participant(s), as the case may be, of obtaining matching deposits in the London interbank market would be in excess of the Interbank Rate.

“Material Adverse Effect” means a material adverse effect on:

(a) the ability of any Project Company to perform or comply with any of its payment or other material (as determined at the sole discretion of EBRD) obligations under any Financing Agreement;
(b) the rights and remedies of EBRD in respect of any Security;

c) the legality, validity, enforceability and binding nature of any Financing Agreement or the legal rights, remedies and priorities of EBRD under any of the Financing Agreements;

d) the ability of any Project Company to implement or operate the Project substantially in the manner contemplated by the Financing Agreement and the Project Agreements; or

e) any Project Company's business, operations, financial condition or the Borrower's or Projco's prospects.

"NDS" means the National Polish Depository for Securities (Krajowy Depozyt Papierów Wartościowych).

"Onlending Arrangements" the loan agreement dated 1 July 2013 entered into between the Borrower and Projco for onlending the proceeds of Disbursements from the Borrower to Projco.

"Operating Activities" has the meaning given to it in Section 5.11(c).

"PPR" means the Personal Property Registry of Alberta, Canada.

"Participant" means a person from whom EBRD receives a formal commitment to acquire a Participation through the execution of, or the accession to, a participation agreement with EBRD.

"Participation" means a participation in the Loan or, as the context may require, in a Disbursement.

"Permitted Liens" means the Liens referred to in Sections 6.03(1) and 6.03(2).

"Permitted Transaction" means a solvent liquidation (including without limitation by way of winding up or dissolution) of Winstar Resources.
“Pledge of Contractual Rights” means the pledge granted pursuant to the Tunisian Chattels Real Code over, without limitation, all Projco’s participating interests derived from the Concessions and all its rights under related agreements in favour of EBRD in form and substance satisfactory to EBRD.

"Prohibited Practice" means a coercive practice, a collusive practice, a corrupt practice, a fraudulent practice, a misuse of EBRD’s resources, an obstructive practice or a theft, as each of these terms is defined in the Enforcement Policy and Procedures.

“Projco” means Winstar Tunisia B.V., a private limited company (besloten vennootschap met beperkte aansprakelijkheid) incorporated under the laws of the Netherlands, having its official seat (statutaire zetel) in Amsterdam, the Netherlands and its office at 65 St Paul’s Churchyard, c/o Lubbock Fine, Paternoster House, London EC4M 8AB, United Kingdom, registered with the Dutch Trade Register of the Chamber of Commerce under number 33029116.

“Projco Bank Accounts” means the Projco Tunisian Bank Accounts and such other bank accounts that Projco may retain or open (with prior written consent of EBRD if there is a Default outstanding) in each case pledged or assigned to EBRD on terms satisfactory to EBRD.

“Projco Tunisian Bank Accounts” means the bank accounts of Projco opened in Tunisia and such other bank accounts that Projco may open in Tunisia (with prior written consent of EBRD if there is a Default outstanding) in each case pledged to EBRD on terms satisfactory to EBRD.

“Project” means the development of the conventional hydrocarbon deposits at the Fields for the period ending on 31 December 2017 (including the purchase and/or leasing of the Project Assets to enable continuous work-over of existing wells and development drilling at the Fields, in each case as approved by the relevant authorities).

“Project Agreements” means the Concessions, the Romanian Concession, the ETAP Agreement, the Project Asset Sale and Purchase Agreements, the Project Asset Lease Agreements and the Onlending Arrangements.

“Project Asset Assignment” means each instrument pursuant to which Projco grants to EBRD a first ranking security interest in all of its rights,
interests and benefits under any Project Asset Lease Agreement, and all performance bonds, warranties, guarantees and undertakings issued thereunder, together with the notices and acknowledgements and consents in the forms attached thereto, which instrument shall be in form and substance satisfactory to EBRD.

“Project Asset Lease Agreement” means each lease agreement to be entered into by Projco in relation to any Project Asset to be leased by Projco.

“Project Asset Pledge” means each instrument pursuant to which Projco grants to EBRD a first ranking pledge over any Project Asset to be acquired pursuant to any Project Asset Sale and Purchase Agreement, which instrument shall be in form and substance satisfactory to EBRD.

“Project Asset Sale and Purchase Agreement” means each agreement for the sale and purchase by Projco of any Project Asset to be entered into in form and substance satisfactory to EBRD.

“Project Assets” means each drilling rig and each service rig required to enable continuous work-over of existing wells and development drilling at the Fields of which acquisition or leasing is to be financed or re-financed with the proceeds of a Disbursement under the terms of this Agreement.

“Project Companies” means the Borrower and the Project Subsidiaries, and a “Project Company” means each and any of them.

“Project Subsidiaries” means Winstar Resources, Holdco, Projco, Winstar (Romania) and any other legal entity in the chain of ownership and/or control between the Borrower and Projco from time to time.

“Proved Reserves” means the proved developed producing reserves, the proved developed non-producing reserves and the proved undeveloped reserves from the Fields adjusted, for each Field, pro rata to Projco’s share in participation interests derived from the Concession related to such Field.

“Reference Page” means the display of London interbank offered rates of major banks for deposits in the Loan Currency designated as page LIBOR01 and LIBOR02 on Thomson Reuters services (or such other page as may replace page LIBOR01 and LIBOR02 on Thomson Reuters services for the purpose of displaying London interbank offered rates for deposits in the Loan Currency).
“Reserves Cover Ratio” means the ratio of the net present value (utilising a discount rate of 10% (ten per cent.) for the purposes of such calculation) of all Projco’s future revenues (net of applicable taxes) from the relevant Proved Reserves determined in accordance with the relevant Reserves Report to the total outstanding amount (where relevant, following any relevant Disbursement) of the Loan, provided that only Proved Reserves that can be produced under the terms of the relevant Concession shall be included for the purpose of the calculation.

The calculation of the Reserves Cover Ratio shall be based on the sum of:

(a) 90% (ninety per cent.) of the developed producing Proved Reserves; plus

(b) 70% (seventy per cent.) of the developed non-producing Proved Reserves; plus

(c) 50% (fifty per cent.) of the undeveloped Proved Reserves.

“Reserves Report” means a reserves report by the Independent Petroleum Engineer which evaluates, as at 31 December 2012 and as at the end of every year thereafter, the extent of the Proved Reserves.

“Romanian Concession” means the concession granted by the National Agency for Mineral Resources (Agentia Nationala pentru Resurse Minerale) for the exploration, development and exploitation within the perimeter EIV 5 – Satu Mare in north-west Romania, approved by Romanian Government Decision no. 1335/2004.

“Romanian Project” means the exploration, development and exploitation of an oil and gas field located in Satu Mare, Romania, in respect of which Winstar Romania holds an interest in the Romanian Concession.

“Sanctions” means the economic sanctions, laws, regulations, embargoes or restrictive measures administered, enacted or enforced by the United Nations or the European Union.

“Satu Mare Guarantee” means a USD 12,000,000 (twelve million Dollars) guarantee, without cash or any other asset pledged as security, dated 5 May 2017 and issued by the Borrower in favour of the Romanian National Agency for Mineral Resources in respect of Winstar Romania’s minimum work commitments for the Phase 2 exploration period as
specified in the addendum dated 28 October 2016 to the concession agreement dated 22 September 2013 between the Romanian National Agency for Mineral Resources and Rompetrol Group NV.

"Security" means the security created, expressed to be created or agreed to be created pursuant to any of the Security Documents to secure all amounts owing to EBRD under the Financing Agreements (or any of them).

"Security Documents" means the Assignment of Accounts Receivable, the Bank Account Pledges, the Insurance Assignment (unless waived by EBRD), the Pledge of Contractual Rights, the Project Asset Assignments, the Project Asset Pledges, the Share Pledges and any other document designated as such by EBRD and the Borrower.

"Serinus Debt" means Financial Debt of Serinus, including under this Agreement but excluding Financial Debt under the Convertible Loan Agreement.

"Share Pledge (Holdco)" means the Dutch law pledge over all of the issued and outstanding shares of Holdco pursuant to a deed of pledge of shares to be entered into between Winstar Resources or, as the case may be, the Borrower in the case of an applicable Permitted Transaction as the pledgor, EBRD as the pledgee and Holdco as the company whose shares are pledged, which shall be in form and substance satisfactory to EBRD.

"Share Pledge (Projco)" means the Dutch law pledge over all of the issued and outstanding shares of Projco pursuant to a deed of pledge of shares to be entered into between Holdco as the pledgor, EBRD as the pledgee and Projco as the company whose shares are pledged, which instrument shall be in form and substance satisfactory to EBRD.

"Share Pledge (Romania)" means the Romanian law first ranking movable hypothec (Romanian: ipoteca mobiliara) over all of the issued, outstanding and future shares (actiumi) of Winstar (Romania) and related rights pursuant to a movable hypothec agreement entered or to be entered into between Holdco and Projco, as the pledgors, EBRD as the pledgee and Winstar (Romania) as the company whose shares are pledged, which instrument shall be in form and substance satisfactory to EBRD.

"Share Pledges" means the Share Pledge (Holdco), the Share Pledge (Projco) and the Share Pledge (Romania).
"Shell Deed of Guarantee" means the guarantee dated 13 June 2016 and issued by the Borrower, in favour of Shell Trading International Limited and Shell International Trading and Shipping Company Limited.

"Short-term Debt" means, with respect to any person, any Financial Debt of such person other than Long-term Debt.

"Stakeholder Engagement Plan" means a stakeholder engagement plan required by Designated Performance Requirement 10 a copy of which is attached hereto as Schedule 4.

"Subordinated Debt" means Debt of a Project Company which is subordinated, on terms satisfactory to EBRD, to the payment of all amounts payable to EBRD under the Financing Agreements or payable under the Onlending Arrangements.

"Subsidiary" means, with respect to any entity, any other entity over 50% (fifty per cent.) of whose capital is owned, directly or indirectly, by such entity or which is otherwise effectively controlled by such entity.

"Tax" or "Taxes" means any tax, royalty, stamp or other duty, assessment, levy, charge, value added tax, or impost of any nature whatsoever (including any related penalty or interest) imposed under any law.

"Tranche" means, as the context requires:

(a) the Tranche I Loan; or
(b) the Tranche II Loan.

"Tranche I Loan" means the maximum principal amount of the loan provided for in Section 3.01(a)(1) or, as the context may require, the principal amount thereof from time to time outstanding.

"Tranche II Loan" means the maximum principal amount of the loan provided for in Section 3.01(a)(2) or, as the context may require, the principal amount thereof from time to time outstanding.

"Winstar Resources" means Winstar Resources Ltd., a corporation amalgamated under the laws of Alberta, Canada.

"Winstar (Romania)" means Serinus Energy Romania S.A. (formerly: Winstar Satu Mare S.A.), a company organised under the laws of
Section 1.02. Interpretation

(a) In this Agreement, unless the context otherwise requires, words denoting the singular include the plural and vice versa.

(b) In this Agreement, a reference to a specified Article, Section, Schedule or Exhibit shall be construed as a reference to that specified Article or Section of, or Schedule or Exhibit to, this Agreement.

(c) In this Agreement, a reference (i) to an amendment or to an agreement being amended includes a supplement, variation, assignment, novation, restatement or re-enactment, and (ii) to an agreement shall be construed as a reference to such agreement as it may be amended from time to time.

(d) In this Agreement, the headings and the Table of Contents are inserted for convenience of reference only and shall not affect the interpretation of this Agreement.

(e) In this Agreement, “control” (including, with correlative meanings, the terms “controlled by” and “under common control with”), as used with respect to any person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such person, whether through the ownership of voting shares, by contract or otherwise.

(f) In this Agreement, a Default is outstanding or continuing until it has been remedied or waived by EBRD in writing.

(g) In this Agreement, a reference to a document being “in the Agreed Form” means that the form of such document has been agreed by the parties hereto and that a copy thereof has been initialled for the purpose of identification by EBRD and the Borrower.

(h) In this Agreement, any reference to “law” means any law (including, any common or customary law) and any treaty, constitution, statute, legislation, decree, normative act, rule, regulation, judgement, order, writ, injunction, determination, award or other legislative or administrative measure or judicial or arbitral decision in any jurisdiction which has the force of law or the compliance with which is in accordance with general practice in such jurisdiction.

(i) In this Agreement, any reference to a provision of law, is a reference to that provision as from time to time amended or re-enacted.

(j) In this Agreement, a reference to a “person” includes any person, natural or juridical entity, firm, company, corporation, government, state or agency of a state or any association, trust or partnership (whether or not having separate legal personality) or two or more of the foregoing and references to a “person” include its successors in title, permitted transferees and permitted assigns.
(k) In this Agreement, "including" and "include" shall be deemed to be followed by "without limitation" where not so followed.

ARTICLE II - REPRESENTATIONS AND WARRANTIES

Section 2.01. Representations Regarding the Project

The Borrower represents and warrants as follows:

(a) Project Description.

(1) As at the date of this Agreement, the Project conformed in all material respects with the details thereof contained in the Development Plan furnished by the Borrower to EBRD (subject to any modifications to which EBRD may have agreed in writing).

(2) As at the date of this Agreement, the information contained in the Development Plan, other than in respect of financial forecasts or projections (if any), was true, complete and correct in all material respects and the Development Plan contains no untrue or misleading statement and does not omit any material fact necessary to make the statements therein not untrue or misleading.

(3) As of the date of this Agreement, to the extent that any information contained in the Development Plan related to financial forecasts or projections of future events (if any), such forecasts and projections had been prepared in good faith, giving due and careful consideration to all relevant factors and based on assumptions that the Borrower believed were reasonable at the time that such forecasts and projections were prepared, and save as disclosed to EBRD in writing there has been nothing since the date such forecasts and projections were prepared that would make them unreasonable.

(b) Estimated Project Costs. As of the date of this Agreement, the total estimated cost of the Project was approximately USD 166,000,000 (one hundred sixty-six million Dollars) as follows:

<table>
<thead>
<tr>
<th>Item</th>
<th>USD Million</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Drilling activities and</td>
<td>166</td>
<td>100</td>
</tr>
<tr>
<td>Equipment capital items</td>
<td>166</td>
<td>100</td>
</tr>
<tr>
<td>Total Project Cost</td>
<td>166</td>
<td>100</td>
</tr>
</tbody>
</table>

(c) Financing Plan. As of the date of this Agreement, the anticipated sources of financing the Project were as follows:
Section 2.02. Representations Regarding the Borrower and the Project

Subsidiaries

The Borrower represents and warrants as follows:

(a) **Incorporation.** The Borrower is a corporation duly organised, validly existing, and, if applicable, in good standing under the laws of Alberta, Canada and registered, to the extent required in accordance with applicable law, with all relevant registration bodies in any jurisdiction in which it carries on business or owns assets and has full power to own the properties which it owns or will own for the purposes of the Project and to carry out the businesses which it carries out or will carry out for the purposes of the Project.

(b) **Subsidiaries.** As at the date of the Amendment and Restatement Agreement, Holdco has no Subsidiaries other than Projco, and Winstar (Romania). Each of Holdco’s Subsidiaries is duly organised, validly existing, and, if applicable, in good standing under the laws of the jurisdiction in which it is organised and registered, to the extent required in accordance with applicable law, with all relevant registration bodies in any jurisdiction in which it carries on business or owns assets and has full power to own the properties which it owns or will own for the purposes of the Project and to carry out the businesses which it carries out or will carry out for the purposes of the Project.

(c) **Share Capital.** The Borrower is authorised to issue an unlimited number of no par value common shares of which 150,652,138 common shares and 10,266,000 options to purchase common shares were outstanding as at the date of the Amendment and Restatement Agreement. The Borrower is also authorised to issue an unlimited number of preferred shares. No preferred shares are issued or outstanding.

As at the date of the Amendment and Restatement Agreement, to the best knowledge of the Borrower, there are three shareholders holding more than 5% (five per cent.) of the common shares of the Borrower. Kulczyk Investments S.A. owns approximately 52.17% (fifty-two point one seven per cent.), Pala Assets Holdings owns approximately 7.5% (seven point five per cent.) and Quercus Towarzystwo Fundusz Funduszycyjnych S.A. owns approximately 5.24% (five point twenty-four per cent.) of common shares.
issued and outstanding at the date of the Amendment and Restatement Agreement. Directors and officers of the Borrower own approximately 0.02% (zero point zero two per cent.) of the common shares issued and outstanding at the date of the Amendment and Restatement Agreement. Common shares other than those referred to above amount to approximately 35.07% (thirty-five point zero seven per cent.) of the common shares issued and outstanding, and are considered to represent the free float. All of the shares issued as at the date of the Amendment and Restatement Agreement have been validly issued and are fully paid and all in-kind capital contributions by such shareholders (if any) have been made for full commercial value. The only issued shares of the Borrower are registered shares. No person has any right (other than as a shareholder) to share in the profits of the Borrower.

(d) Directors and Officers. As of the date of the Amendment and Restatement Agreement, the Directors of the Borrower are: Sebastian Kulczyk, Dominik Libicki, Helmut Langanger; Łukasz Redziniak, Evgenij Iorich, Eleanor Barker, Jeffrey Auld and James Causgrove; and the President and Chief Executive Officer of the Borrower is Jeffrey Auld, the Chief Financial Officer of the Borrower is Tracy Heck, the Vice President Operations of the Borrower is Trevor Rath and the Vice President External Relations & Strategy of the Borrower is Calvin Brackman.

(e) Financial Statements.

(1) The consolidated balance sheet of the Borrower and its Subsidiaries as at 31 December 2012 and the related consolidated income statement, statement of changes in equity, cash flow statement and notes, comprising a summary of significant accounting policies and other explanatory notes, of the Borrower and its Subsidiaries for the Financial Year ending on that date, accompanied by an unqualified opinion of the Auditors, present fairly the consolidated financial position, financial performance and cash flows of the Borrower and its Subsidiaries as of the date of such balance sheet and for the period covered by such income statement, statement of changes in equity and cash flow statement and were prepared in accordance with IFRS. Neither the Borrower nor any of its Subsidiaries had, as of the date of such balance sheet, any material contingent obligations, liabilities for Taxes or unusual forward or long term commitments not disclosed by, or reserved against in, such balance sheet or the notes thereto. Since the date of such balance sheet, save as notified in writing by the Borrower to EBRD prior to the date of the Amendment and Restatement Agreement, the Borrower has not suffered any Material Adverse Effect, incurred any substantial or unusual loss or liability or undertaken or agreed to undertake any substantial or unusual obligation except under the Financing Agreements and the Project Agreements.

(2) The consolidated balance sheet of Winstar Resources and its Subsidiaries as at 31 December 2012 and the related consolidated income statement, statement of changes in equity, cash flow statement and notes, comprising a summary of significant accounting policies and other explanatory notes, of Winstar Resources and its Subsidiaries for the financial year of Winstar Resources ending on that date, certified by the auditors of Winstar Resources, present fairly the consolidated financial position, financial performance and cash flows of Winstar Resources and its Subsidiaries as of the date of such balance sheet and for the period covered by such income statement, statement of changes in equity and cash flow statement and were prepared in accordance
with IFRS. Neither Winstar Resources nor any of its Subsidiaries had, as of the date of such balance sheet, any material contingent obligations, liabilities for Taxes or unusual forward or long term commitments not disclosed by, or reserved against in, such balance sheet or the notes thereto. Since the date of such balance sheet, save as notified in writing by the Borrower to EBRD prior to the date of the Amendment and Restatement Agreement, neither Winstar Resources nor any of its Subsidiaries has suffered any Material Adverse Effect, incurred any substantial or unusual loss or liability or undertaken or agreed to undertake any substantial or unusual obligation except under the Financing Agreements and Project Agreements.

(f) **Title to Assets.** Each Project Company owns and has good and marketable title to all its assets with a book value in excess of the equivalent of USD 50,000 (fifty thousand Dollars) each, the ownership of which is reflected in the relevant most recent balance sheet referred to in Section 2.02(e) (unless subsequently disposed of as permitted under Section 6.10(a)) or which are necessary for the implementation of the Project or which are referred to in the Security Documents (the "Assets"), except for (i) such Project Assets that will be held under lease for which Projco has permanent use rights for the purpose of the Project; (ii) until acquired, such Project Assets that will be purchased by Projco; and (iii) such assets as disclosed in writing by the Borrower to EBRD prior to the date of the Amendment and Restatement Agreement. Such assets are free from any restrictions or covenants which might have a Material Adverse Effect. The Assets are not subject to any Lien, and no Project Company is subject to any contract, arrangement or law, whether conditional or unconditional, pursuant to which any Lien on its assets may be created, except for Permitted Liens.

(g) **Material Contracts.** As of the date of the Amendment and Restatement Agreement, no Project Company is a party to, or (except as applied to the Borrower in relation to items (1) to (4) below) committed to enter into, any agreement, other than the Financing Agreements, the Project Agreements, the Crude Oil Supply Agreement (and the related Shell Deed of Guarantee) and agreements for materials or services entered into in the normal conduct of Projco’s business:

1. that involves the payment of more than USD 300,000 (three hundred thousand Dollars) (or the equivalent thereof in other currencies) per year or in the aggregate more than USD 1,000,000 (one million Dollars) (or the equivalent thereof in other currencies) over the term of such agreement;

2. that relates to the Project;

3. as applied to Projco only, that involves any consultancy, agency, financial advisory or similar service contract or arrangement;

4. as applied to any Project Company other than Projco, that involves any consultancy, agency, financial advisory or similar service contract or arrangement relating to the Project; or

5. that would or might affect the judgement of a prospective lender considering whether to enter into this Agreement and lend to the Borrower.
(h) **Compliance with Law.** No Project Company is in violation of any law applicable to it and currently in effect, which violation is reasonably likely to have a Material Adverse Effect. To the best of the Borrower’s knowledge, no law has been proposed or is expected which may have a Material Adverse Effect. All Tax returns and reports of each Project Company required by law to be filed have been duly filed and all Taxes upon each Project Company, its properties and its income, which are due and payable, have been paid, other than those currently payable without penalty or interest or which are being contested in good faith and as disclosed by written notice to EBRD. The Borrower is in compliance with all applicable securities laws, dematerialisation rules of the NDS and CDS and all listing rules of the Warsaw Stock Exchange and Toronto Stock Exchange currently in effect. The statutory and minute books of each Project Company have been properly written up and contain a true, accurate and complete record of the matters that should be dealt with in such books and no notice or allegation that any of them is incorrect or should be rectified has been received to the extent that such notice, inaccuracy or omission might result in a Material Adverse Effect. Each Project Company is in compliance with all applicable laws concerning money laundering or the financing of terrorism.

(i) **No Default.** No Project Company is in default under any agreement, obligation or duty to which it is a party or by which it or any of its properties or assets is bound where such default is reasonably likely to have a Material Adverse Effect and there exists no Default.

(j) **Environmental and Social Compliance.** Except as identified in the environmental and social due diligence report dated 19 July 2013 and prepared by D’Apollonia SPA (the “ESDD Report”) and the Environmental and Social Action Plan, each Project Company and its businesses, operations, assets, equipment, property, leaseholds and other facilities are, in all material respects, in compliance with the provisions of all Environmental and Social Laws, and to the best of its knowledge and belief there is no material contamination on any Field and the Fields are suitable for the implementation of the Project. Other than as disclosed to the EBRD in the ESDD Report and the Environmental and Social Action Plan, each Project Company has been issued all required Authorisations relating to, and has received no complaint, order, directive, claim, citation or notice from any Governmental Authority or other person with respect to: (1) air emissions, (2) discharges to surface water or ground water, (3) noise emissions, (4) solid or liquid waste disposal, (5) the use, generation, storage, transportation or disposal of toxic or hazardous substances, (6) labour and employment conditions, (7) occupational health and safety, (8) public health, safety and security, (9) indigenous peoples, (10) cultural heritage and (11) resettlement or economic displacement of persons.

(k) **Litigation.** No Project Company is engaged in, or, to the best of its knowledge, threatened by, any litigation, arbitration or administrative proceeding, the outcome of which is reasonably likely to have a Material Adverse Effect.

(l) **Insolvency.** No decree or order by a court has been entered against any Project Company adjudging it bankrupt or insolvent or ordering the winding up or liquidation of its affairs; nor has a petition been filed by a creditor (other than any petition which is frivolous, vexatious, filed in bad faith or has no reasonable cause of action or which is
being contested in good faith by appropriate proceedings, and in each case which is discharged within sixty (60) days) seeking reorganisation, administration, arrangement, adjustment, composition or liquidation of or in respect of any Project Company under any applicable law; nor has a receiver, administrator, liquidator, assignee, trustee, sequestrator, secured creditor or other similar official been appointed over or in respect of any Project Company or any substantial part of its property or assets; nor has any Project Company instituted proceedings to be adjudicated bankrupt or insolvent, or consented to the institution of bankruptcy or insolvency proceedings against it, or filed a petition or answer or consent seeking reorganisation, administration, relief or liquidation under any applicable law, or consent to the filing of any such petition or to the appointment of a receiver, administrator, liquidator, assignee, trustee, sequestrator, secured creditor or other similar official of such Project Company or of any substantial part of its property, or made an assignment for the benefit of creditors, or admitted in writing its inability to pay its debts generally as they become due; nor has any other event occurred which under any applicable law would have an effect analogous to any of the events listed in this Section 2.02(1).

(m) **Prohibited Practices.** No Project Company nor any officer, director, authorised employee, Affiliate, or, to the best of its knowledge and belief, agent or representative, of any Project Company has committed or engaged in, with respect to the Project or any transactions contemplated by this Agreement, any Prohibited Practice.

**Section 2.03. Representations Regarding the Agreements**

The Borrower represents and warrants as follows:

(a) **Corporate Power.** The Borrower has the corporate power to enter into, and perform its obligations under, the Financing Agreements and Project Agreements to which it is a party.

(b) **Due Authorisation; Enforceability; No Conflict.** The Financing Agreements and Project Agreements to which the Borrower is a party have been duly authorised by the Borrower. This Agreement has been duly executed by the Borrower and this Agreement constitutes, and the other Financing Agreements and Project Agreements to which the Borrower is a party, when executed and delivered, will constitute, valid and legally binding obligations of the Borrower, subject to the qualifications as to the matters of law provided in any legal opinions delivered under this Agreement, enforceable in accordance with their respective terms. The making of the Financing Agreements and Project Agreements and the compliance with the terms thereof:

(1) will not result in violation of the Borrower's Charter, the Concessions or any provision contained in any law applicable to the Borrower;

(2) will not conflict with or result in the breach of any provision of, or require any consent under, or result in the imposition of any Lien under, any agreement or instrument to which any Project Company is a party or by which any Project Company or any of its assets is bound; and
(3) will not constitute a default or an event which, with the giving of notice, the passage of time or the making of any determination (or any combination thereof), would constitute a default under any such agreement or instrument.

(c) **Governmental Authorisations.** Except as disclosed in the letter from the Borrower to EBRD dated on or about the date of the Amendment and Restatement Agreement, no Authorisations from any Governmental Authority are required (and which have not been obtained) for:

(1) the due execution, delivery or performance by any Project Company of any Financing Agreement, or the validity or enforceability thereof, or for the carrying out of the Project or the carrying on of the business of any Project Company as it is carried on or is contemplated to be carried on; and

(2) the due execution and delivery or performance by any Project Company of any Project Agreement, or the validity or enforceability thereof, except for those Authorisations (other than the Concessions) which are not necessary at the time this representation is made (or repeated) and which are of a routine or minor nature and are customarily granted in due course after timely application, or which need only be obtained as the Project progresses or after construction is completed and in respect of which the Borrower is not aware of any reason for it being unable to obtain in due course such Authorisations.

(d) **Pari Passu Ranking.** The Borrower’s payment obligations under the Financing Agreements rank at least pari passu with claims of all of its other unsecured creditors, except for claims mandatorily preferred by laws applicable to companies generally.

(e) **Security.** Subject to registration of (i) each Bank Account Pledge governed by Canadian law and the Assignment of Accounts Receivable with the PPR in each case for a ten years’ period; (ii) each Project Asset Pledge with the competent tax authority in Tunisia followed by its being recorded with the relevant judicial authorities in Tunisia within thirty (30) days of the execution of such Project Asset Pledge; (iii) the Pledge of Contractual Rights (subject to the Granting Authority’s approval of the execution of the Pledge of Contractual Rights), each Project Asset Assignment and the Insurance Assignment (unless waived by EBRD) with the competent tax authority in Tunisia; (iv) if required under Section 5.07(j), the Bank Accounts Pledge (Projco) with the competent tax authority in Tunisia and notification of the creation of pledges under the Bank Accounts Pledge (Projco) by extra-judicial service of process upon the bank or banks (as the case may be) with which the bank accounts being pledged under such instrument are held; and (v) the Share Pledge (Romania), each Security Document will, when executed and delivered, constitute a valid and perfected security interest in the collateral covered by such Security Document, securing payment of all principal, interest and other amounts payable to EBRD under the Financing Agreements and ranking senior to all other Liens on such collateral. The registration of each Project Asset Pledge will need to be renewed every ten years after its signing. No Project Company is a party to any other security agreement or instrument creating or purporting to create a Lien on such collateral. The Security is not subject to avoidance on liquidation of any Project Company or in bankruptcy, composition or other insolvency proceedings relating to any Project Company.
(f) **Project Agreements.** Each Project Agreement is in full force and effect without material modification from the form referred to in Section 1.01. There has occurred no material breach, and no event which with the giving of notice, the passage of time or the making of any determination, or any combination thereof, would constitute a material breach, of any Project Agreement.

(g) **Taxes.** There is no Tax of any Governmental Authority of any of Canada, Cyprus, Poland, The Netherlands, Romania and Tunisia (each a “Jurisdiction”) to be imposed on or by virtue of the execution, delivery or performance of any Financing Agreement or necessary to ensure the legality, validity, enforceability or admissibility in evidence thereof in any Jurisdiction (other than (i) fees relating to the registration of each Bank Account Pledge governed by Canadian law with the PPR; (ii) any registration and/or stamp duty fees which may be payable in Romania in respect of the Share Pledge (Romania) ; and (iii) fees payable upon the registration of each Security Document governed by Tunisian law with the competent tax and/or judicial authorities).

**Section 2.04. Acknowledgement and Repetition**

(a) The Borrower acknowledges that it has made the representations and warranties contained in Sections 2.01, 2.02 and 2.03 with the intention of inducing EBRD to enter into this Agreement and that EBRD has entered into this Agreement on the basis of, and in full reliance on, each of such representations and warranties. The Borrower warrants that it has no knowledge of any additional facts or matters the omission of which makes any of such representations and warranties misleading or which would or might reasonably be expected to affect the judgement of a prospective lender regarding lending to the Borrower.

(b) Any representation or warranty given hereunder which specifies that such representation and warranty is provided hereunder “as of the date of this Agreement” or “as of the date of the Amendment and Restatement Agreement” shall only be given on the date of this Agreement or the Amendment and Restatement Agreement, as applicable, and shall not be deemed to be repeated hereafter in connection with any Disbursement made pursuant to this Agreement. In respect of all other representations and warranties provided in this Article II, such representations and warranties shall be deemed to be repeated on submission of each Disbursement request and on each Disbursement date by reference to the facts and circumstances then existing.

**ARTICLE III - LOAN**

**Section 3.01. Amount, Currency and Purpose**

(a) On and subject to the terms and conditions of this Agreement, EBRD agrees to lend to the Borrower:

(1) the Tranche I Loan in an amount not to exceed USD 20,000,000 (twenty million Dollars); and
(2) the Tranche II Loan in an amount not to exceed USD 20,000,000 (twenty million Dollars),

for the financing of the Project through the on-lending of the Loan to Projco.

(b) As of the date of the Amendment and Restatement Agreement, the full amount of the Loan has been disbursed or cancelled and EBRD is not obliged to make any further Disbursements hereunder.

Section 3.02. Disbursements

(a) Subject to Section 3.03 and Article IV, the Loan shall be disbursed by EBRD from time to time on any Business Day during the Commitment Period in one or more Disbursements upon request of the Borrower. The Borrower may request a Disbursement by submitting to EBRD an original application for such Disbursement, in the form of Exhibit A and in substance satisfactory to EBRD, at least ten (10) Business Days prior to the proposed date of such Disbursement. Such application shall, unless EBRD otherwise agrees, be irrevocable and binding on the Borrower.

(b) Disbursements (other than a Disbursement of the entire undisbursed amount of the Tranche I Loan or the Tranche II Loan, as applicable) shall be made in amounts of not less than USD 5,000,000 (five million Dollars).

(c) Until EBRD has received all documents and evidence listed in Section 5.07(k)(i) to (iv), no Disbursement can be made if the total of: (i) the amount of the Loan requested and disbursed; (ii) the requested Disbursement; and (iii) the amount of the Loan (as defined in the Convertible Loan Agreement) requested and disbursed, exceeds USD 30,000,000 (thirty million Dollars).

Section 3.03. Suspension and Cancellation

(a) From time to time, EBRD may, by notice to the Borrower, suspend or cancel the right of the Borrower to further Disbursements:

(1) if the first Disbursement has not been made by the first anniversary of the date of this Agreement or such other date as may be agreed by the parties hereto;

(2) if an Event of Default has occurred and is continuing; or

(3) if the Board of Governors of EBRD has decided in accordance with Article 8, paragraph 3, of the Agreement Establishing the European Bank for Reconstruction and Development or otherwise that access by the Country of Operation to EBRD resources should be suspended or otherwise modified.

Upon the issuance of such notice by EBRD, the right of the Borrower to further Disbursements shall be suspended or cancelled as indicated in the notice. The exercise by EBRD of the right of suspension shall not preclude EBRD from exercising its right of cancellation as provided in this Section 3.03, either for the same or another reason, and shall not limit any other rights of EBRD under the Financing Agreements.
(b) On termination of the Commitment Period, the Borrower shall be deemed to have cancelled any then undisbursed portion of the Loan.

Section 3.04. Charges, Commissions and Fees

(a) The Borrower shall pay to EBRD during the Commitment Period a commitment charge at the rate of 1% (one per cent.) per annum on so much of the Loan as has not, from time to time, been disbursed to the Borrower or cancelled. The commitment charge shall accrue from day to day from the date which is thirty (30) days after the date of this Agreement. The commitment charge shall be calculated on the basis of the actual number of days elapsed in the relevant period and a 360-day year and shall be due and payable in arrears on each Interest Payment Date (even though no interest may be payable on such date).

(b) The Borrower shall pay to EBRD a front-end commission of USD 350,000 (three hundred-fifty Dollars). Such front-end commission shall be due and payable on the date of the first Disbursement (in which case the Borrower hereby irrevocably authorises EBRD to deduct such front-end commission from the proceeds of the first Disbursement) or ten (10) Business Days after the date of this Agreement, whichever is earlier.

(c) The Borrower shall pay to EBRD during the term of this Agreement an annual loan administration fee in the amount of USD 10,000 (ten thousand Dollars) per annum. Such loan administration fee shall be due and payable in advance, for the initial year, within thirty (30) days after the date of this Agreement and, for each subsequent year, on the first Interest Payment Date following each anniversary of the date of this Agreement.

(d) The charges, commissions and fees referred to in this Section 3.04 are non-refundable and are exclusive of any Tax which might be chargeable in connection with such charges, commissions or fees. If any such Tax becomes chargeable, the Borrower shall pay such Tax to EBRD at the same time that the relevant charge, commission or fee becomes due and payable.

Section 3.05. Interest

(a) Except as provided in Section 3.06 or paragraph (b) below, the Borrower shall pay interest on the principal amount of each Disbursement from time to time outstanding during each Interest Period for such Disbursement at a rate equal to the sum of the Margin and, subject to Section 3.07, the Interbank Rate for such Interest Period.

(b) Notwithstanding the foregoing, the Borrower may, as an alternative to paying interest at a variable interest rate on all or any portion of the Loan then outstanding, elect to pay interest at a fixed interest rate on all or such portion of the Loan, as follows:

(1) The Borrower may only exercise such option if:

   (A) at the time of exercise no Default and no Market Disruption Event has occurred and is continuing; and
(B) the principal amount of the Loan which is being converted from a variable interest rate to a fixed interest rate is not less than USD 5,000,000 (five million Dollars).

(2) The Borrower may only exercise such option by notice in the form of Exhibit E to EBRD not less than five (5) Business Days prior to the proposed Interest Fixing Date. Such notice shall, unless EBRD otherwise agrees, be irrevocable, shall specify the Interest Fixing Date and the Interest Conversion Period selected by the Borrower and the principal amount of the Loan to be converted to a fixed interest rate (the "Conversion Request Loan Amount") and shall be accompanied by such documents as may be necessary to satisfy EBRD that all necessary governmental and other approvals (including exchange control approvals) have been obtained or will be available for conversion of the Loan to a fixed interest rate and that the Security and the other rights of EBRD will not be prejudiced thereby.

(3) If EBRD is satisfied with the matters referred to in Section 3.05(b)(2):

(A) EBRD shall, on such Interest Fixing Date, determine, in accordance with Section 3.05(b)(3)(B), the fixed interest rate applicable to the Conversion Request Loan Amount and promptly give notice thereof to the Borrower;

(B) during such Interest Conversion Period, interest shall accrue on the principal amount outstanding from time to time of the Conversion Request Loan Amount at a rate equal to the sum of the Margin and the forward fixed interest rate for the Loan Currency which is available to EBRD in the interest rate swap market on such Interest Fixing Date for such Interest Conversion Period, taking into account the principal repayment and interest payment schedules for the Loan, as such sum may be adjusted to take into account the creditworthiness of the Borrower;

(C) EBRD shall allocate the Conversion Request Loan Amount among the remaining repayment dates as specified in Section 3.08 in amounts which are pro rata to the amounts of the respective remaining instalments of the Loan to be repaid on such repayment dates (with EBRD adjusting those allocations as necessary so as to achieve whole numbers in each case).

(4) If EBRD is not satisfied with the matters referred to in Section 3.05(b)(2), interest on the Conversion Request Loan Amount shall continue to accrue at the rates determined in accordance with Section 3.05(a).

(5) EBRD may at any time elect to consolidate all fixed interest rates then applicable to portions of the Loan into a single fixed interest rate equal to the weighted average of the fixed interest rates then applicable to portions of the Loan. EBRD shall determine such consolidated fixed interest rate and promptly give notice thereof to the Borrower. Such consolidated fixed interest rate shall be applicable to all portions of the Loan then bearing interest at fixed interest rates commencing on the Interest Payment Date immediately following the notice from EBRD to the Borrower.
Interest shall:

1. accrue from and including the first day of an Interest Period to but excluding the last day of such Interest Period;

2. be calculated on the basis of the actual number of days elapsed and a 360-day year in the case of interest accruing at a rate specified in Section 3.05(a);

3. be calculated on the basis of the actual number of days elapsed and a 365-day year in the case of interest accruing at a rate specified in Section 3.05(b); and

4. be due and payable on the Interest Payment Date which is the last day of the relevant Interest Period.

Except as otherwise provided in Section 3.07, on each Interest Determination Date, EBRD shall determine the interest rate applicable during the relevant Interest Period and promptly give notice thereof to the Borrower. Each determination by EBRD of the interest rate applicable to any portion of the Loan shall be final, conclusive and binding upon the Borrower unless shown by the Borrower to the satisfaction of EBRD that any such determination has involved manifest error.

Section 3.06. Default Interest

(a) If the Borrower fails to pay when due any amount payable by it under this Agreement, the overdue amount shall bear interest at a rate equal to the sum of:

1. 2.0% (two per cent.) per annum;

2. the Margin; and

3. the interest rate per annum offered in the London interbank market on the Default Interest Determination Date for a deposit in the Loan Currency of an amount comparable to the overdue amount for a period equal to the relevant Default Interest Period or, if a Market Disruption Event has occurred, the rate which expresses as a percentage rate per annum the cost to EBRD and each Participant of funding its respective portion of the Loan from whatever source EBRD or such Participant(s) may reasonably select (or at the option of EBRD and such Participant(s), the relevant Interbank Rate, if available), provided that if the rate pursuant to this sub-paragraph (3) would be below zero, the rate will be deemed to be zero.

(b) Default interest shall:

1. accrue from day to day from the due date to the date of actual payment, after as well as before judgement, if any;

2. be calculated on the basis of the actual number of days elapsed and a 360-day year;

3. be compounded at the end of each Default Interest Period; and
(4) be due and payable forthwith upon demand.

(c) Each determination by EBRD of the interest rates applicable to overdue amounts and of Default Interest Periods shall be final, conclusive and binding upon the Borrower unless shown by the Borrower to the satisfaction of EBRD that any such determination has involved manifest error.

Section 3.07. Market Disruption

(a) If a Market Disruption Event occurs, EBRD shall promptly notify the Borrower. If EBRD notifies the Borrower of the occurrence of a Market Disruption Event,

(1) interest shall accrue on such amount of the Loan that is then subject to a variable interest rate in accordance with Section 3.05(a) at a rate equal to the sum of:

(A) the Margin; and

(B) the rate, as notified by EBRD to the Borrower as soon as practicable and in any event before interest is due to be paid in respect of the relevant Interest Period, which expresses as a percentage rate per annum the cost to EBRD and each Participant of funding its respective portion of the Loan from whatever source EBRD or such Participant may reasonably select (or, at the option of EBRD and such Participant, the relevant Interbank Rate, if available), provided that if the rate pursuant to this sub-paragraph (2) would be below zero, the rate will be deemed to be zero;

(2) interest shall accrue on such amount of the Loan that is then subject to a fixed interest rate in accordance with Section 3.05(b) and that is not subject to a Participation at a rate equal to the fixed interest rate determined in accordance with Section 3.05(b), including the Margin; and

(3) interest shall accrue on such amount of the Loan that is then subject to a fixed interest rate in accordance with Section 3.05(b) and that is subject to a Participation at a rate equal to the sum of:

(A) the fixed interest rate determined in accordance with Section 3.05(b), including the Margin; and

(B) an amount, in each case as notified by EBRD to the Borrower as soon as practicable and in any event before interest is due to be paid in respect of the relevant Interest Period, expressed as a rate per annum, equal to the excess, if any, of (x) the cost to each Participant of funding its respective portion of the Loan or Participation from whatever source such Participant(s) may reasonably select over (y) the Interbank Rate (or in the absence of such rate, a rate determined by EBRD), provided that if this rate would be below zero, the rate will be deemed to be zero;

in each case until EBRD has given notice to the Borrower that the Market Disruption Event has ceased to exist.
(b) If a Market Disruption Event has occurred, EBRD shall have the right, in its discretion, to change the duration of any relevant Interest Period by sending to the Borrower a written notice thereof. Any such change to an Interest Period shall take effect on the date specified by EBRD in such notice.

(c) Notwithstanding Section 3.07(a), if a Market Disruption Event occurs and EBRD or the Borrower so requires, within five (5) Business Days of the notification by EBRD pursuant to Section 3.07(a) above, EBRD and the Borrower shall enter into negotiations (for a period of not more than thirty (30) days) with a view to agreeing a substitute basis for determining the rate of interest applicable to the Loan. Any alternative basis so agreed shall take effect in accordance with its terms and replace the interest rate then in effect pursuant to Section 3.07(a) above. If agreement cannot be reached, the Borrower may prepay the Loan on the next Interest Payment Date in accordance with Section 3.09(a) but without any prepayment fee.

Section 3.08. Repayment

(a) The Borrower shall repay the outstanding amount of the Loan in 2 equal (or as nearly equal as possible) instalments on 31 March 2019 and 30 September 2019. For the avoidance of doubt amounts borrowed under this Agreement may not be used to repay all or any part of the Loan.

(b) If any Disbursement is made after one or more of such repayment dates, such Disbursement shall be allocated by EBRD for repayment on each of the remaining repayment dates described in Section 3.08(a) above in amounts which are pro rata to the amounts of the respective remaining instalments of the Loan on each such repayment date (with EBRD adjusting those allocations as necessary so as to achieve whole numbers in each case). To the extent any Disbursement is made after one or more of the dates described in Section 3.08(a) above, such allocations may result in the remaining instalments of the Loan being greater than the principal amounts described in Section 3.08(a) above.

(c) The amount of any undisbursed portion of the Loan cancelled under the terms of this Agreement shall be applied pro-rata to the several maturities of the principal amount of the Loan described in Section 3.08(a) above and falling due after the date of such cancellation.

(d) The dates for payment of principal of the Loan are intended to coincide with Interest Payment Dates. If any Interest Payment Date is affected by the proviso to the definition of “Interest Payment Date,” then the corresponding date for payment of principal shall be changed to coincide with such Interest Payment Date. Amounts of the Loan repaid may not be reborrowed.
Section 3.09. Voluntary and Mandatory Prepayment

(a) The Borrower shall have the right at any time, on not less than fifteen (15) Business Days’ prior notice to EBRD, to prepay all or any part of the principal amount of the Loan then outstanding; provided that:

(1) the Borrower shall pay to EBRD at the same time all accrued interest and other amounts payable on the principal amount of the Loan to be prepaid and all other amounts due and payable hereunder;

(2) in the case of a partial prepayment, such prepayment shall: (i) be in an amount of not less than USD 3,000,000 (three million Dollars); (ii) not make the total number of such partial prepayments more than 5; and (iii) be applied pro rata to prepay the outstanding repayment instalments of the Loan; and

(3) the Borrower shall pay to EBRD on the date of prepayment a prepayment fee equal to:

   (i) 1.5% (one point five per cent.) of the principal amount of the Loan to be prepaid should such prepayment take place prior to the second anniversary of this Agreement;

   (ii) 1% (one per cent.) of the principal amount of the Loan to be prepaid should such prepayment take place on or after the second anniversary of this Agreement and prior to the third anniversary of this Agreement;

   (iii) 0.75% (zero point seventy-five per cent.) of the principal amount of the Loan to be prepaid should such prepayment take place on or after the third anniversary of this Agreement and prior to the fourth anniversary of this Agreement;

   (iv) 0.5% (zero point five per cent.) of the principal amount of the Loan to be prepaid should such prepayment take place on or after the fourth anniversary of this Agreement and prior to the fifth anniversary of this Agreement;

   (v) 0% (zero per cent.) of the principal amount of the Loan to be prepaid should such prepayment take place on or after the fifth anniversary of this Agreement.

Any such notice of prepayment by the Borrower shall be irrevocable and binding on the Borrower and, upon delivery of such notice, the Borrower shall be obligated to prepay the Loan in accordance with the terms thereof. Amounts of the Loan prepaid by the Borrower may not be reborrowed.

(b) In the event that the Reserves Cover Ratio is less than 1.5:1.0, the Borrower shall, at sole discretion of EBRD, prepay within forty-five (45) days of such request from EBRD such amount of the Loan as is required to ensure that the Reserves Cover Ratio is at least 1.5:1.0.
(c) In the event of any change of control of the Borrower, the Borrower shall promptly inform EBRD of such event and, at sole discretion of EBRD, prepay within thirty (30) days of such request from EBRD all principal amount of the Loan outstanding at such time.

(d) The Borrower shall, within ten (10) Business Days of delivery of each of:

(1) the quarterly Financial Statements of the Borrower for the second quarter of each Financial Year pursuant to Section 5.13(a)(1); and

(2) the annual Financial Statements of the Borrower pursuant to Section 5.14(b)(1),

prepay the Loan in an amount equal to the greatest amount so that:

(A) the amount of such prepayment does not exceed such amount as is equal to (i) the then outstanding amount of the Loan less (ii) the amount of the Loan that would have been outstanding at such time in accordance with the scheduled repayment terms under this Agreement immediately before the Effective Date (as defined in the Amendment and Restatement Agreement); and

(B) immediately following such prepayment the total amount of Cash and Cash Equivalents (as defined in Section 5.11(c)(1)) of the Borrower and its Subsidiaries is not less than USD 7,000,000 (seven million Dollars).

(e) Any prepayment by the Borrower pursuant to Sections 3.09(b) to 3.09(d) shall be made together with all accrued interest and other amounts payable thereon and all other amounts payable under this Agreement, but excluding any prepayment fee. Such prepayment shall be applied to prepay the repayment instalments of the Loan outstanding immediately prior to such prepayment in inverse order of maturity. Amounts of the Loan so prepaid may not be reborrowed.

(f) Unless EBRD agrees with the Borrower otherwise, any prepayment of the Loan pursuant to this Section 3.09 shall be applied to prepay (i) the outstanding repayment instalments of the amount of the Loan which is subject to a variable interest rate in accordance with Section 3.05(a) prior to (ii) the outstanding repayment instalments of the amount of the Loan which is subject to a fixed interest rate in accordance with Section 3.05(b).

Section 3.10. Payments

(a) All payments of principal, interest, charges, commissions, fees, expenses and any other amounts due to EBRD under this Agreement shall be made, without set-off or counterclaim, in the Loan Currency (or, in the case of costs and expenses of EBRD, in the currency in which such costs and expenses were incurred), for value on the due date, to such account in New York or such other place as EBRD may from time to time designate by notice to the Borrower.
(b) The sums to be disbursed by EBRD to the Borrower hereunder shall be payable in the Loan Currency for value, unless otherwise agreed by the Borrower and EBRD, on the value date requested by the Borrower in its Disbursement application and to such correspondent account in New York as the Borrower may designate in its Disbursement application (with instructions to transfer such sums, at the Borrower’s risk and expense, to such account as the Borrower may designate in its Disbursement application).

(c) If the due date for any payment under this Agreement would otherwise fall on a day which is not a Business Day, then such payment shall instead be due on the next succeeding Business Day in the same calendar month or, if there is no succeeding Business Day in the same calendar month, the immediately preceding Business Day.

(d) EBRD shall have the right, to the fullest extent permitted by law, to set off any amount owed by EBRD to the Borrower, whether or not matured, against any amount then due and payable by the Borrower under any Financing Agreement, whether or not EBRD has demanded payment by the Borrower of such amount and regardless of the currency or place of payment of either such amount. EBRD shall have the right, to the fullest extent permitted by law, to deduct from the proceeds of any Disbursement any charges, commissions, fees, expenses and other amounts then due and payable by the Borrower to EBRD under any Financing Agreement.

Section 3.11. Insufficient Payments

(a) If EBRD at any time receives less than the full amount then due and payable to it under this Agreement, EBRD shall have the right to allocate and apply the amount received in any way or manner and for such purpose or purposes under this Agreement as EBRD in its sole discretion determines, notwithstanding any instruction that the Borrower may give to the contrary.

(b) The Borrower shall indemnify EBRD against any losses resulting from a payment being received, or a claim being filed or an order or judgement being given, hereunder in a currency or place other than the currency and place specified in Section 3.10(a). The Borrower shall pay such additional amount as is necessary to enable EBRD to receive, after conversion to such currency at a market rate and transfer to such place, the full amount due to EBRD hereunder in the currency and at the place specified in Section 3.10(a).

Section 3.12. Taxes

(a) The Borrower shall pay or cause to be paid, when due, or reimburse EBRD on demand for, all present and future Taxes, now or at any time hereafter levied or imposed by any Governmental Authority of any jurisdiction out of which or through which payments hereunder are made, or in connection with the payment of any amounts due to EBRD under this Agreement.

(b) All payments of principal, interest and other amounts due to EBRD under this Agreement shall be made free and clear of, and without deduction or withholding for or on account of, any Taxes; provided, however, that, in the event that the Borrower is
prevented by operation of law or otherwise from making such payments free and clear of such deductions or withholdings, the principal, interest or other amount (as the case may be) due under this Agreement shall be increased to such amount as may be necessary to remit to EBRD the full amount it would have received had such payment been made without such deductions or withholdings.

(c) The provisions of Sections 3.12(a) and 3.12(b) shall not apply to Taxes, to the extent that such Taxes arise as a direct consequence of a Participation having been acquired by a Participant whose principal office is located in the Country of Operation or by the permanent office or establishment in the Country of Operation of a Participant.

Section 3.13. Unwinding Costs

(a) If, for any reason (including, without limitation, an acceleration pursuant to Section 7.02), any amount of the Loan which is subject to a variable interest rate in accordance with Section 3.05(a) becomes due and payable on a date other than the last day of an Interest Period, the Borrower shall pay to EBRD on demand the amount, if any, by which:

(1) the interest which would have accrued on such amount of the Loan from the date on which such amount of the Loan has become due and payable to the last day of the then current Interest Period at a rate equal to the Interbank Rate for such Interest Period;

exceeds:

(2) the interest which EBRD would be able to obtain if it were to place an amount equal to such amount of the Loan on deposit with a leading bank in the London interbank market for the period commencing on the date on which such amount of the Loan has become due and payable and ending on the last day of the then current Interest Period.

(b) If, at any time:

(1) the Borrower gives a notice, pursuant to Section 3.09, of prepayment of any amount of the Loan which is subject to a fixed interest rate in accordance with Section 3.05(b), the Borrower is required pursuant to Section 3.09 or 3.15 to prepay any such amount of the Loan or the Borrower otherwise prepays any such amount of the Loan; or

(2) any amount of the Loan which is subject to a fixed interest rate in accordance with Section 3.05(b) is accelerated pursuant to Section 7.02 or otherwise becomes due prior to its stated maturity; or

(3) any amount of the Loan which is subject to a fixed interest rate in accordance with Section 3.05(b) is cancelled pursuant to Section 3.03 or 3.15 or is otherwise cancelled;

the Borrower shall, in addition to any prepayment fee, or other amounts payable in connection therewith, pay to EBRD on demand the amount, if any, by which the
Original Income Stream (as defined below) exceeds the Substitute Income Stream (as defined below); provided that, if the Substitute Income Stream exceeds the Original Income Stream, EBRD shall, on the next Interest Payment Date, credit to the Borrower, in the Loan Currency, the amount by which the Substitute Income Stream exceeds the Original Income Stream.

(c) For purposes of Section 3.13(b):

(1) "Original Income Stream" means the aggregate of the present values of the payments of principal and interest which would have become due to EBRD during the Calculation Period (as defined below) on the amount of the Loan which is subject to a fixed interest rate in accordance with Section 3.05(b) if such prepayment, acceleration or cancellation had not occurred and if interest accrued on such amount of the Loan at the Fixed Rate (as defined below) during the periods in which the Fixed Rate is in effect in accordance with Section 3.05(b) and applying the applicable Floating Rate (as defined below) for all other periods.

(2) "Substitute Income Stream" means the sum of:

(A) the aggregate of the present values of any remaining payments of principal and interest which, after taking into account such prepayment, cancellation or acceleration, would become due to EBRD during the Calculation Period on the amount of the Loan which is subject to a fixed interest rate in accordance with Section 3.05(b) if interest accrued on such amount of the Loan at the Fixed Rate during the periods in which the Fixed Rate is in effect in accordance with Section 3.05(b) and applying the applicable Floating Rate for all other periods; and

(B) as applicable:

(i) in the case of a prepayment pursuant to Section 3.09 or 3.15, the present value of the amount of the Loan which is subject to a fixed interest rate in accordance with Section 3.05(b) and which is to be prepaid, determined by discounting such amount from the date such prepayment becomes due to the Calculation Date (as defined below) at the Discount Rate (as defined below); and/or

(ii) in the case of any other prepayment, the amount of the Loan which is subject to a fixed interest rate in accordance with Section 3.05(b) and which has been prepaid; and/or

(iii) in the case of an acceleration, the present value of the amount of the Loan which is subject to a fixed interest rate in accordance with Section 3.05(b) and which has been accelerated, determined by discounting such amount from the date such acceleration becomes effective to the Calculation Date at the Discount Rate; and/or

(iv) in the case of a cancellation, the present value of the amount of the Loan which is subject to a fixed interest rate in accordance with Section 3.05(b) and which has been cancelled, determined by
discounting such amount from the last day of the Commitment Period to the Calculation Date at the Discount Rate.

(3) “Fixed Rate” means the fixed interest rate applicable to the relevant amount of the Loan, as specified in Section 3.05(b), less the relevant Margin.

(4) For purposes of Sections 3.13(c)(1) and 3.13(c)(2)(A), the present value of each payment of principal and interest shall be determined by discounting the amount of such payment from its due date to the Calculation Date using the Discount Rate.

(5) “Calculation Date” means:

(A) in the case of a prepayment pursuant to Section 3.09 or 3.15, the date two (2) Business Days prior to the date such prepayment becomes due or, at EBRD’s option, the date such prepayment becomes due;

(B) in the case of any other prepayment, the date such prepayment is made or such later date as EBRD may select in its discretion; and

(C) in the case of an acceleration or cancellation, the date two (2) Business Days prior to the date such acceleration or cancellation becomes effective or, at EBRD’s option, the date such acceleration or cancellation becomes effective.

(6) “Calculation Period” means:

(A) in the case of a prepayment pursuant to Section 3.09 or 3.15, the period commencing on the date such prepayment becomes due and ending on the relevant scheduled final maturity date of the Loan;

(B) in the case of any other prepayment, the period commencing on the date such prepayment is made, or such later date as EBRD may select in its discretion, and ending on the relevant scheduled final maturity date of the Loan; and

(C) in the case of an acceleration or cancellation, the period commencing on the date such acceleration or cancellation becomes effective and ending on the relevant scheduled final maturity date of the Loan.

(7) “Discount Rate” means the discount factor for the relevant maturity derived from the par swap curve for the Loan Currency which is available to EBRD in the interest rate swap and options market on the Calculation Date.

(8) “Floating Rate” means the forward rates for Dollars for the relevant maturities available to EBRD in the interest rate swap and options market on the Calculation Date.

(d) If any overdue amount is paid on a date other than the last day of a Default Interest Period, the Borrower shall pay to EBRD on demand the amount, if any, by which:
(1) the interest which would have accrued on such overdue amount from the date of receipt of such overdue amount to the last day of the then current Default Interest Period at a rate equal to the rate specified in Section 3.06(a)(3) for such Default Interest Period;

exceeds:

(2) the interest which EBRD would be able to obtain if it were to place an amount equal to such overdue amount on deposit with a leading bank in the London interbank market for the period commencing on the Business Day immediately following the date of receipt of such overdue amount and ending on the last day of the then current Default Interest Period.

(e) The Borrower shall forthwith upon notice from EBRD reimburse EBRD for any costs, expenses and losses incurred by EBRD or any Participant, and not otherwise recovered by EBRD under Sections 3.13(a), 3.13(b) or 3.13(d), as a result of the occurrence of an Event of Default, a change in the duration of any relevant Interest Period pursuant to Section 3.07(b), a change in the basis for determining the rate of interest pursuant to Section 3.07(c), prepayment of any portion of the Loan on a date other than the last day of an Interest Period, failure by the Borrower to pay any amount when due hereunder, EBRD or any Participant funding, or making arrangements to fund, a Disbursement requested in a Disbursement application submitted pursuant to Section 3.02 but not made by reason of the operation of any one or more of the provisions of this Agreement (other than by reason of default or negligence by EBRD or such Participant, as the case may be) or failure by the Borrower to make any prepayment in accordance with a notice of prepayment delivered pursuant to any provision of this Agreement.

(f) A certificate of EBRD as to any amount payable under this Section 3.13 shall be final, conclusive and binding on the Borrower unless shown by the Borrower to the satisfaction of EBRD to contain manifest error.

Section 3.14. Increased Costs

The Borrower shall, from time to time on demand of EBRD, reimburse EBRD for any net incremental costs to EBRD of making or maintaining, or committing to make, the Loan or to any Participant of acquiring or maintaining its Participation which result from the introduction of, or any change in, any applicable law or any applicable guideline or policy (whether or not having the force of law), or any change in the interpretation or application thereof by any Governmental Authority charged with the administration thereof, subsequent to the date of this Agreement. A certificate of EBRD or such Participant as to the amount of such net incremental costs shall be final, conclusive and binding on the Borrower unless shown by the Borrower to the satisfaction of EBRD to contain manifest error. Notwithstanding the foregoing, the Borrower shall not be obligated to reimburse EBRD for any such net incremental costs which are a direct consequence of a Participation having been acquired by a Participant whose principal office is located in the Country of Operation or by the permanent office or establishment of a Participant in the Country of Operation.
Section 3.15. Illegality

Notwithstanding anything in this Agreement, if it is or becomes unlawful in any jurisdiction for EBRD to make, maintain or fund the Loan or perform any of its obligations under this Agreement or for any Participant to maintain or fund its Participation, then:

1. upon request by EBRD, the Borrower shall, on the next Interest Payment Date or such earlier date as EBRD may specify, prepay that portion of the principal amount of the Loan which EBRD notifies to the Borrower as being affected by such change, together with all accrued interest and other amounts payable thereon; and

2. upon notice from EBRD, any portion of the Loan which EBRD notifies to the Borrower as being affected by such change and which has not theretofore been disbursed shall be cancelled immediately.

Section 3.16. Mitigation

(a) If, in respect of EBRD or a Participant, circumstances arise which would, or with the giving of notice would, result in:

1. any Taxes, duties and fees or other charges becoming payable under Section 3.12, or

2. any increased cost becoming payable under Section 3.14, or

3. any prepayment or cancellation under Section 3.15,

then EBRD will take (and request a Participant to take) such reasonable steps as may be practicable to mitigate the effects of such circumstances provided always that EBRD will be under no obligation to take (or request that such Participant take) such reasonable steps if such action might be materially adverse to the interests of EBRD or that Participant.

(b) Section 3.16(a) above, does not in any way limit the obligations of the Borrower or any other party to any Financing Agreement.

Section 3.17. Loan Account

EBRD shall open and maintain on its books an account in the Borrower’s name showing the Disbursements and repayments thereof and the computation and payment of interest, charges, commissions, fees and other amounts due and sums paid hereunder. Such account shall be final, conclusive and binding on the Borrower as to the amount at any time due from the Borrower hereunder, absent manifest error.

Section 3.18. Currency Equivalents
For purposes of this Agreement, the equivalent in the Loan Currency of any amount denominated in a currency other that the Loan Currency on any day shall be determined by using the exchange rate available to EBRD at or about 11:00 a.m. two (2) Business Days prior to such day.

ARTICLE IV - CONDITIONS PRECEDENT

Section 4.01. First Disbursement of the Tranche I Loan

The obligation of EBRD to make the first Disbursement shall be subject to the prior fulfilment, in form and substance satisfactory to EBRD, or at the sole discretion of EBRD the waiver, whether in whole or part and whether subject to conditions or unconditional, of the following conditions precedent:

(a) Financing Agreements. EBRD shall have received duly executed originals of the following agreements:

(1) the Guarantee.

(b) Project Agreements. EBRD shall have received certified copies of the following agreements:

(1) the Concessions; and

(2) the ETAP Agreement.

(c) Security. The Security shall have been validly created and perfected in a manner satisfactory to EBRD and EBRD shall have received duly executed originals of the following Security Documents, together with any document, recording, filing, notification, registration, notarisation or other evidence required, in the opinion of EBRD, for the creation, validity, perfection or priority of the Liens of EBRD in or under such Security Documents:

(1) the Assignment of Accounts Receivable;

(2) to the extent required under Section 5.07(k), the Bank Account Pledges;

(3) the Insurance Assignment (unless waived by EBRD);

(4) the Pledge of Contractual Rights (other than to the extent the approval of the Granting Authority is required); and

(5) the Share Pledges.

(d) Charters. EBRD shall have received certified copies of (i) the Charters (and, if relevant, up-to-date extracts from the commercial register or certificates of registration and good standing) of the Borrower, Winstar Resources (unless solvently liquidated (including without limitation by way of winding up or dissolution) at that time pursuant
to a Permitted Transaction), Holdco, Projco and, at the request of EBRD, any other parties to the Financing Agreements, each as amended to date, and (ii) in respect of Holdco, Projco and at the request of EBRD, any other party to any Financing Agreement or Project Agreement, an extract from the relevant trade register (or its equivalent, if available) dated not earlier than five (5) Business Days before the date of the first Disbursement.

(e) **Corporate Authorisations.** EBRD shall have received certified copies of all corporate (including, if required, other than in respect of the Borrower, shareholder) Authorisations necessary for the due execution, delivery and performance of the Financing Agreements and Project Agreements, and any other documents in implementation thereof, by the Borrower, Winstar Resources, Holdco and Projco, including the authorisations of the persons signing the Financing Agreements and Project Agreements to sign such documents and to bind the respective parties thereby.

(f) **Specimen Signatures.** EBRD shall have received:

1. a certificate of incumbency and authority of the Borrower substantially in the form of Exhibit B; and
2. a certificate of an appropriate officer of Winstar Resources, Holdco, Projco and, at the request of EBRD, any other party to the Financing Agreements certifying the specimen signature of each person authorised to sign, on behalf of such party, the Financing Agreements to be entered into and performed by such party.

(g) **Governmental and Other Authorisations.** EBRD shall have received: (i) certified copies of all Authorisations, including creditors’ consents, necessary for the execution, delivery and performance of the Financing Agreements by the Borrower, Winstar Resources, Holdco, Projco and, at the request of EBRD, any other parties thereto and for the transactions contemplated thereby, including but not limited to:

1. the borrowing by the Borrower under this Agreement;
2. the creation of the Security;
3. the carrying out of the Project and the Financing Plan;
4. the remittance to EBRD of all monies payable in respect of the Financing Agreements; and
5. the carrying on of the business of the Borrower and Projco as it is currently carried on and is contemplated to be carried on;

other than any Authorisation of a routine or minor nature which is not necessary for the implementation of the Project at the time of the proposed Disbursement or which may only be obtained as the Project progresses and in each case which is customarily granted in due course after timely application, and in respect of which the Borrower is not aware of any reason for it being unable to obtain in due course such Authorisation; and (ii)
evidence of Projco’s submission of a request to the Granting Authority for its approval of the Pledge of Contractual Rights.

(h) **Insurance.** EBRD shall have received an original insurance certificate from Projco’s insurer or insurance broker showing that all insurance policies and endorsements required pursuant to Section 5.04 are in full force and effect and certified copies of such insurance policies and endorsements (including, for the avoidance of doubt, of such insurance policies and endorsements issued by each local insurer, local reinsurer and international reinsurer involved).

(i) **Auditors Letter.** EBRD shall have received a copy of a letter to the Auditors from the Borrower substantially in the form of Exhibit C.

(j) **Process Agent Appointments.** EBRD shall have received written confirmation from the agents for service of process appointed by the Borrower, Winstar Resources, Holdco and Projco) pursuant to the Financing Agreements of their acceptances of such appointments.

(k) **Legal Opinions.** EBRD shall have received the following legal opinions regarding such matters incident to the transactions contemplated by the Financing Agreements, the Concessions and the ETAP Agreement as EBRD reasonably requests:

1. the opinion of Linklaters LLP, special English counsel to EBRD;
2. the opinion of Linklaters LLP, special Dutch counsel to EBRD;
3. the opinion of Osler, Hoskin & Harcourt LLP, special Canadian counsel to the Borrower, in form and substance requested by EBRD in relation to (i) corporate law matters for each Project Company established in Canada that is party to any Financing Agreement; and (ii) each Security Document governed by Canadian law (including standard enforceability opinions);
4. the opinion of George Y. Yangou LLC, special Cypriot counsel to EBRD; and
5. the opinion of Caid Essebsi and Partners, special Tunisian counsel to EBRD,

Together with such other documents and evidence as may be reasonably requested by the EBRD’s external counsel for the purpose of issuing a legal opinion.

(l) **Bank Account Pledges (Tunisian Dividends).** If the date of the application for the first Disbursement is later than the date referred to in Section 5.07(k), EBRD shall have received such documents and evidence as required under Section 5.07(k).

(m) **Projco Bank Accounts.** EBRD shall have received the details of all bank accounts of Projco.
Section 4.02. First Disbursement of the Tranche II Loan

The obligation of EBRD to make the first Disbursement of the Tranche II Loan shall be subject to the prior fulfilment, in form and substance satisfactory to EBRD, or at the sole discretion of EBRD the waiver, whether in whole or part and whether subject to conditions or unconditional, of the following conditions precedent that on the date of such Disbursement:

(a) **Tranche 1.** Tranche I shall have been disbursed in full.

(b) **Convertible Loan.** All loans made available under the Convertible Loan Agreement have been fully disbursed.

(c) **Production Test.** The Fields have yielded in aggregate an average of at least 1,500 Boed of oil and gas for a minimum of sixty (60) consecutive days (excluding any days of scheduled shut-in of production).

(d) **Financial Debt to EBITDA Ratio.** Serinus Debt to EBITDA of Projco for the previous four consecutive quarters for which financial statements have been delivered pursuant to Section 5.14(a)(1), re-calculated using the lowest monthly average Brent crude oil price recorded in the previous twelve (12) months, does not exceed 3.0:1.0 (such ratio to be calculated on a pro forma basis as if the proposed Disbursement had been made).

(e) **Debt Service Coverage Ratio.** The ratio of (i) Projco’s consolidated forecast Cash Flows arising from Operating Activities for the next four consecutive financial quarters (the “Relevant Period”) (calculated using the lowest monthly average Brent crude oil price recorded in the previous twelve (12) months), less the aggregate amount of those Cash Flows to be applied in acquiring long-term assets (other than any Project expenditures) to (ii) the aggregate amount of scheduled principal repayments and payments of interest in respect of Serinus Debt made or required to be made during the Relevant Period, exceeds 1.5:1.0 (such ratio to be calculated using production, operational expenses and capital expenses estimates contained in the Financial Model.)

(f) **Reserves Cover Ratio.** The Reserves Cover Ratio based on Proved Reserves calculated for 31 December 2014 and for each subsequent year up until the first Disbursement of the Tranche II Loan shall be at least 1.2:1.0 in each case.

Section 4.03. All Disbursements

The obligation of EBRD to make any Disbursement shall also be subject to the fulfilment, in form and substance satisfactory to EBRD, or at the sole discretion of EBRD the waiver, whether in whole or part and whether subject to conditions or unconditional, of the conditions that, on the date of the Borrower’s application for such Disbursement and on the date of such Disbursement:

(a) **Continuing Validity of Documents.** All agreements, documents and instruments delivered to EBRD pursuant to Section 4.01 and, when applicable, Section 5.07 shall be
in full force and effect and unconditional (except for this Agreement having become unconditional, if that is a condition of any such agreement, document or instrument).

(b) **Representations and Warranties.** The representations and warranties made or confirmed by each Project Company in the Financing Agreements and the Project Agreements to which it is party shall be true on and as of such dates with the same effect as though such representations and warranties had been made on and as of such dates.

(c) **No Default.** No Default shall have occurred and be continuing or shall, in the reasonable opinion of EBRD, be imminent and the Borrower shall not, as a result of such Disbursement, be in violation of its Charter, any provision contained in any agreement or instrument to which the Borrower is a party (including this Agreement) or by which the Borrower is bound or any law applicable to the Borrower.

(d) **No Material Adverse Change.** Nothing shall have occurred which, in the opinion of EBRD, is reasonably likely to have a Material Adverse Effect.

(e) **Use of Proceeds.** The proceeds of such Disbursement shall be needed by the Borrower for the purposes of the Project which subject to EBRD's prior written consent may include reimbursement of any capital expenditure incurred within the scope of the Project since 1 July 2013 and EBRD shall have received such evidence as to the proposed utilisation of the proceeds of such Disbursement and the utilisation of the proceeds of any prior Disbursement as EBRD reasonably requests including but not limited to the certified copies of the Onlending Arrangements.

(f) **Fees and Expenses.** EBRD shall have received, or will receive out of the first Disbursement, payment of all amounts due and owing to it under the Financing Agreements, including all fees and expenses described in Section 3.04 and Section 8.08.

(g) **Disbursement Application.** EBRD shall have received an original of the Borrower’s timely application for such Disbursement substantially in the form of Exhibit A.

(h) **Reserves Report.** EBRD shall have received the latest available Reserves Report and such Reserves Report together with a certificate from the Borrower based on such Reserves Report showing that following the relevant Disbursement the Reserves Cover Ratio will be not less than 1.5:1:0.

(i) **Other.** EBRD shall have received such other documents and legal opinions as EBRD may reasonably request (including, for the avoidance of doubt and without limitation, all such other documents as may be reasonably requested by any legal counsel to EBRD for the purpose of issuing any legal opinion referred to in Sections 4.01(k), 5.07(j) and 5.07(k)).

**ARTICLE V - AFFIRMATIVE COVENANTS**

Unless EBRD otherwise agrees in writing:
Section 5.01. Project Implementation; Use of Proceeds

(a) The Borrower shall carry out, and shall procure that Projco carries out, the Project in accordance with the Development Plan furnished by the Borrower to EBRD and cause the financing specified in the Financing Plan to be applied exclusively to the Project which may include, subject to EBRD’s prior written consent, reimbursement of any capital expenditure incurred within the scope of the Project since 1 July 2013.

(b) The Borrower shall ensure the deployment of, and shall procure that Projco deploys, each Project Asset exclusively at the Fields.

Section 5.02. Maintenance and Continuity of Business

(a) The Borrower shall maintain, and shall procure that each Project Subsidiary maintains, its corporate existence in compliance with all applicable laws. The Borrower shall conduct, and shall procure that each Project Subsidiary conducts, its business with due diligence and efficiency, in accordance with sound engineering, financial and business practices and in compliance with all applicable laws, including all money laundering laws. The Borrower shall use, and shall procure that Projco uses, procurement methods which ensure a sound selection of goods and services at fair market value and that each of the Borrower and Projco is making its capital investments in a cost effective manner.

(b) The Borrower shall procure that Projco maintains the Concessions in full force and effect in accordance with their terms.

Section 5.03. Environmental and Social Compliance

(a) Except as otherwise specified in the Environmental and Social Action Plan, the Borrower shall, and shall cause Projco and any contractor to, carry out the Project, the Borrower’s and Projco’s business and operations in accordance with the Designated Performance Requirements.

(b) Without limiting the foregoing, the Borrower shall diligently implement and adhere to, and shall procure that Projco diligently implements and adheres to, the Environmental and Social Action Plan and monitor the implementation of such plan in accordance with the monitoring provisions contained in such plan.

(c) The Borrower and EBRD may from time to time agree to amend the Environmental and Social Action Plan in response to changes in the circumstances of the Project, the Borrower, Projco or the Borrower’s or Projco’s business and operations, unforeseen events and the results of monitoring. Without limiting the generality of the foregoing,

(1) if there is any adverse environmental or social impact or issue that was not foreseen by or contemplated in the Environmental and Social Action Plan either entirely or as to its severity,
(2) if any impact mitigation measure set out in the Environmental and Social Action Plan is not sufficient to eliminate or reduce any environmental or social impact to the level contemplated by the relevant Designated Performance Requirements within the time frame set out in the Environmental and Social Action Plan, or

(3) if any material non-compliance with the Environmental and Social Action Plan or with any Environmental and Social Law has been identified by an inspection from any regulatory or enforcement authority or by any audit conducted by the Borrower or Projco,

the Borrower shall, as soon as reasonably practicable and subject to the consent of EBRD (not to be unreasonably withheld or delayed), develop and incorporate into the Environmental and Social Action Plan such additional or revised mitigation measures as may be necessary to achieve compliance with the Designated Performance Requirements, in each case in a manner satisfactory to EBRD.

Section 5.04. Insurance

The Borrower shall maintain, and shall procure that Projco maintains, insurance against loss, damage and liability in a manner and with insurers and re-insurers satisfactory to EBRD. EBRD shall be named as sole loss payee (except with respect to liability insurance) and additional insured under the relevant insurance policies and such interests of EBRD shall be noted thereon in form and substance satisfactory to EBRD.

Section 5.05. Accounting

(a) The Borrower shall maintain books of account and other records adequate to present fairly the consolidated financial position, financial performance and cash flows of the Borrower and its Subsidiaries and the results of its operations (including the progress of the Project) in conformity with IFRS.

(b) The Borrower shall, and the Borrower shall procure that Projco will, maintain as auditors of the Borrower and Projco respectively a firm of independent accountants selected by the Borrower or Projco (as the case may be) and acceptable to EBRD.

(c) The Borrower shall, and the Borrower shall procure that Projco will, authorise, by a letter substantially in the form of Exhibit C, the Auditors to communicate directly with EBRD at any time regarding the Borrower’s and Projco’s (as applicable) accounts and operations.

Section 5.06. Continuing Governmental and Other Authorisations

The Borrower shall obtain and maintain in force (or, where appropriate, renew), and shall procure that Projco does the same in relation to, all Authorisations required for the purposes described in Sections 4.01(e) and 4.01(g). The Borrower shall perform and observe, and shall procure that Projco performs and observes, all the conditions and
restrictions contained in, or imposed on the Borrower or Projco (as the case may be) by, such Authorisations.

Section 5.07. Security

(a) The Borrower shall procure that each relevant Project Company creates, perfects, maintains and, as appropriate, renews the Security in a manner satisfactory to EBRD. Without limiting the generality of the foregoing, the Borrower shall procure that Projco renews the registration of each Project Asset Pledge every ten years after its signing.

(b) The Borrower shall procure that Projco, further to each Disbursement designated for the acquisition of any Project Asset: (i) validly acquires and, if applicable, duly registers in the appropriate registers full and unencumbered (other than by a Security) ownership title over such Project Asset in accordance with the requirements of applicable law (as confirmed to EBRD by its Tunisian counsel); and (ii) enters into a Project Asset Pledge in relation to such Project Asset.

(c) The Borrower shall procure that Projco, further to each Disbursement designated for the leasing of any Project Asset, enters into a Project Asset Assignment relating to such Project Asset.

(d) The Borrower shall procure that the Security created under each of the Security Documents referred to in Sections 5.07(b) and 5.07(c) shall be validly created and perfected in a manner satisfactory to EBRD and EBRD shall receive a duly executed original of such Security Document, together with any document, recording, filing, notification, registration, notarisation or other evidence required, in the opinion of EBRD, for the creation, validity, perfection or priority of the Liens of EBRD in or under such Security Document.

(e) The Tunisian counsel to EBRD shall provide a legal opinion on or a confirmation of (at the choice of EBRD) the validity and enforceability of the Security created under each Security Document referred to in Section 5.07(b) or Section 5.07(c).

(f) The Borrower shall provide evidence to EBRD that each Project Asset referred to in Section 5.07(b) or 5.07(c) is or will be deployed at the Fields or other evidence of use of the proceeds of the Disbursement at the Fields.

(g) The Borrower shall comply with each covenant set out in Section 5.07(b) to (f) above in form and substance satisfactory to EBRD prior to the earlier of (i) the date sixty (60) days after the date of each Disbursement or such other longer period of time as may be agreed to by the parties to this Agreement and (ii) the date of a new application for a Disbursement.

(h) Should the Borrower wish to enter into a Permitted Transaction in relation to Winstar Resources, it shall procure that prior to or as a part of such liquidation (including without limitation by way of winding up or dissolution) of Winstar Resources: (i) Holdco is promptly transferred to the Borrower so that it becomes a fully-owned direct Subsidiary of the Borrower; and (ii) the Deed of Contract Transfer is promptly and duly executed by all parties to it (other than EBRD) and promptly
delivered to EBRD. EBRD shall facilitate such Permitted Transaction to the extent necessary to transfer the ownership of shares in Holdco from Winstar Resources to the Borrower.

(i) The Borrower shall provide to EBRD, within three (3) months from the date of the first Disbursement of the Loan, evidence of the Granting Authority’s unconditional approval of the Pledge of Contractual Rights, such evidence being in form and substance satisfactory to EBRD, or promptly inform EBRD of the Granting Authority’s failure to approve the Pledge of Contractual Rights.

(j) If EBRD does not receive evidence of the Granting Authority’s unconditional approval of the Pledge of Contractual Rights as required under Section 5.07(i), the Borrower shall procure that,

(i) starting from the earlier of (A) the date not later than four (4) months after the date of the first Disbursement and (B) the date one (1) month after the Granting Authority informs Projco of its failure to approve the Pledge of Contractual Rights (the “Disapproval Date”), Projco has no bank accounts other than the Projco Bank Accounts;

(ii) prior to the earlier of (A) the date six (6) months after the date of the first Disbursement and (B) the date three (3) months after the Disapproval Date, EBRD receives: (C) duly executed originals of the Bank Accounts Pledge (Projco) together with any document, recording, filing, notification, registration, notarisation or other evidence required, in the opinion of EBRD, for the creation, validity, perfection or priority of the Liens of EBRD in or under the Bank Accounts Pledge (Projco), and (D) the opinion of Caid Essebsi and Partners, special Tunisian counsel to EBRD, on the due execution, validity and enforceability of, and Projco’s capacity to enter into, the Bank Accounts Pledge (Projco); and

(iii) within ten (10) Business Days after the end of each quarter of each Financial Year, EBRD receives copies of all bank statements, certified by the Borrower, relating to each Projco Bank Account showing the transactions in the Projco Bank Accounts that took place during that quarter of such Financial Year and the balance standing to the credit of each Projco Bank Account, and promptly upon EBRD’s request (acting reasonably), EBRD receives certified copies of such bank statements showing the transactions in each Projco Bank Account that took place since the date of the respective bank statements most recently provided to EBRD and balances standing to the credit of each Projco Bank Account.

(k) The Borrower shall procure that EBRD receives not later than 31 December 2013 or such later date as EBRD may agree to in Writing:

(i) duly executed originals of the Bank Account Pledges (Tunisian Dividends) together with any document, recording, filing, notification, registration, notarisation or other evidence required, in the opinion of EBRD, for the creation, validity, perfection or priority of the Liens of EBRD in or under the Bank Account Pledges (Tunisian Dividends);
(ii) evidence that the Bank Account Pledge (Tunisian Dividends) governed by Canadian law has been registered with the PPR for a ten years' period;

(iii) the opinion of the special Canadian counsel to the Borrower, in a form and substance requested by EBRD, on the due execution, validity and enforceability of the Bank Account Pledge (Tunisian Dividends) governed by Canadian law; and

(iv) the opinion of the special Dutch counsel to EBRD on validity and enforceability of the Bank Account Pledge (Tunisian Dividends) governed by Dutch law and the due execution of and Holdco’s capacity to enter into the Bank Account Pledges (Tunisian Dividends).

Section 5.08. Compliance with Other Obligations

The Borrower shall comply with all agreements to which it is a party or by which it or any of its properties or assets is bound and shall procure that each Project Subsidiary complies with all agreements to which it is a party or by which it or any of its properties or assets is bound except where failure to do so could not reasonably be expected to have a Material Adverse Effect.

Section 5.09. Taxes

(a) The Borrower shall pay, and shall procure that each Project Subsidiary pays, when due all of its or such Project Subsidiary’s (as applicable) Taxes, including any Taxes against any of its or such Project Subsidiary’s (as applicable) properties, other than Taxes which are being contested in good faith and by proper proceedings and as to which adequate reserves have been set aside for the payment thereof. The Borrower shall make, and shall procure that each Project Subsidiary makes, timely filings of all Tax returns and governmental reports required to be filed or submitted under any applicable law.

(b) The Borrower shall pay, and shall procure that each relevant Project Subsidiary pays, all Taxes and registration fees payable on, or in connection with, the execution, issue, delivery, registration or notarisation of any Financing Agreement, any Project Agreement or any other document related to this Agreement. Upon notice from EBRD, the Borrower shall pay to EBRD, or reimburse EBRD for, an amount equal to any such Taxes and/or registration fees levied on or paid by EBRD.

Section 5.10. Project Agreements

The Borrower shall procure that each relevant Project Subsidiary maintains all Project Agreements to which it is a party in full force and effect without material modification and perform its obligations under, and not commit any material breach of or material default under, any such Project Agreement.

Section 5.11. Financial Ratios
(a) **Debt Service Coverage Ratio.** From (and including) 31 December 2018, the Borrower shall, at all times and on a consolidated basis, maintain a ratio of (i) Cash Flows arising from Operating Activities (as per the Borrower’s cash flow statement) for the (12) twelve months preceding the date of calculation adding interest accrued during such period (if not already reflected), minus the sum of those Cash Flows for such period which are applied during that period in acquiring long-term assets or other capital expenditure (excluding capital expenditure funded from Equity Injections) to (ii) the sum of the scheduled principal repayment (excluding any prepayments made in accordance with Section 3.09(d)) and interest payments made in such period in respect of all of Serinus’ Financial Debt, of not less than 1.3:1.0.

(b) **Financial Debt to EBITDA Ratio.** The Borrower shall, at all times and on a consolidated basis, maintain a ratio of (i) Financial Debt to (ii) EBITDA of the Borrower for the (12) twelve months preceding the date of calculation of not more than:

1. from 30 September 2018 to 31 December 2018, 10.0:1.0; and
2. from 1 January 2019, 2.5:1.0.

(c) **Definitions.** For purposes of this Section:

1. “Cash Flows” means inflows and outflows of Cash and Cash Equivalents, where “Cash” means cash on hand and demand deposits and “Cash Equivalents” means short-term, highly liquid investments that are readily convertible to known amounts of Cash and which are subject to an insignificant risk of changes in value.

2. “EBITDA” means profit or loss from the Operating Activities of the Borrower and its Subsidiaries for any relevant period, before (i) any interest, commissions, discounts and other financing fees and costs and any interest earned, (ii) any provision for taxation, and (iii) any depreciation on fixed assets and amortisation and any amounts attributable to amortisation of goodwill and other intangible assets, (iv) any stock based compensation provision, and (v) any non-cash impairment losses or provisions.

3. “Equity Injections” means subscriptions by any person for shares in the Borrower or loans made to the Borrower by any of the Borrower’s shareholders (other than EBRD).

4. “Operating Activities” means the principal revenue-producing activities of the Borrower and its Subsidiaries and other activities that are not Investing Activities or Financing Activities, where “Investing Activities” means the acquisition and disposal of long-term assets and other investments not included in Cash Equivalents as defined above and “Financing Activities” means activities that result in changes in the size and composition of the equity capital and borrowings of the Borrower and its Subsidiaries.
Section 5.12. Further Documents

The Borrower shall execute, and shall procure that each relevant Project Subsidiary executes, all such other documents and instruments and do all such other acts and things as EBRD may determine are necessary or desirable to give effect to the provisions of the Financing Agreements and the Project Agreements and to cause the Financing Agreements and the Project Agreements to be duly registered, notarised and stamped in any applicable jurisdiction.

Section 5.13. Costs and Expenses

(a) The Borrower shall, whether or not any Disbursement is made, pay to EBRD or as EBRD may direct, within thirty (30) days of EBRD furnishing to the Borrower the invoice therefor, all out-of-pocket costs and expenses (including, travel expenses and the fees and expenses of outside counsel to EBRD and all other financial, accounting, engineering, environmental and social, insurance and other consulting fees and expenses, and provided that fees and expenses of outside counsel to EBRD incurred prior to the first Disbursement in relation to the preparation, drafting, negotiation and review of the Financing Agreements, the Project Agreements and the Security and any other documents relating to the same shall be subject to any caps agreed between EBRD and the Borrower) incurred by EBRD in connection with:

1. the assessment, preparation, negotiation and arrangement of the Loan by EBRD;
2. the preparation, review, negotiation, execution and, where appropriate, registration and notarisation of the Financing Agreements, the Project Agreements and the Security and any other documents related thereto;
3. the giving of any legal opinions hereunder; and
4. the administration and monitoring of the Financing Agreements, including visits by EBRD’s environmental and social staff.

(b) The Borrower shall pay to EBRD or as EBRD may direct, on demand, all fees, costs and expenses (including, legal fees and expenses) incurred by EBRD:

1. in the determination of whether there has occurred a Default;
2. in respect of the preservation or enforcement of any of its rights under any Financing Agreement and the collection of any amount owing to EBRD; and
3. in connection with the assessment, preparation, review, negotiation, execution and, where appropriate, registration and notarisation of any amendment to or waiver of any Financing Agreement, any Project Agreement or any other document related thereto.

Section 5.14. Furnishing of Information
(a) As soon as available but, in any event, within sixty (60) days after the end of each quarter of each Financial Year, the Borrower shall furnish to EBRD:

(1) the Borrower’s and Projco’s unaudited Financial Statements for such quarter, in a form satisfactory to EBRD (delivered in hard copy or pdf format) and, if requested by EBRD, certified by an officer of the Borrower or Projco (as applicable);

(2) a management discussion and analysis of results and the Project implementation for such quarter, including a report on any factors materially and adversely affecting or which might materially and adversely affect the Borrower’s or Projco’s (as applicable) business, operations or financial condition or a statement that there are no such factors and certifying that the Borrower was in compliance with the financial covenants contained in Article V (Section 5.11) as of the end of the relevant quarter of the Financial Year;

(b) As soon as available but, in any event, within one hundred and fifty (150) days after the end of each Financial Year, the Borrower shall furnish to EBRD:

(1) the audited consolidated Financial Statements for such Financial Year, together with a report of the Auditors thereon prepared in accordance with International Standards on Auditing, all in a form satisfactory to EBRD (delivered in hard copy or pdf format);

(2) if issued, the letter(s) from the Auditors to management of the Borrower commenting on, among other matters, the adequacy of the Borrower’s financial control procedures, accounting systems and other management systems; and

(3) consolidated annual accounts of Projco for such Financial Year accompanied by an unqualified opinion from the Auditors.

(c) As soon as available but, in any event, within sixty (60) days after the end of each Financial Year, the Borrower shall furnish to EBRD a report, in form and scope satisfactory to EBRD, on Environmental and Social Matters arising in relation to the Borrower or the Project during such Financial Year, including:

(1) information on compliance by the Borrower with the Designated Performance Requirements as described in Section 5.03(a) and the implementation of the Environmental and Social Action Plan;

(2) information on how the Borrower and/or Projco has monitored the compliance with the Designated Performance Requirements and the Environmental and Social Action Plan by any contractor engaged for the Project and a summary of any material non-compliance by such contractor with the Designated Performance Requirements and the Environmental and Social Action Plan and of any measures taken to remedy such non-compliance;

(3) information on implementation of the Stakeholder Engagement Plan, including a summary of any grievances received and how such grievances were resolved;
(4) information on compliance by the Borrower with Environmental and Social Laws in relation to the Project, including the status of any Authorisation required therefor, the results of any inspection carried out by any regulatory authority, any violation of applicable laws, regulations or standards and any remedial action or fine relating to such violation, and a summary of any material notice, report and other communication on Environmental and Social Matters relating to the Project submitted by the Borrower or Projco (as the case may be) to any regulatory authority;

(5) information on occupational health and safety management and the occupational health and safety record of the Project, Projco’s business and operations, including the rates of accidents, lost time incidents and near-misses, any preventive or mitigative measures taken or planned by Projco, any staff training on occupational health and safety and any other initiatives in relation to occupational health and safety management which have been implemented or planned by Projco;

(6) a summary of any change in Environmental and Social Laws which may have a material effect on the Project or Projco’s business and operations; and

(7) copies of any information on Environmental and Social Matters periodically submitted by the Borrower to its shareholders or the general public.

d) The Borrower shall furnish to EBRD:

(1) within thirty (30) days after the effective date of any new or renewed insurance or re-insurance policy issued to or for the benefit of the Borrower or Projco (as the case may be), a certified copy of such policy, incorporating any loss payee and additional insured provisions required by Section 5.04; and

(2) not less than ten (10) days prior to the expiry date of any of the Borrower’s or Projco’s (as the case may be) insurance or re-insurance policies (or, for insurance with multiple renewal dates, not less than ten (10) days prior to the expiry of the policy on the principal asset) a copy of a certificate of renewal from the Borrower’s or Projco’s (as the case may be) insurer, re-insurer, insurance broker or agent confirming the renewal of that policy, containing details of the renewal period, the premium, the properties insured, the amounts and risks covered for each asset or item, the names of the loss payees, beneficiaries and assignees, the name of the insurer or re-insurer, any changes in terms or conditions from the policy’s issue date or last renewal and any special features of the new or renewed insurance or re-insurance policy and confirming that the loss payee and additional insured provisions required by Section 5.04, as applicable, remain in effect.

e) Within thirty (30) days after the effective date of any new or renewed insurance policy, the Borrower shall furnish to EBRD an original certificate from the Borrower’s or Projco’s (as the case may be) insurer or insurance broker, indicating the properties insured, amounts and risks covered, names of the loss payees, beneficiaries and assignees, name of the insurer and any special features of the
new or renewed insurance policy, together with a certified copy of such insurance policy.

(f) The Borrower shall promptly notify EBRD of:

(1) any proposed change in the nature or scope of the Project (including technology or processes used in, or the schedule for, the Project) or the business or operations of Projco or the Borrower;

(2) any claim made by the Borrower or any Project Subsidiary under any insurance policy for an amount in excess of USD 500,000 (five hundred thousand Dollars) or its equivalent in another currency; and

(3) any event or condition (including, any pending or threatened litigation, arbitration or administrative proceeding and any damage to or destruction of Project facilities) which might have a Material Adverse Effect.

(g) Immediately upon the occurrence of any Default, the Borrower shall give EBRD notice thereof by facsimile transmission specifying the nature of such Default and any steps the Borrower is taking to remedy the same.

(h) Immediately upon the occurrence of any incident or accident relating to the Borrower, Projco or the Project which has or is likely to have a significant adverse effect on the environment, or on public or occupational health or safety, the Borrower shall inform EBRD and promptly thereafter give EBRD notice thereof specifying the nature of such incident or accident and any steps the Borrower is taking to remedy the same. Without limiting the generality of the foregoing,

(1) an incident or accident relates to the Project if it occurs on any Field or other site used for the Project or, if it is caused by facilities, equipment, vehicles or vessels used for or relating to the Project (whether or not being used on any site of the Project and whether or not being used by authorised or unauthorised persons);

(2) an incident or accident is considered to have a significant adverse effect on the environment or on public or occupational health or safety if:

(A) any applicable law requires notification of such incident or accident to any Governmental Authority,

(B) such incident or accident involves fatality of any person (whether or not such person is employed by the Borrower or Projco),

(C) more than one person (whether or not such persons are employed by the Borrower or Projco) has received serious injury requiring hospitalisation, or

(D) such incident or accident has become, or is likely to become, public knowledge whether through media coverage or otherwise.

(i) As soon as available but in any event within one hundred and twenty (120) days after the end of each Financial Year of the Borrower falling on or after 31 December 2013, the Borrower shall furnish to EBRD:
(1) a Reserves Report and a calculation of the Reserves Cover Ratio certified by the Borrower, each in a form and scope satisfactory to EBRD; and

(2) a reserves report by the Independent Petroleum Engineer, in a form and scope satisfactory to EBRD, which evaluates, as at the end of each year, the extent of the proved developed producing reserves, the proved developed non-producing reserves and the proved undeveloped reserves in respect of the Romanian Project.

(j) The Borrower shall furnish to EBRD, within sixty (60) days after the end of each quarter of each Financial Year, a report, in form and scope satisfactory to EBRD, on the progress of each of the Project and (until the earlier of 31 December 2018 and commercialisation of gas in respect of the Romanian Project) the Romanian Project during such quarter.

(k) The Borrower shall promptly notify EBRD of any significant protest or petition by workers or members of the public directed at or relating to the Project or Projco’s business and operations which (aa) might have a Material Adverse Effect or (bb) has become, or is likely to become, public knowledge through media coverage or otherwise. Within ten (10) days following any such notification in the case of (aa) above and within ten (10) days following EBRD request in the case of (bb) above, the Borrower shall submit a report satisfactory to EBRD specifying the outcome of the Borrower’s investigation into such protest or petition, and any steps taken, or proposed to be taken, by the Borrower to resolve the issues raised in the protest or petition.

(l) The Borrower shall furnish promptly to EBRD two copies of all notices, reports and other communications of the Borrower to its shareholders and the minutes of all shareholders’ meetings. Without limiting the foregoing, the Borrower shall, on or before the date that it gives official notice to its shareholders of any shareholders’ meeting, furnish EBRD, by facsimile transmission, with notice of such meeting and the agenda thereof. The Borrower shall permit a representative of EBRD to attend as an observer, at the Borrower’s expense, the annual meeting of the Borrower’s shareholders.

(m) The Borrower shall promptly notify EBRD if the Borrower obtains any information regarding a violation of Section 2.02(h) or Section 6.11 or if any international financial institution has imposed any sanction on the Borrower or Projco for any Prohibited Practice. If EBRD notifies the Borrower of its concern that there has been a violation of such Section 2.02(h) or such Section 6.11, the Borrower shall cooperate in good faith with EBRD and its representatives in assessing whether such a violation has occurred and shall respond promptly and in reasonable detail to any such notice from EBRD and shall furnish documentary support for such response upon EBRD’s request.

(n) The Borrower shall permit representatives of EBRD (including, any consultants engaged by EBRD) to visit the Project or any of the other premises where the business of the Borrower or Projco is conducted or where the Project is being carried out and to have access to books, accounts and records of the Borrower and Projco (including, in order (i) to facilitate EBRD’s evaluation of the Project and enable EBRD to examine and address any Project-related complaint made under EBRD’s Project Complaint Mechanism and (ii) to assess whether a Prohibited Practice has occurred in relation to the Project or the transactions contemplated herein), provided that, in each case, such
visit and access shall take place during normal business hours and shall take place consistently with such health and safety rules as may be applied by the Borrower or Projco (as applicable) within its premises or where the Project is being carried out.

(o) The Borrower shall furnish promptly to EBRD such other information as EBRD may from time to time reasonably request (including, in order to facilitate EBRD's evaluation of the Project).

Section 5.15. Collection of Dividends

The Borrower shall procure that Holdco collects all dividends it receives from Projco into the bank accounts which are subject to the Bank Account Pledges (Tunisian Dividends).

ARTICLE VI - NEGATIVE COVENANTS

Unless EBRD otherwise agrees in writing:

Section 6.01. Dividends

(a) Except as expressly provided herein, the Borrower shall not declare or pay any dividend, or make any distribution on its share capital, or purchase, redeem or otherwise acquire any shares of capital of the Borrower or any option over the same. Notwithstanding the foregoing, the Borrower may take any such action if:

(1) no Default has occurred and is continuing; and

(2) the Borrower is in compliance with the covenants set out in Article V, Section 5.11 and will continue to be in compliance with such covenants after giving effect to such action.

(b) The Borrower shall not, without the prior consent of EBRD, enter into any agreement, or permit to remain in force any agreement to which it is a party, not being a Finance Document, which (i) would or may prohibit or restrict the payment of dividends by the Borrower or (ii) imposes any requirement on the Borrower to ensure that each of its Subsidiaries declares, makes and pays any or certain dividends.

Section 6.02. Financial Debt

(a) The Borrower shall procure that no Project Subsidiary incurs, assumes or permits to exist any Financial Debt except (i) Financial Debt existing on the date of the Amendment and Restatement Agreement; (ii) payment obligations under office leases in Canada, Romania or Tunisia, provided that such obligations do not exceed USD 1,000,000 (one million Dollars) in aggregate in any Financial Year; and (iii) pursuant to an interest rate or currency swap, interest rate cap or collar, forward rate agreement or other interest rate, currency or commodity hedge or similar derivative transaction,
provided that such transaction is entered into by that Project Company in its ordinary course of business (and not for speculative purposes) and the marked to market value of all such transactions does not exceed USD 500,000 (five hundred thousand Dollars) (or its equivalent in any other currency or currencies) at any time. For the avoidance of doubt, this Section 6.02(a) does not apply to Financial Debt owing by a Project Subsidiary to the Borrower or any of its Subsidiaries.

(b) The Borrower shall procure that no Project Subsidiary enters into any agreement or arrangement to guarantee or, in any way or under any condition, to become obligated for all or any part of any financial or other obligation of another person other than (i) in respect of obligations of another Project Company and only in so far as such obligations relate to the Project; (ii) pursuant to the Satu Mare Guarantee; and (iii) pursuant to the Shell Deed of Guarantee and the Crude Oil Supply Agreement as provided for under the waiver issued by EBRD in favour of the Borrower dated 13 June 2016.

Section 6.03. Liens

(a) The Borrower shall procure that no Project Subsidiary creates or permits to exist any Lien on any property, revenues or other assets, present or future, of such Project Subsidiary, except:

1. the Security;
2. any Lien created pursuant to the Convertible Loan Agreement;
3. any Tax or other non-consensual Lien arising by operation of law;
4. any other Lien arising in the ordinary course of business, including retention of title, provided that such Lien (other than a Lien for a sum which is not yet delinquent) is discharged within thirty (30) days after the date it is created or, if the validity or amount of such Lien or the sum secured by such Lien is being contested in good faith and by proper proceedings and adequate reserves have been set aside for the payment of such sum, within thirty (30) days after final adjudication;
5. any mandatory set-off arising by operation of law;
6. netting or set-off under hedging arrangements; and
7. netting or set-off arrangements in the ordinary course of banking arrangements.

(b) The Borrower shall not create or permit to exist any Lien on any shares it holds in Winstar Resources.

Section 6.04. Derivative Transactions

The Borrower shall procure that no Project Company enters into any interest rate or currency swap, interest rate cap or collar, forward rate agreement or other interest
rate, currency or commodity hedge or similar derivative transaction, except in its ordinary course of business for hedging purposes (and not for speculative purposes).

Section 6.05. Arm’s Length Transactions

(a) The Borrower shall procure that no Project Company enters into any transaction with any person except in the ordinary course of business, on ordinary commercial terms and on the basis of arm’s-length arrangements, or enters into any transaction whereby such Project Company would pay more than the ordinary commercial price for any purchase or would receive less than the full ex-works commercial price (subject to normal trade discounts) for its products or services.

(b) The Borrower shall procure that no Project Company:

1. pays, promises to pay or offers to pay, or authorises the payment of, any commission, bribe, pay-off or kickback related to the Project that violates any applicable law or enter into any agreement pursuant to which any such commission, bribe, pay-off or kickback may or will at any time be paid; or

2. offers or gives anything of value to influence the action of a public official, or threatens injury to person, property or reputation, in connection with the Project in order to obtain or retain business or other improper advantage in the conduct of business.

Section 6.06. Profit-sharing and Management Arrangements

(a) The Borrower shall procure that no Project Company enters into any partnership, profit-sharing or royalty agreement or other similar arrangement whereby such Project Company’s income or profits are, or might be, shared with any other person.

(b) The Borrower shall procure that no Project Company enters into any management contract or similar arrangement whereby its business or operations are managed by any other person.

Section 6.07. Investments

(a) The Borrower shall procure that Projco does not form or have any Subsidiary other than another Project Subsidiary existing on the date of this Agreement, or make or permit to exist loans or advances to, or deposits (other than deposits in the ordinary course of business with reputable banks) with, other persons or investments in any person or enterprise; provided, however, that any such Project Subsidiary shall be at liberty to invest in short-term investment grade marketable securities solely to give temporary employment to such Project Subsidiary’s idle resources.

(b) The Borrower shall procure that other than as pursuant to a Permitted Transaction, there are no changes to the direct ownership of the Project Subsidiaries existing as at the date of the Amendment and Restatement Agreement.
Section 6.08. Project Agreements

(a) The Borrower shall procure that no Project Company terminates any Project Agreement or Concession S&P Agreement to which it is a party or consents to any assignment of any Project Agreement or Concession S&P Agreement by any other party thereto.

(b) The Borrower shall procure that no Project Company amends or grants any waiver of, in any material respect, any provision of any Project Agreement or Concession S&P Agreement to which it is a party.

Section 6.09. Changes in Business, Capital and Charter

(a) The Borrower shall procure that no Project Company makes changes, or permits changes to be made, to the general nature of its present business or operations, the Development Plan (save as contemplated by the definition) or the nature or scope of the Project (save for a change in an amended Development Plan) without the consent of EBRD (such consent not to be unreasonably withheld or delayed). The Borrower shall procure that no Project Subsidiary which is a Subsidiary of Holdco carries out any business or activity other than businesses or activities substantially related to the Project or the Romanian Project.

(b) The Borrower shall procure that no Project Subsidiary makes changes, or permit changes to be made, to its capital except in accordance with the Financing Plan.

(c) The Borrower shall procure that no Project Subsidiary makes changes, or permits changes to be made, to its Charter in any manner which would be inconsistent with the provisions of any Financing Agreement.

(d) The Borrower shall not pursue, and shall procure that none of its Subsidiaries pursues, any activities in Syria or elsewhere without EBRD’s prior written consent so long as such activities are restricted by any Sanctions.

Section 6.10. Sale of Assets; Merger

(a) The Borrower shall procure that, other than as part of a Permitted Transaction, no Project Subsidiary sells, transfers, leases or otherwise disposes of all or a substantial part of its assets (whether in a single transaction or in a series of transactions, related or otherwise) other than (i) disposals of hydrocarbons, natural gas and other related products or obsolete or redundant assets, in each case on arm's length terms, and (ii) as applied to any Project Subsidiary which is not a Subsidiary of Holdco, any assets not related to the Project.

(b) Save as part of a Permitted Transaction, the Borrower shall not sell, transfer, lease or otherwise dispose of all or a substantial part of its interest in the shares of Winstar Resources.
Section 6.11. Fraud and Corruption

The Borrower shall procure that no Project Company engages, or authorises or permits any of its officers, directors, authorised employees, Affiliates, agents or representatives to engage, in any Prohibited Practice with respect to the Project or any transactions contemplated by this Agreement. Notwithstanding any other provision of this Agreement, the Borrower hereby acknowledges and agrees that EBRD may invoke the Enforcement Policy and Procedures in respect of allegations of Prohibited Practices (including with respect to Section 2.02(h)) in relation to the Project and the transactions contemplated by this Agreement.

ARTICLE VII - EVENTS OF DEFAULT

Section 7.01. Events of Default

Each of the following events and occurrences shall constitute an Event of Default under this Agreement:

(a) Payments. The Borrower fails to pay when due any principal of, or interest on, the Loan as required by this Agreement, except where both of the following conditions apply:

(1) the failure to pay is due to an administrative error of an account bank, other than an error caused by the negligence or wilful misconduct of the Borrower, and

(2) within three (3) Business Days after the due date full payment of the same is made in accordance with this Agreement.

(b) Covenants. The Borrower or any other party (other than EBRD) fails to comply with any of its obligations under any Financing Agreement or any other agreement between the Borrower and EBRD, the failure to comply with such obligation is not referred to elsewhere in this Section 7.01 and, if capable of remedy, such failure to comply is not remedied within thirty (30) days of the earlier of (1) EBRD giving notice thereof to the Borrower and (2) the Borrower becoming aware of such failure to comply.

(c) Project Agreements. Any party (other than EBRD) fails to comply with any of its obligations under any Project Agreement, the failure to comply with such obligation is not referred to elsewhere in this Section 7.01 and, if capable of remedy, such failure to comply is not remedied within sixty (60) days of the earlier of (1) EBRD giving notice thereof to the Borrower and (2) the Borrower becoming aware of such failure to comply.
(d) **Representations.** Any representation or warranty made or confirmed by any Project Company in any Financing Agreement or Project Agreement was false or misleading in any material respect when made or repeated.

(e) **Nationalisation.** Any Governmental Authority condemns, nationalises, seizes or otherwise expropriates all or any substantial part of the property or other assets of any Project Company or of its share capital, or assumes custody or control of such property or other assets or of the business or operations of any Project Company or of its share capital, or acquires majority ownership of any Project Company, or takes any action for the dissolution or disestablishment of any Project Company or any action that would prevent any Project Company or its officers from carrying on its business or operations or a substantial part thereof.

(f) **Bankruptcy.** A decree or order by a court is entered against any Project Company adjudging such Project Company bankrupt or insolvent or ordering the winding up or liquidation of its affairs; or a petition is filed seeking reorganisation, administration, arrangement, adjustment, composition or liquidation of or in respect of any Project Company under any applicable law and such petition is not dismissed within twenty-one (21) days of filing; or a receiver, administrator, liquidator, assignee, trustee, sequestrator, secured creditor or other similar official is appointed over or in respect of any Project Company or any substantial part of its property or assets; or any Project Company institutes proceedings to be adjudicated bankrupt or insolvent, or consents to the institution of bankruptcy or insolvency proceedings against it, or files a petition or answer or consent seeking reorganisation, administration, relief or liquidation under any applicable law, or consents to the filing of any such petition or to the appointment of a receiver, administrator, liquidator, assignee, trustee, sequestrator, secured creditor or other similar official of any Project Company or of any substantial part of its property, or makes an assignment for the benefit of creditors, or admits in writing its inability to pay its debts generally as they become due; or any other event occurs which under any applicable law would have an effect analogous to any of the events listed in this paragraph.

(g) **Financial Debt.** Any payment on any Financial Debt of any Project Company (other than the Loan) in excess of USD 1,000,000 (one million Dollars) is not paid when due; or a default of any nature not otherwise provided for in this paragraph occurs under any agreement evidencing any such Financial Debt of any Project Company and such default continues beyond any applicable period of grace; or any such Financial Debt of any Project Company becomes prematurely due and payable or is placed on demand.

(h) **Change in Law.** There occurs a change of law which has a Material Adverse Effect; or it becomes unlawful for any Project Company to perform any material obligation under any Financing Agreement or Project Agreement; or there occurs any action by any governmental body or agency or any enactment, modification or change in the interpretation of any law which restricts or prohibits in any material way the performance by any Project Company of its obligations under any Financing Agreement or Project Agreement.

(i) **Change of Control.** Any change of control of Projco or any change in the direct or indirect legal or beneficial ownership of Projco occurs in each case without the prior
written consent of EBRD (other than due to any change of control of the Borrower or pursuant to a Permitted Transaction).

(j) Ineligibility for EBRD Financing. In accordance with EBRD’s Enforcement Policy and Procedures, EBRD shall have determined that the Borrower or an Affiliate of the Borrower has engaged in a Prohibited Practice in relation to an EBRD Project and the Borrower shall be included on EBRD’s list of persons or entities ineligible to be awarded an EBRD-financed contract or for EBRD funding, as such list may be found on EBRD’s website.

(k) Invalidity and Unlawfulness. Any Project Agreement is revoked or becomes invalid or unenforceable for any reason or the validity or enforceability of any of provision of the Project Agreements is at any time contested by any party in circumstances or to an extent which EBRD reasonably considers to be materially prejudicial to the interest of EBRD.

(l) Security. The Borrower fails to comply with Section 5.07(g).

(m) Cross-Default. An Event of Default (as defined in the Convertible Loan Agreement) is outstanding.

(n) Material Adverse Effect. Any circumstance or event occurs which, in the reasonable opinion of EBRD, is likely to have a Material Adverse Effect.

Section 7.02. Consequences of Default

If an Event of Default occurs and is continuing, then EBRD may at its option, by notice to the Borrower, declare all or any portion of the principal of, and accrued interest on, the Loan (together with any other amounts accrued or payable under this Agreement) to be, and the same shall thereupon become (anything in this Agreement to the contrary notwithstanding), either:

(1) due and payable on demand; or

(2) immediately due and payable without any further notice and without any presentment, demand or protest of any kind, all of which are hereby expressly waived by the Borrower.

ARTICLE VIII - MISCELLANEOUS

Section 8.01. Term of Agreement

This Agreement shall continue in force until the date that the obligation of EBRD to make Disbursements hereunder has terminated in accordance with the terms hereof or, if later, until all moneys payable hereunder have been fully paid in accordance with the provisions hereof; provided that the indemnities and warranties of the Borrower and
the provisions of Sections 3.10(a), 3.10(d), 8.04, 8.05, 8.07, 8.08, 8.09, 8.10 and 8.11 shall survive repayment of the Loan and termination of this Agreement.

Section 8.02. Entire Agreement; Amendment and Waiver

This Agreement and the documents referred to herein constitute the entire obligation of the parties hereto with respect to the subject matter hereof and shall supersede any prior expressions of intent or understandings with respect to this transaction. Any amendment to, waiver by EBRD of any of the terms or conditions of, or consent given by EBRD under, this Agreement (including, this Section 8.02) shall be in writing, signed by EBRD and, in the case of an amendment, by the Borrower. The parties to this Agreement may by agreement rescind or vary this Agreement without the consent of any person that is not a party to this Agreement. In the event that EBRD waives a condition to any Disbursement, the Borrower shall, by receiving the proceeds of such Disbursement, be deemed to have agreed to all of the terms and conditions of such waiver.

Section 8.03. Notices

Any notice, application or other communication to be given or made under this Agreement to EBRD or to the Borrower shall be in writing. Except as otherwise provided in this Agreement, such notice, application or other communication shall be deemed to have been duly given or made when it is delivered by hand, airmail or facsimile transmission to the party to which it is required or permitted to be given or made at such party’s address specified below or at such other address as such party designates by notice to the party giving or making such notice, application or other communication.

For the Borrower:

Serinus Energy Inc.
Suite 1170
700 4th Ave SW
Calgary
T2P 3J4
Alberta, Canada

Attention: General Counsel

Fax: +1 403 264 8861

For EBRD:

European Bank for Reconstruction and Development
One Exchange Square
London EC2A 2JN
United Kingdom

Attention: Operation Administration Department
Section 8.04. English Language

All documents to be furnished or communications to be given or made under this Agreement shall be in the English language or, if in another language, shall be accompanied by a translation into English certified by the Borrower, which translation shall be the governing version between the Borrower and EBRD.

Section 8.05. Financial Calculations

All financial calculations to be made under, or for the purposes of, this Agreement shall be made in accordance with IFRS and, except as otherwise required to conform to the definitions contained in Article I or any other provisions of this Agreement, shall be made using the then most recently issued quarterly Financial Statements which the Borrower is required to furnish to EBRD from time to time under Section 5.14(a); provided, however, that:

(1) if the relevant quarterly Financial Statements should be in respect of the last quarter of a Financial Year then, at EBRD's option, such calculations may instead be made from the audited Financial Statements for the relevant Financial Year;

(2) if there should occur any material adverse change in the financial condition of the Borrower or Projco after the end of the period covered by the relevant Financial Statements, then such material adverse change shall also be taken into account in calculating the relevant figures; and

(3) if there should occur any material change to IFRS applicable on the date of this Agreement, then the Parties shall enter into discussions in good faith as to the effect of such changes on such financial calculations.

Section 8.06. Rights, Remedies and Waivers

(a) The rights and remedies of EBRD in relation to any misrepresentations or breach of warranty on the part of the Borrower shall not be prejudiced by any investigation by or on behalf of EBRD into the affairs of the Borrower, by the execution or the performance of this Agreement or by any other act or thing which may be done by or on behalf of EBRD in connection with this Agreement and which might, apart from this Section, prejudice such rights or remedies.

(b) No course of dealing or waiver by EBRD in connection with any condition of Disbursement under this Agreement shall impair any right, power or remedy of EBRD with respect to any other condition of Disbursement or be construed to be a waiver thereof.
Section 8.07. Indemnification

(a) The Borrower assumes full liability for, and agrees to and shall indemnify and hold harmless EBRD and its officers, directors, employees, agents and servants against and from, any and all liabilities, obligations, losses, damages (compensatory, punitive or otherwise), penalties, claims, actions, Taxes, suits, costs and expenses (including, reasonable legal counsel’s fees and expenses and costs of investigation) of whatsoever kind and nature, including, without prejudice to the generality of the foregoing, those arising in contract or tort (including, negligence) or by strict liability or otherwise, which are imposed on, incurred by or asserted against EBRD or any of its officers, directors, employees, agents or servants (whether or not also indemnified by any other person under any other document) and which in any way relate to or arise out of, whether directly or indirectly:

(1) any of the transactions contemplated by any Financing Agreement or Project Agreement or the execution, delivery or performance thereof;

(2) the operation or maintenance of any Project Company’s facilities or the ownership, control or possession thereof by any Project Company;

(3) the investigation by EBRD of any event which it reasonably believes is a Default;

(4) EBRD acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised; or

(5) the exercise by EBRD of any of its rights and remedies under any of the Financing Agreements;
provided that EBRD shall not have any right to be indemnified hereunder for its own
gross negligence, wilful misconduct or fraud.

(b) Without limiting the generality of the foregoing, the Borrower agrees to and shall
indemnify and hold harmless EBRD and its officers, directors, employees, agents and
servants against and from any such liabilities, obligations, losses, damages, penalties,
claims, actions, taxes, duties, suits, costs or expenses arising under any environmental
law or other applicable law as a result of the past, present or future operations of each
Project Company (or any predecessor or successor in interest to any Project Company),
or the past, present or future condition of the Fields or any site or facility owned,
operated or leased by any Project Company (or any such predecessor or successor in
interest), or any release or use or threatened release of any pollutants or hazardous
materials at any such site or facility, including any such release or use or threatened
release which occurs during any period when EBRD is in possession of any such site or
facility following the exercise by EBRD of any of its rights and remedies under any
Financing Agreement.

(c) The Borrower acknowledges that EBRD is entering into this Agreement, and has
acted, solely as a lender, and not as an advisor, to the Borrower. The Borrower
represents and warrants that, in entering into the Financing Agreements, it has engaged,
and relied upon advice given to it by, its own legal, financial and other professional
advisors and it has not relied on and will not hereafter rely on any advice given to it by
EBRD.

Section 8.08. Governing Law

This Agreement shall be governed by and construed in accordance with English
law. Any non-contractual obligations arising out of or in connection with this
Agreement shall be governed by and construed in accordance with English law.

Section 8.09. Arbitration and Jurisdiction

(a) Any dispute, controversy or claim arising out of or relating to (1) this Agreement,
(2) the breach, termination or invalidity hereof or (3) any non-contractual obligations
arising out of or in connection with this Agreement shall be settled by arbitration in
accordance with the UNCITRAL Arbitration Rules as at present in force. There shall be
one arbitrator and the appointing authority shall be LCIA (London Court of International
Arbitration). The seat and place of arbitration shall be London, England and the English
language shall be used throughout the arbitral proceedings. The parties hereby waive
any rights under the Arbitration Act 1996 or otherwise to appeal any arbitration award
to, or to seek determination of a preliminary point of law by, the courts of England. The
arbitral tribunal shall not be authorised to grant, and the Borrower agrees that it shall not
seek from any judicial authority, any interim measures or pre-award relief against
EBRD, any provisions of the UNCITRAL Arbitration Rules notwithstanding. The
arbitral tribunal shall have authority to consider and include in any proceeding, decision
or award any further dispute properly brought before it by EBRD (but no other party)
insofar as such dispute arises out of any Financing Agreement, but, subject to the
foregoing, no other parties or other disputes shall be included in, or consolidated with,
the arbitral proceedings. In any arbitral proceeding, the certificate of EBRD as to any amount due to EBRD under any Financing Agreement shall be prima facie evidence of such amount.

(b) Notwithstanding Section 8.09(a), this Agreement and the other Financing Agreements, and any rights of EBRD arising out of or relating to this Agreement or any other Financing Agreement, may, at the option of EBRD, be enforced by EBRD in the courts of Canada or in any other courts having jurisdiction. For the benefit of EBRD, the Borrower hereby irrevocably submits to the non-exclusive jurisdiction of the courts of England with respect to any dispute, controversy or claim arising out of or relating to this Agreement or any other Financing Agreement, or the breach, termination or invalidity hereof or thereof. The Borrower hereby irrevocably designates, appoints and empowers Ashurst LLP at its registered office (being, on the date hereof, at Broadwalk House, 5 Appold Street, London, EC2A 2HA, England (FAO: Huw Thomas)) to act as its authorised agent to receive service of process and any other legal summons in England for purposes of any legal action or proceeding brought by EBRD in respect of any Financing Agreement. Failure by a process agent to notify the Borrower of the process will not invalidate the proceedings concerned. The Borrower hereby irrevocably consents to the service of process or any other legal summons out of such courts by mailing copies thereof by registered airmail postage prepaid to its address specified herein. The Borrower covenants and agrees that, so long as it has any obligations under this Agreement, it shall maintain a duly appointed agent to receive service of process and any other legal summons in England for purposes of any legal action or proceeding brought by EBRD in respect of any Financing Agreement and shall keep EBRD advised of the identity and location of such agent. Nothing herein shall affect the right of EBRD to commence legal actions or proceedings against the Borrower in any manner authorised by the laws of any relevant jurisdiction. The commencement by EBRD of legal actions or proceedings in one or more jurisdictions shall not preclude EBRD from commencing legal actions or proceedings in any other jurisdiction, whether concurrently or not. The Borrower irrevocably waives any objection it may now or hereafter have on any grounds whatsoever to the laying of venue of any legal action or proceeding and any claim it may now or hereafter have that any such legal action or proceeding has been brought in an inconvenient forum.

Section 8.10. Privileges and Immunities of EBRD

Nothing in this Agreement shall be construed as a waiver, renunciation or other modification of any immunities, privileges or exemptions of EBRD accorded under the Agreement Establishing the European Bank for Reconstruction and Development, international convention or any applicable law. Notwithstanding the foregoing, EBRD has made an express submission to arbitration under Section 8.09(a) and accordingly, and without prejudice to its other privileges and immunities (including, without limitation, the inviolability of its archives), it acknowledges that it does not have immunity from suit and legal process under Article 5(2) of Statutory Instrument 1991, No. 757 (The European Bank for Reconstruction and Development (Immunities and Privileges) Order 1991), or any similar provision under English law, in respect of the enforcement of an arbitration award duly made against it as a result of its express submission to arbitration pursuant to Section 8.09(a).
Section 8.11. Waiver of Sovereign Immunity

The Borrower represents and warrants that this Agreement and the incurring by the Borrower of the Loan are commercial rather than public or governmental acts and that the Borrower is not entitled to claim immunity from legal proceedings with respect to itself or any of its assets on the grounds of sovereignty or otherwise under any law or in any jurisdiction where an action may be brought for the enforcement of any of the obligations arising under or relating to this Agreement. To the extent that the Borrower or any of its assets has or hereafter may acquire any right to immunity from set-off, legal proceedings, attachment prior to judgement, other attachment or execution of judgement on the grounds of sovereignty or otherwise, the Borrower hereby irrevocably waives such rights to immunity in respect of its obligations arising under or relating to this Agreement.

Section 8.12. Successors and Assigns; Third Party Rights

(a) This Agreement shall bind and inure to the benefit of the respective successors and assigns of the parties hereto, except that the Borrower may not assign or otherwise transfer all or any part of its rights or obligations under this Agreement without the prior written consent of EBRD.

(b) EBRD may sell, transfer, assign, novate or otherwise dispose of all or part of its rights or obligations under this Agreement and the other Financing Agreements (including, by granting of Participations or otherwise).

(c) Except as provided in Section 8.12(a) or 8.12(b), none of the terms of this Agreement are intended to be enforceable by any third party.

Section 8.13. Disclosure

EBRD may disclose such documents, information and records regarding the Borrower and this transaction (including, copies of any Financing Agreements and Project Agreements) as EBRD deems appropriate in connection with any dispute involving the Borrower or any other party to a Financing Agreement, for the purpose of preserving or enforcing any of EBRD’s rights under any Financing Agreement or collecting any amount owing to EBRD or in connection with any actual or proposed Participation or any other actual or proposed sale, transfer, assignment, novation or other disposal contemplated by Section 8.12.

Section 8.14. Counterparts

This Agreement may be executed in several counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.
IN WITNESS WHEREOF, the parties hereto, acting through their duly authorised representatives, have caused this Agreement to be signed in their respective names as of the date first above written.

[REMAINDER OF THE PAGE DELIBERATELY LEFT BLANK]
SCHEDULE 1 - CONCESSION S&P AGREEMENTS

1. The sale and purchase agreement dated September 19, 2001 entered into between Agip Tunisia BV, as seller, Athanor Tunisia BV (subsequently renamed Winstar Tunisia BV), as purchaser in respect of the acquisition of 100% (one hundred per cent.) participating interest in the Chouech Essaida Concession.

2. The sale and purchase agreement dated September 19, 2001 entered into between Athanor Tunisia BV (subsequently renamed Winstar Tunisia BV), as purchaser, and Agip Tunisia BV, as seller, in respect of the acquisition of 100% (one hundred per cent.) participating interest in the Ech Chouech Concession.

3. The sale and purchase agreement dated September 26, 2000 entered into between Athanor Tunisia BV (subsequently renamed Winstar Tunisia BV), as purchaser and MOE Tunisia Oil and Gas Co. Ltd. in respect of an undivided 45% (forty-five per cent.) participating interest in the Sabria Concession and an undivided 50% (fifty per cent.) participating interest in the Kebili Permit.

4. The sale and purchase agreement dated December 29, 1999 entered into between Athanor Tunisia BV (subsequently renamed Winstar Tunisia BV) and Agip Tunisia BV, as seller in respect of the acquisition of 100% (one hundred per cent.) participating interest in the Sanrhar Concession.
SCHEDULE 2 – ENVIRONMENTAL AND SOCIAL ACTION PLAN

[IN THE FORM ORIGINALLY ATTACHED TO THIS AGREEMENT]
SCHEDULE 3 – STAKEHOLDER ENGAGEMENT PLAN

[IN THE FORM ORIGINALLY ATTACHED TO THIS AGREEMENT]
SCHEDULE 4 – DESIGNATED PERFORMANCE REQUIREMENTS

[IN THE FORM ORIGINALLY ATTACHED TO THIS AGREEMENT]
SCHEDULE 5 – DEVELOPMENT PLAN

[IN THE FORM ORIGINALLY ATTACHED TO THIS AGREEMENT]
EXHIBIT A - FORM OF DISBURSEMENT APPLICATION

[To Be Typed on Letterhead of the Borrower]

[Date]

European Bank for Reconstruction and Development
One Exchange Square
London EC2A 2JN
United Kingdom

Attention: Operation Administration Department

Subject: Operation No. 44744
Disbursement Application No. 1

Dear Sir/Madam:

1. Please refer to the loan agreement dated [Date] (the “Loan Agreement”) between Serinus Energy Inc. (the “Borrower”) and European Bank for Reconstruction and Development (“EBRD”).

2. Expressions defined in the Loan Agreement shall bear the same meanings herein.

3. We hereby request the following Disbursement in accordance with the provisions of the Loan Agreement:

   Currency required: USD
   Amount (in figures and words): __________________________

   Value Date: [As soon as possible, on a date selected by EBRD in its discretion, but not later than]\(^2\) __________________________

**Payment Instructions (Borrower’s Banking Details):**

Borrower’s Account Name: __________________________
Borrower’s Account Number (IBAN number)\(^4\): __________________________
Borrower’s Bank Name: __________________________
Borrower’s Bank Address: __________________________

\(^1\) Each application must be numbered in series.
\(^2\) If the disbursement is required for a specific value date, this bracketed language may be deleted.
\(^3\) This date must not be earlier than 10 Business Days after the disbursement application is delivered to EBRD.
\(^4\) All non-USD payments should include the full IBAN number (International Bank Account Number).
Borrower’s Bank Correspondent Details:

Correspondent’s Name: 
Correspondent’s Address: 

Borrower’s Bank’s Account Name: 
Borrower’s Bank’s Account Number (IBAN number): 
Reference: 

4. For the purposes of Section 4.03 of the Loan Agreement, we hereby represent and warrant that:

(a) all agreements, documents and instruments delivered to EBRD pursuant to Section 4.01 of the Loan Agreement are in full force and effect and unconditional (except for the Loan Agreement having become unconditional, if that is a condition of any such agreement);

(b) the representations and warranties made by each Project Company in the Financing Agreements and the Project Agreements to which it is party and deemed repeated on the date hereof thereunder are true on and as of the date hereof with the same effect as though such representations and warranties had been made on and as of the date hereof;

(c) no Default has occurred and is continuing or is imminent and the Borrower will not, as a result of such Disbursement, be in violation of its Charter, any provision contained in any agreement or instrument to which the Borrower is a party (including the Loan Agreement) or by which the Borrower is bound or any law applicable to the Borrower;

(d) nothing has occurred which is reasonably likely to have a Material Adverse Effect;

(e) the proceeds of such Disbursement are needed by the Borrower for the purposes of the Project which may include reimbursement of any capital expenditure incurred within the scope of the Project since 1 July 2013; and

(f) [the total of: the amount of the Loan requested and disbursed; (ii) the requested Disbursement; and (iii) the amount of the Loan (as defined in the Convertible Loan Agreement) requested and disbursed, does not exceed USD 30,000,000 (thirty million Dollars).]

5. The representations and warranties made in paragraph 4 above will continue to be true on and as of the date of such Disbursement with the same effect as though such representations and warranties had been made on and as of the date of such Disbursement. If any such representation or warranty is no longer true on or prior to or
as of the date of such Disbursement, we shall immediately notify EBRD and shall, upon demand by EBRD, repay any amount which has been or is disbursed by EBRD in respect of such Disbursement.

Yours faithfully,

SERINUS ENERGY INC

By: ____________________________

Authorised Representative

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8 As named in the Certificate of Incumbency and Authority
EXHIBIT B - FORM OF CERTIFICATE OF INCUMBENCY AND AUTHORITY

[To Be Typed on Letterhead of the Borrower]

[Date]

European Bank for Reconstruction and Development
One Exchange Square
London EC2A 2JN
United Kingdom

Attention: Operation Administration Department

Subject: Operation No. 44744
Certificate of Incumbency and Authority

Dear Sir/Madam:

With reference to the loan agreement dated [_______] (the “Loan Agreement”) between Serinus Energy Inc. (the “Borrower”) and European Bank for Reconstruction and Development ("EBRD"), I, the undersigned [President] [Chairman of the Board of Directors] [Director] of the Borrower, duly authorised by its Board of Directors, hereby certify that the following are the names, offices and true specimen signatures of the persons, any one of whom is and will continue to be (until EBRD has received actual written notice from the Borrower that they or any of them no longer continue to be) authorised, on behalf of the Borrower, individually:

(1) to sign the Loan Agreement, any Disbursement applications, certifications, letters or other documents to be provided under the Loan Agreement and any other agreements to which EBRD and the Borrower may be party in connection therewith, and

(2) to take any other action required or permitted to be taken by the Borrower under the Loan Agreement or any other agreement to which EBRD and the Borrower may be party in connection therewith:

---

9 Designation may be changed by the Borrower at any time by providing a new Certificate of Incumbency and Authority to EBRD.
I further certify that disbursements under the Loan Agreement should be made to the following account (or such other account as the Borrower may from time to time designate by notice to EBRD):

**Payment Instructions (Borrower’s Banking Details):**

Borrower’s Account Name: 

Borrower’s Account Number (IBAN number)\(^{10}\):

Borrower’s Bank Name: 

Borrower’s Bank Address:

**Borrower’s Bank Correspondent Details:**

Correspondent’s Name:\(^{11}\)

Correspondent’s Address:

Borrower’s Bank’s Account Name:

Borrower’s Bank’s Account Number (IBAN number)\(^{12}\):

Reference:

---

\(^{10}\) All non-USD payments should include the full IBAN number (International Bank Account Number).

\(^{11}\) Name of bank in New York.

\(^{12}\) All non-USD payments should include the full IBAN number (International Bank Account Number).
IN WITNESS WHEREOF, I have signed my name on the date first above written.

Yours faithfully,

SERINUS ENERGY INC

By: ________________________________
Name: 
Title: [President]
[Chairman of the Board of Directors]
[Director]
EXHIBIT C - FORM OF LETTER TO AUDITORS

[To Be Typed on Letterhead of the Borrower]

[Date]

[Name of Auditors]
[Address]

Dear Sir/Madam:

We hereby authorise and request you to give to European Bank for Reconstruction and Development (“EBRD”) all such information as it may reasonably request with regard to the Financial Statements, both audited and unaudited, which we have agreed to furnish to EBRD under the terms of the loan agreement dated [______] (the “Loan Agreement”) between ourselves and EBRD. For your information, we enclose a copy of the Loan Agreement.

We authorise you to send our audited accounts to EBRD to enable us to satisfy the reporting requirements set forth in Section 5.14 of the Loan Agreement. When submitting such audited accounts to EBRD, you are also requested to send, at the same time, a copy of your full report on such accounts in a form acceptable to EBRD.

For our records, please ensure that you send to us a copy of every letter which you receive from EBRD immediately upon receipt and a copy of each reply made by you immediately upon the issue thereof.

Yours faithfully,

SERINUS ENERGY INC

By: ________________________________
    Authorised Representative

Enclosure: Loan Agreement

cc: European Bank for Reconstruction and Development
    One Exchange Square
    London EC2A 2JN
    United Kingdom
    Attention: Operation Administration Department
    Subject: Operation No. 44744
EXHIBIT D - FORM OF SECURITY CERTIFICATE

[To Be Typed on Letterhead of the Borrower]

[Date]

European Bank for Reconstruction and Development
One Exchange Square
London EC2A 2JN
United Kingdom

Attention: Operation Administration Department

Subject: Operation No. 44744
Security Certificate

Dear Sir/Madam:

Reference is made to the loan agreement dated [ ] (the "Loan Agreement")
between Serinus Energy Inc. (the "Borrower") and European Bank for Reconstruction
and Development ("EBRD"). Expressions defined in the Loan Agreement shall bear the
same meanings herein. I, the undersigned [President] [Chairman of the Board of
Directors] [Director] of the Borrower, duly authorised by its Board of Directors, hereby
certify that:

(1) except as described in the attached schedule or are otherwise validly pledged or
assigned to EBRD as Security for the Loan, neither the Borrower nor any
Subsidiary of the Borrower has from [the date of first Disbursement under the
Loan] [the date of the last Security certificate provided pursuant to the Loan
Agreement]:

(i) become the owner of any assets with respect to which any Project Asset
Pledge or any Project Asset Assignment or any Financing Agreement
contemplates will become a part of the Security;

(ii) opened any bank account with respect to which any Bank Account Pledge or
any Financing Agreement contemplates will become a part of the Security;

(iii) opened any account or books or records with respect to which the
Assignment of Accounts Receivable contemplates will become a part of the
Security;

(iv) acquired any right with respect to which the Pledge of Contractual Rights or
any Financing Agreement contemplates will become a part of the Security;

(v) become the owner of any additional shares or other securities with respect to
which any Share Pledge or any Financing Agreement contemplates will become a
part of the Security; or
(vi) acquired any insurance with respect to which the Insurance Assignment (unless waived by EBRD) or any Financing Agreement contemplates will become a part of the Security.

(2) To the extent the Borrower has become the owner of any assets or rights as described in paragraph 1 with respect to which any Financing Agreement contemplates would become a part of the Security, the Borrower shall within sixty (60) days from the date hereof, or such other longer period of time as may be agreed to by the parties to the Loan Agreement, take all such steps as are necessary or desirable to be taken by it to establish and perfect the Security contemplated by any such Financing Agreement.

(3) Subject to paragraph 2 above, each of the instruments listed below and each other Security Document constitutes a valid and perfected security interest in the collateral covered by such Security Document:

(i) the Assignment of Accounts Receivable;
(ii) each Bank Account Pledge;
(iii) each Project Asset Assignment;
(iv) the Insurance Assignment (unless waived by EBRD);
(v) the Pledge of Contractual Rights;
(vi) each Project Asset Pledge; and
(vii) each Share Pledge.

IN WITNESS WHEREOF, I have signed my name on the date first above written.

Yours faithfully,

SERINUS ENERGY INC

By: 

Name: ____________________________
Title: [President]
[Chairman of the Board of Directors]
[Director]
EXHIBIT E - FORM OF APPLICATION TO FIX INTEREST RATE

[To Be Typed on Letterhead of the Borrower]

[Date]

European Bank for Reconstruction and Development
One Exchange Square
London EC2A 2JN
United Kingdom

Attention: Operation Administration Unit

Subject: Operation No. 44744

Dear Sir/Madam:

1. Please refer to the loan agreement dated [ ] (the “Loan Agreement”) between Serinus Energy Inc. (the “Borrower”) and European Bank for Reconstruction and Development (“EBRD”).

2. Expressions defined in the Loan Agreement shall bear the same meanings herein.

3. We hereby request the interest on the following amount of the Loan be fixed in accordance with the provisions of the Loan Agreement:

   Interest Conversion Period: From the Interest Payment Date falling on or about [insert date] until the Interest Payment Date falling on or about [insert date] [until the final repayment date of the Loan]

   Interest Fixing Date: [insert date]

   Principal amount of Loan to be converted to a fixed interest rate: [insert amount of Loan] [100%]

4. All necessary governmental and other approvals (including exchange control approvals) have been obtained or will be available for conversion of the Loan to a fixed interest rate and the Security and the other rights of EBRD will not be prejudiced by such conversion. [Attached hereto are the relevant documents.]

   13 Date should be at least 7 Business Days after notice is delivered to EBRD
   14 Date should be at least 5 Business Days after notice is delivered to EBRD
5. This notice is irrevocable.

Yours faithfully,

SERINUS ENERGY INC

By: Authorised Representative\textsuperscript{15}

\textsuperscript{15} As named in the Certificate of Incumbency and Authority
SERINUS ENERGY INC

By Jeffrey AULD
Name: Jeffrey AULD
Title: President and Chief Executive Officer

By Tracy HECK
Name: Tracy HECK
Title: Chief Financial Officer

WINSTAR TUNISIA B.V.

By Jeffrey AULD
Name: Jeffrey AULD
Title: Director

EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT

By Anass JOUNDY
Name: Anass JOUNDY
Title: Principal Banker