

LOAN AGREEMENT

DATED THE 15th DAY OF JUNE, 2020

BETWEEN

TOUCHSTONE EXPLORATION (TRINIDAD) LTD.
(Borrower)

And

THE BANKS AND FINANCIAL INSTITUTIONS
(the Banks)

AND

REPUBLIC BANK LIMITED
(the Agent)

JOHNSON, CAMACHO & SINGH
ATTORNEYS-AT-LAW

INDEX TO CLAUSES

1	Definitions and interpretation
2	Loan
3	Interest
4	Repayment
5	Prepayment
6	Conditions Precedent
7	Representations and warranties
8	Undertakings
9	Events of default
10	Indemnities
11	Fees and expenses
12	Payments and calculations
13	Taxation
14	Set off
15	Communications
16	Assignments
17	Application of Payments
18	Calculations and accounts
19	Miscellaneous
20	Currency Indemnity
21	Confidentiality
22	Law and jurisdiction
23	The Agent and the Banks
24	Maintenance of Register

Schedule 1 – List of Banks

Schedule 2 – Drawdown Notice

Schedule 3 – Assignment and Acceptance

Schedule 4 – Information Regarding Title to Assets

LOAN AGREEMENT

DATE: The 15th day of June, 2020

PARTIES:

1. The **'Borrower'**: **TOUCHSTONE EXPLORATION (TRINIDAD) LTD.** a company duly continued under the Companies Act Chapter 81:01 of the laws of the Republic of Trinidad and Tobago with its registered office at No. 30 Forest Reserve Road, Fyzabad, Trinidad;
2. The **'Banks'**: **THE BANKS AND FINANCIAL INSTITUTIONS** whose names are set out in Schedule 1 or who from time to time becomes a 'Bank' pursuant to the terms hereof; and
3. The **'Agent'**: **REPUBLIC BANK LIMITED** a company duly incorporated under the Companies Ordinance Chapter 31 Number 1 and continued under the Companies Act Chapter 81:01 of the laws of Trinidad and Tobago with its registered office at Nos. 9-17 Park Street, Port of Spain, Trinidad.

RECITALS:

The Banks have agreed to make available to the Borrower a loan facility of up to **TWENTY MILLION UNITED STATES DOLLARS (US\$20,000,000.00)** (the **'Principal Sum'**) as set out in this Agreement. The Principal Sum shall be used for the purposes set out in Clause 2.1, upon and subject to the terms and conditions contained in this Agreement.

OPERATIVE PROVISIONS:

1. Definitions and interpretation

1.1 In this Agreement:-

'AFFILIATES' means, with respect to each Bank, a subsidiary or holding company of the Bank or any other subsidiary of that holding company;

'AGENT' means Republic Bank Limited and any successor Agent appointed pursuant to the terms of this Agreement;

'AGREEMENT' means this Loan Agreement, the Schedules attached hereto, and any future amendments, amendments and restatements, or replacements in accordance with its terms;

'AML/KYC LEGISLATION' means the acts and regulations in effect in Trinidad and Tobago applicable to the anti-money laundering and combatting the financing of terrorism including Financial Intelligence Unit of Trinidad and Tobago Act Chapter 72.01 and Financial Intelligence Unit of Trinidad and Tobago Regulations, 2011, the Proceeds of Crime Act Chapter 11.27 and Financial Obligations Regulations, 2010 and the Anti-Terrorism Act Chapter 12.07 and Financial Obligations (Financing of Terrorism) Regulations, 2011;

'APPLICABLE LAWS' means, with respect to any Person, property, transaction or event, all present or future applicable laws, statutes, regulations, rules, orders, codes, treaties, conventions, judgements, awards, determinations and decrees of any governmental, regulatory, fiscal or monetary body or court of competent jurisdiction in any applicable jurisdiction;

'ARRANGER' means Republic Bank Limited;

'ASSETS' means all of the assets, property and undertaking for the time being, both real and personal, tangible and intangible of the Loan Parties, including the Oil and Gas Properties;

'ASSIGNMENT AND ACCEPTANCE' means the assignment by a Bank of its rights and obligations under this Agreement substantially in the form of Schedule 3 attached hereto;

'AVAILABILITY PERIOD' means the period of one (1) year from the Closing Date;

'BOOK VALUE EQUITY' means, at any time, in respect of the Parent, on a consolidated basis, the aggregate of the following amounts, each determined in accordance with GAAP:

- (a) shareholders' capital;
- (b) retained earnings or deficit (excluding increases and decreases in retained earnings arising from exploration asset and property impairments and excluding payments of dividends); and
- (c) contributed surplus;

'BORROWER DEBENTURE' means the debenture of even date herewith made between the Borrower and the Agent whereby the Borrower has granted a fixed

and floating charge over its assets to the Agent for the benefit of itself and the Banks by way of security for the repayment of all sums due under this Agreement;

'BORROWER SHARE CHARGE' means the deed of charge of even date herewith made among the Borrower, the Subsidiary and the Agent whereby the Borrower has charged its shares in the Subsidiary to the Agent by way of security for the repayment of all sums due under this Agreement;

'BORROWINGS' means the principal amount outstanding of any Drawdowns under the Credit Facility made by the Borrower;

'BUSINESS DAY' means:

- (a) for any day on which a payment is to be made in Dollars hereunder, a day (other than a Saturday or Sunday or public holiday) on which banks are open for business in Calgary (Alberta), Trinidad and Tobago, and New York (New York); and
- (b) for any other purpose, a day (other than a Saturday or Sunday or public holiday) on which banks are open for business in Calgary (Alberta) and Trinidad and Tobago;

'CAPITAL LEASE' means, with respect to any Person, any lease or other arrangement relating to real or personal property, which would, in accordance with GAAP as in effect on December 31, 2018, be required to be classified and accounted for as a capital lease on the balance sheet of such Person; provided that any lease, whether entered into before or after December 31, 2018, which would have been accounted for as an operating lease under GAAP as in effect on December 31, 2018 shall be deemed not to constitute a Capital Lease;

'CAPITAL LEASE OBLIGATIONS' means, at any time, the amount of any obligation which would, in accordance with GAAP, be required to be classified and accounted for as a Capital Lease on the consolidated balance sheet of the Parent;

'CHANGE OF CONTROL' means, at any time, Trinidad Exploration (Barbados) Ltd. ceases, directly or indirectly, to own at least a majority of the issued and outstanding voting shares in the capital of the Borrower; **[NTD: Deleted text is now covered by amendments to the definition of Permitted Dispositions]**

'CLOSING DATE' means the 15th day of June, 2020;

'COMMITMENT' means, in relation to each Bank, the amounts set opposite its name in Schedule 1;

'CREDIT FACILITY' means the credit facility in the maximum Principal Sum to be made available to the Borrower by the Banks in accordance with the provisions hereof, subject to any reduction or increase in accordance with the provisions hereof;

'CROWN PRODUCTION PAYMENT AGREEMENT' means the the production payment agreement dated November 7, 2016 among the Parent and Crown Capital Partner Funding, LP, represented by its general partner Crown Capital LP Partner Funding Inc., as amended from time to time;

'DEBENTURES' mean the Borrower Debenture and the Subsidiary Debenture;

'DEBT SERVICE COVERAGE' means, for any fiscal period, the ratio of EBITDA for the trailing twelve-month period plus restricted and unrestricted cash reserves included in the cash accounts listed on the consolidated balance sheet of the Borrower to the total of interest expense due on any Borrowings for the future twelve month period and scheduled principal payments in respect of outstanding Borrowings for the future twelve month period;

'DEBT SERVICE RESERVE ACCOUNT' means the bank account which is to be established in accordance with the Debt Service Reserve Account Agreement;

'DEBT SERVICE RESERVE ACCOUNT AGREEMENT' means the agreement of even date herewith between the Borrower of the one part and the Agent of the other part, whereby the Borrower undertakes to establish the Debt Service Reserve Account;

'DEFAULT' means an event which, with the giving of notice, the passage of time or a combination thereof, would constitute an Event of Default;

'DEFAULT RATE' means interest at the rate 2% per annum above the Rate of Interest;

'DOLLARS', '\$' and 'US\$' mean the lawful currency of the United States of America;

'DRAWDOWN' means each drawdown of the Credit Facility or any part thereof by the Borrower within the Availability Period in the amount and manner specified in each Drawdown Notice after satisfying the conditions precedent in Clause 6.1;

'DRAWDOWN DATE' means the date of each Drawdown;

'DRAWDOWN NOTICE' means the notice of Drawdown in substantially the form of Schedule 2 attached hereto to be given by the Borrower to the Agent not less than three (3) Business Days prior to the proposed date of Drawdown;

'EBITDA' means, for any fiscal period and as determined in accordance with GAAP on a consolidated basis in respect of the Parent:

- (a) all net income for such period; plus
 - (b) Interest Expense to the extent deducted in determining such net income; plus
 - (c) all amounts deducted in the calculation of such net income in respect of the provision for income taxes (for the avoidance of doubt, Supplemental Petroleum Tax shall be considered an item of income tax);
 - (d) all amounts deducted in the calculation of such net income in respect of non-cash items, including depreciation and amortization; plus
 - (e) losses attributable to extraordinary and non-recurring losses to the extent deducted in the calculation of such net income;
- less** (on a consolidated basis, without duplication):
- (f) earnings attributable to extraordinary and non-recurring earnings and gains to the extent included in the calculation of such net income; and
 - (g) to the extent included in such net income, any other non-cash items increasing such net income for such period;

'EFFECTIVE DATE' means the date on which all conditions precedent set forth in Clause 6.1 have been satisfied;

'ENVIRONMENTAL LAWS' means all Applicable Laws regarding the environment or pursuant to which Environmental Liabilities could arise or have arisen, including, without limitation, all Applicable Laws relating to the Release or threatened Release of any Hazardous Material or the generation, use, storage or transportation of any Hazardous Material;

'ENVIRONMENTAL LIABILITIES' means any and all liabilities for any Release, any environmental damage, any contamination or any other environmental problem caused or alleged to have been caused to any Person, property or the

environment as a result of any Release or the condition of any property or asset, whether or not caused by a breach of Applicable Laws, including, without limitation, all liabilities arising from or related to (a) any surface, underground, air, groundwater, or surface water contamination, (b) the abandonment or plugging of any well, (c) restorations and reclamations, (d) the removal of or failure to remove any foundations, structures or equipment, (e) the cleaning up or reclamation of storage sites, (f) any Release, (f) the violation of pollution standards, and (g) personal injury (including sickness, disease or death) and property damage arising from the foregoing;

'EVENT OF DEFAULT' means any one of the events listed in Clause 9.1;

'FINANCIAL ASSISTANCE' means, in respect of any Loan Party, providing or agreeing to provide (either directly or indirectly) financial assistance to any Person including, without limitation, financial assistance by way of a loan, guarantee, loan purchase, share purchase, equity contribution or any credit support arrangement of any nature whatsoever, the purpose of which is to assure payment to the holder of any liabilities of such Person;

'GAAP' means generally accepted accounting principles which are in effect from time to time in Canada, including where applicable pursuant to IFRS;

'GOVERNMENTAL AUTHORITY' means any federal, state, provincial, county, local or municipal government; any governmental body, agency, authority, board, bureau, department or commission (including any taxing authority); any instrumentality or office of any of the foregoing (including any court or tribunal) exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government; or any Person directly or indirectly controlled by any of the foregoing;

'GUARANTEES' means the Parent Guarantee and the Subsidiary Guarantee;

'GUARANTORS' means the Parent and the Subsidiary;

'HARZARDOUS MATERIALS' means any substance or mixture of substances which, if released into the environment, would likely cause, immediately or at some future time, harm or degradation to the environment or to human health or safety and includes any substance defined as or determined to be a pollutant, contaminant, waste, hazardous waste, hazardous chemical, hazardous substance, toxic substance or dangerous good under any Environmental Law;

'IFRS' means means International Financial Reporting Standards including International Accounting Standards and Interpretations together with their accompanying documents which are set by the International Accounting

Standards Board, the independent standard-setting body of the International Accounting Standards Committee Foundation (the '**IASC Foundation**'), and the International Financial Reporting Interpretations Committee, the interpretative body of the IASC Foundation;

'INDEBTEDNESS' means any debt or other monetary liability (whether actual or contingent) in respect of monies borrowed, including a debt or monetary liability under or in respect of:

- (a) any bonds, debentures, notes or similar instruments;
- (b) any bankers' acceptance;
- (c) any Capital Lease Obligations;
- (d) any reimbursement obligation to an issuer of any letter of credit (whether contingent or otherwise); and
- (e) any guarantee of or indemnity in respect of any of the foregoing,

and irrespective of whether such debt or liability is owed or incurred alone or severally or jointly or both with any other Person. For the purpose of calculating the principal amount of any Indebtedness under any lease referred to above, the principal amount shall be taken to be the aggregate portion of all rental payments in the nature of principal;

'INDEMNIFIED PARTIES' means, collectively, the Agent, each Bank, and any receiver, interim-receiver, receiver manager or similar Person appointed under Applicable Law in respect of any Loan Party;

'INTEREST EXPENSE' means, in respect of any Person for a fiscal period, the aggregate total interest expense of such Person during such fiscal period, including, without limitation, interest charges, capitalized interest, the interest component of Capital Leases, fees payable in respect of letters of credit and letters of guarantee and discounts incurred and fees payable in respect of bankers' acceptances;

'INTEREST PERIOD' means the period of three (3) months commencing on the first Drawdown Date and ending on and excluding the last day of such three (3) month period, and thereafter, each successive period of three (3) months, commencing on and including the last day of the prior Interest Period and ending on and including the last day of such successive period, provided that:

- (a) if any Interest Period ends on a day which is not a Business Day, such Interest Period shall be extended to the next Business Day, unless such

extension would extend that Interest Period into the proceeding calendar month, in which case such Interest Period shall end on the immediately preceding Business Day;

- (b) if any Interest Period commences on the last Business Day in a calendar month or if there is no corresponding date in the calendar month in which an Interest Period is due to end, then such Interest Period shall end on the last Business Day in the applicable proceeding calendar month;
- (c) the last Interest Period relating to the Credit Facility shall end on the Maturity Date;

'LOAN DOCUMENTS' means this Agreement, the Security Documents, the Debt Service Reserve Account Agreement, and all other agreements, certificates, instruments and documents delivered by or on behalf of any Loan Party in connection herewith or therewith from time to time and all future renewals, extensions, or restatements of, or amendments, modifications or supplements to, all or any part of the foregoing;

'LOAN PARTIES' means, collectively, the Borrower and each Guarantor, and **'LOAN PARTY'** means any one of them;

'MAJORITY BANKS' means:

- (a) during the continuance of a Default or Event of Default, those Banks to whom there is owing 50.1% or more of the aggregate Borrowings under the Credit Facility; and
- (b) at any other time, those Banks whose Commitments are, in the aggregate, at least 50.1% of the Total Commitment;

'MATERIAL ADVERSE CHANGE' means a change in the financial condition or operation of the Loan Parties taken as a whole, which would reasonably be expected to have a Material Adverse Effect;

'MATERIAL ADVERSE EFFECT' means any event or circumstance that has had or would reasonably be expected, in the reasonably foreseeable future, to have a material adverse effect on the ability of the Loan Parties' (taken as a whole) to fulfill their financial or payment obligations under this Agreement;

'MATURITY DATE' means the date falling seven (7) years from the first Drawdown Date;

'MISCELLANEOUS INTERESTS' means, in respect of any P&NG Rights or Tangibles, all interests, property and rights at such time, whether contingent or

absolute, legal or beneficial, present or future which affect or are related to or are associated with such P&NG Rights or Tangibles, including, without limitation, the following property, rights, and assets:

- (a) all present and future contracts, agreements and documents (including Title and Operating Documents and insurance contracts) relating to any of such P&NG Rights or Tangibles or any rights in relation thereto;
- (b) all present and future surface rights which are used or useful in connection with any of such P&NG Rights or Tangibles;
- (c) all present and future permits, licenses, authorizations and deposits relating to any of such P&NG Rights or Tangibles, including in respect of facilities, wells and pipelines, or the export, removal, transportation, purchase or sale of Petroleum Substances;
- (d) all Petroleum Substances in the course of production from any of such P&NG Rights;
- (e) books, maps, records, documents, seismic, geological, engineering, data processing, well, plant and other reports, data, information, computer programs or other records which relate to or are used or useful in connection with any of such P&NG Rights or Tangibles; and
- (f) all extensions, renewals, amendments or replacements of or to any of the foregoing items described in paragraphs (a) through (e) of this definition;

'NET SENIOR FUNDED DEBT' means, as of any date of determination, Senior Funded Net Debt of the Borrower (on a consolidated basis) outstanding on such date less restricted and unrestricted cash reserves of the Borrower and its subsidiaries included in the cash accounts listed on the consolidated balance sheet of the Borrower;

'OIL AND GAS PROPERTIES' means, in respect of the Loan Parties:

- (a) all of their P&NG Rights;
- (b) all of their Tangibles; and
- (c) all of their Miscellaneous Interests;

'P&NG RIGHTS' means the entire right, title, estate and interest of the Loan Parties (whether legal or beneficial, contingent or absolute, present or future) in and to all:

- (a) rights to explore for, drill for, produce, save or market Petroleum Substances;
- (b) to a share, when produced, of Petroleum Substances;
- (c) rights to a share of proceeds of, or to receive payments calculated by reference to the quantity or value of, production from Petroleum Substances when produced; rights in lands or documents of title relating thereto, including leases, subleases, licenses, permits, reservations, rights and privileges; and
- (d) rights to acquire any of the rights described in subparagraphs (a) through (c) of this definition;

and includes interests and rights known as working interests, royalty interests, overriding royalty interests, gross overriding royalty interests, Production Payments, profits interests, net profits interests, revenue interests, net revenue interests, economic interests and other interests; fractional or undivided interests in any of the foregoing; freehold, leasehold or other interests; and options in respect of any of the foregoing;

'PARENT' means Touchstone Exporation Inc.;

'PARENT GUARANTEE' means the guarantee of even date herewith to be provided by the Parent in favour of the Agent for the repayment of all sums due under this Agreement;

'PARTICIPATION' means any sale by a Bank of a participatory interest in any one or more Borrowings;

'PAYMENT DATE' means the last day of each Interest Period;

'PERMITTED DISPOSITIONS' means:

- (a) the sale, transfer or other disposition of the Borrower's share of current production of Petroleum Substances from its Oil and Gas Properties; provided that such sales are not Prepaid Obligations, Production Payments or sales or other such dispositions made as a means of borrowing or raising monies or providing, directly or indirectly, Financial Assistance to any Person;
- (b) any sale, lease, sublease, trade or other disposition of any tools, implements, equipment or machinery which may have become worn out, unservable, unserviceable, obsolete, unsuitable or unnecessary in operations or activities relating to its Oil and Gas Properties provided that

such sale, lease, sublease, trade or other disposition is in keeping with prudent industry practice;

- (c) abandonments, surrenders or terminations of P&NG Rights or interests therein which are effected in accordance with prudent industry practice and which dispositions are effected with respect to P&NG Rights which are not capable of production in economic quantities;
- (d) exchanges, farmouts or other dispositions of P&NG Rights;
- (e) sales, transfers or other dispositions of P&NG Rights, Tangibles or Miscellaneous Interests (excluding any sale or disposition included in any of items (a) through (d), but including any sale or disposition pursuant to the exercise of any ROFR), the fair market value of which, when taken in the aggregate in respect of all such sales and dispositions by all Loan Parties are not in excess of \$500,000;
- (f) save and except in respect of any shares charged under the Share Charges, any sales, transfers or other dispositions by the Borrower to another Loan Party;
- (g) any sale, transfer or other disposition arising out of or in connection with the Crown Production Payment Agreement; and
- (h) save and except in respect of any shares charged under the Share Charges, any sale, transfer or other disposition that does not have and would not reasonably be expected to have a Material Adverse Effect;

'PERMITTED LIENS' means any of the following Security Interests or other encumbrances:

- (a) reservations, limitations, provisos and conditions expressed in any original grant or license from the Government of Trinidad and Tobago and the Heritage Petroleum Company Limited;
- (b) Security Interests for Taxes, assessments or governmental charges and any other statutory Security Interests which:
 - (i) are not due or delinquent; or
 - (ii) relate to claims being contested at the time in good faith by a Loan Party by appropriate proceedings;
- (c) undetermined or inchoate Security Interests arising in the ordinary course of business and incidental to construction or operations which relate to obligations:

- (i) not due or delinquent and which have not at such time been filed pursuant to law and no other statutory proceedings have been taken to enforce the same; or
 - (ii) being contested at the time in good faith by a Loan Party by appropriate proceedings;
- (d) Security Interests incurred or created in the ordinary course of business as security in favour of any other Person which is conducting the exploration, development or operation of the property to which such Security Interests relate for any Loan Party's obligations in respect of the costs and expenses of such exploration, development or operation, which relate to obligations of any Loan Party not due or delinquent or to obligations of any Loan Party being contested at the time in good faith by such Loan Party by appropriate proceedings;
- (e) the Security Interest of any judgment rendered, or claim filed, against a Loan Party which such Loan Party shall be contesting in good faith if during such contestation there is no risk of forfeiture of any material assets or property of such Person either because (i) a stay of enforcement of such judgement or claim (if enforceable by seizure, sale or other remedy against any property), as the case may be, is in effect or (ii) the value of the Assets of any Loan Party affected thereby does not exceed \$500,000;
- (f) easements, rights-of-way, servitudes or other similar rights in and (including, without limitation, rights-of-way and servitudes for railways, sewers, drains, pipe lines, gas and water mains, electric light and power and telephone or telegraph or cable television conduits, poles, wires and cables) granted to or reserved or taken by other Persons and other minor defects, encumbrances and restrictions which either alone or in the aggregate do not materially detract from the value of such land or materially impair its use in the operation of the Oil and Gas Properties;
- (g) Security Interests given by a Loan Party to a public utility or any municipality or governmental or other public authority when required by such public utility or municipality or other governmental authority in the ordinary course of the business of such Loan Party in connection with the Oil and Gas Properties provided such security does not either alone or in the aggregate materially detract from the value of the assets or properties affected thereby or materially impair its use in the operation of the Oil and Gas Properties;
- (h) the right reserved to or vested in any municipality or governmental or other public authority by the terms of any lease by any statutory

provision to terminate any lease or to require payment of royalties as a condition of the continuance thereof;

- (i) to the extent that a Security Interest is constituted or created thereby, a pooling or unitization of P&NG Rights in the ordinary course of business which is necessary or advisable to facilitate the orderly exploration, development or operation of such P&NG Rights, provided that the value to any Loan Party of its interests in the P&NG Rights which are subject to the pooling or unitization immediately after the pooling or unitization (taking into account obligations associated therewith) is not less than the value of its interest in such P&NG Rights immediately before the pooling or unitization;
- (j) Security Interests on Petroleum Substances or the proceeds of sale of Petroleum Substances arising or granted or assumed by any Loan Party in the ordinary course of its business pursuant to a processing or transmission arrangement entered into or assumed by it in the ordinary course of business, securing the payment of its obligations in respect of the fees attributable to the processing or transmission (as the case may be) of any such Petroleum Substances under any such processing or transmission arrangement, but only insofar as such Security Interests relate to its obligations which are at such time not due or delinquent;
- (k) the Security Interests of the Security Documents and any Security Interests created in favour of the Agent pursuant to any of the Loan Documents;
- (l) inchoate liens or any rights of distress reserved in or exercisable under any real property lease or sublease to which any Loan Party is a lessee which secure the payment of rent or compliance with the terms of such lease or sublease, provided that such rent is not then overdue and such Loan Party is then in compliance in all material respects with such terms;
- (m) lessor royalties (including crown or freehold lessor royalties) granted in the ordinary course of business;
- (n) any lien, charge or encumbrance the satisfaction of which has been provided for by deposit with the Agent of cash or a surety bond or other security satisfactory to a Bank in an amount sufficient to pay the liability in respect of such lien in full;
- (o) Purchase Money Security Interests provided that such Security Interests are granted at the time of acquisition of the property subject thereto and are limited to the property so acquired and provided that the amounts so

secured are not, in the aggregate for all Loan Parties, in excess of \$500,000 at any one time;

- (p) Security Interests granted in favour of The Trinidad and Tobago Ministry of Energy and Energy Industries in respect of the Subsidiary's work commitments associated with the Ortoire Block Exploration and Production (Public Petroleum Rights) License;
- (q) Security Interests granted in favour of The Bank of Nova Scotia in connection with on demand performance bonds issued in favour of Heritage Petroleum Company Limited in respect of work commitments associated with certain lease operating and farmout agreements entered into by the Borrower;
- (r) Security Interests granted in favour of The Bank of Nova Scotia in connection with corporate credit cards, provided that the amount of Indebtednes secured by such Security Interests shall not be greater than an aggregate for all Loan Parties, in excess of \$500,000 at any one time; and
- (s) any Security Interest arising out of or in connection with the Crown Production Payment Agreement;

'PERSON' includes an individual, a partnership, a joint venture, a trust, an unincorporated organization, a company, a corporation, an association, a government or any department or agency thereof, and any other incorporated or unincorporated entity;

'PETROLEUM SUBSTANCE' means means petroleum, natural gas, natural gas liquids, related hydrocarbons and all other substances, whether liquid, solid or gaseous, whether hydrocarbons or not, produced or producible in association with any of the foregoing, including hydrogen sulphide and sulphur;

'PREPAID OBLIGATIONS' means 'take-or-pay' or similar obligations of a Person whereby such Person is obligated to settle, at some future date, payment in respect of Petroleum Substances, whether by deliveries (accelerated or otherwise) of Petroleum Substances, payment of money or otherwise howsoever, including all such obligations for which such Person is liable without having received and retained a payment therefor or having assumed such obligations;

'PRINCIPAL SUM' means the sum of **TWENTY MILLION UNITED STATES DOLLARS (US\$20,000,000.00)** that the Banks have agreed to advance to the Borrower on the terms and conditions of this Agreement;

'PRODUCTION PAYMENT' means:

- (a) the sale (including any forward sale) or other transfer of any Petroleum Substances, whether in place or when produced, for a period of time until, or of an amount such that, the purchaser will realize therefrom a specified amount of money (however determined, including by reference to interest rates or other factors which may not be fixed) or a specified amount of such product; and
- (b) any other interest in property of the character commonly referred to as a 'production payment';

'PURCHASE MONEY SECURITY INTEREST' means:

- (a) a Security Interest taken or reserved in property to secure payment of all or part of its purchase price; and
- (b) a Security Interest taken in property by a Person who gives value for the purpose of enabling a Loan Party to acquire rights in such property, to the extent that the value is applied to acquire those rights;

but does not include a Capital Lease or an operating lease as determined under GAAP as in effect on December 31, 2018;

'RATE OF INTEREST' means the fixed rate of 7.850% per annum;

'REGISTER' means the register of Banks, maintained by the Agent in accordance with Clause 24.1.

'RELEASE' means any release, spill, emission, leak, pumping, injection, deposit, disposal, discharge, dispersal, leaching or migration into the environment including the movement of Hazardous Materials through ambient air, soil, surface water, ground water, wetlands, land or sub surface strata;

'ROFR' means, in relation to any Oil and Gas Properties, an option, right of first refusal, right to first purchase, right of first offer or similar right;

'SECURITY DOCUMENTS' means the Debentures, the Share Charges, the Guarantees and any amendments thereto and any indentures or instruments supplemental to or in implementation thereof, and any and all other documents, instruments or agreements pursuant to which the Agent is granted or receives a Security Interest pursuant to the terms hereof or thereof;

'SECURITY INTEREST' means any mortgage, charge, pledge, lien, hypothecation, encumbrance, security assignment, trust arrangement, title retention or other

security interest or arrangement of any kind whatsoever having the effect of conferring security;

'SENIOR FUNDED NET DEBT' means, without duplication and on a consolidated basis, at any time, all obligations for senior secured and unsecured borrowed money which bears interest or to which interest is imputed plus, without duplication, all obligations for the deferred payment of the purchase of property, all Capital Lease Obligations and all Indebtedness secured by Purchase Money Security Interests; provided that Senior Funded Net Debt shall not include operating leases as determined under GAAP as in effect on December 31, 2018;

'SHARE CHARGES' means the Borrower Share Charge and the Touchstone Barbados Share Charge;

'SUBSIDIARY' means Primera Oil and Gas Limited;

'SUBSIDIARY DEBENTURE' means the debenture of even date herewith made between the Subsidiary and the Agent whereby the Subsidiary has granted a fixed and floating charge over its assets to the Agent for the benefit of itself and the Banks by way of security for the repayment of all sums due under this Agreement;

'SUBSIDIARY GUARANTEE' means the guarantee of even date herewith to be provided by the Subsidiary in favour of the Agent for the repayment of all sums due under this Agreement;

'TANGIBLES' means, in respect of a Loan Party at any time, all right, title, estate and interest, whether absolute or contingent, legal or beneficial, present or future, vested or not, of such Loan Party at such time in and to any tangible property, apparatus, plants, equipment, machinery and fixtures, fixed or non-fixed, real or personal, used or capable of use in exploiting any Petroleum Substances including:

- (a) systems, plants and facilities used or useful in producing, gathering, compressing, processing,
- (b) treating, refining, storing, transporting or shipping Petroleum Substances;
- (c) tangible property and assets used or intended for use in exploration, producing, storing,
- (d) injecting or removing Petroleum Substances; and
- (e) all extensions, additions and accretions to any item described in items (a) or (b) above;

'TAXES' means and includes any present or future taxes, levies, duties, imposts, deductions, charges, fees, or withholdings of any nature (and **'TAX'** and **'TAXATION'** shall be construed accordingly);

'TITLE AND OPERATING DOCUMENTS' means, in respect of any P&NG Rights or Tangibles at any time, all of the documents (including leases, reservations, permits, licenses of all sorts, exploration agreements, operating agreements, unit agreements, production sharing agreements, pooling agreements, assignments, trust declarations or other agreements to recognize a Loan Party's interest, participation agreements, farmin or farmout agreements, lease operatorship agreements, royalty agreements, purchase agreements and transfers; gas, oil, condensate and other production sale contracts; gathering, common stream, transportation and processing agreements; and agreements for the construction, ownership and/or operation of Tangibles):

- (a) by virtue of which P&NG Rights or Tangibles were acquired or constructed or held at such time;
- (b) to which the construction, ownership, operation, exploitation, development, production, transportation or marketing of P&NG Rights or Tangibles are subject; or
- (c) which grant rights which are or may be used by such Loan Party in connection with such P&NG Rights or Tangibles;

and including the rights (except for P&NG Rights) granted under or created by such documents;

'TOTAL COMMITMENT' means means, at any time, the amount equal to the aggregate of the Commitments of each Bank at such time; and

'TOUCHSTONE BARBADOS SHARE CHARGE' means the deed of charge of even date herewith made among the Touchstone Exploration (Barbados) Ltd., the Borrower and the Agent whereby Touchstone Exploration (Barbados) Ltd. has charged its shares in the Borrower to the Agent by way of security for the repayment of all sums due under this Agreement.

1.2 In this Agreement, unless the context requires otherwise:

1.2.1. The following expressions shall have the following meanings:

1.2.1.1 'assets' includes properties, revenues and rights of every description;

1.2.1.2 'consent' includes an authorisation, approval, resolution, licence, exemption, filing, registration and notarisation; and

1.2.1.3 'month' or a period of 'months' is a reference to a period starting on one day in a calendar month and ending on the numerically corresponding day in the applicable preceding calendar month, except that if there is no numerically corresponding day in such month, that period shall end on the last Business Day of such calendar month;

1.2.2 reference to the Borrower, the Banks, the Agent, any other party to this Agreement or any other person referred to in this Agreement shall include its successors, transferees and assigns;

1.2.3 clause headings are inserted for convenience only and shall not affect the construction of this Agreement, and all references to Clauses, Sub-clauses, or Schedules are to clauses and sub-clauses of, and schedules to, this Agreement;

1.2.4 words denoting the singular number include the plural and vice versa;

1.2.5 references to any document are to be construed as references to such document as amended, novated, substituted or supplemented from time to time;

1.2.6 references to statutes or statutory instruments include references to any modification, extension or re-enactment of them from time to time; and

1.2.7 and reference to a time of the day is to Trinidad time unless otherwise stated.

2. Loan

2.1 The purpose of the Credit Facility is to refinance existing debt and for general corporate purposes.

2.2 Subject to the terms and conditions of this Agreement, and relying on the representations and warranties of the Borrower set out in Clause 7.1, the Banks agree to make available to the Borrower a loan in the amount of the Principal Sum for the purposes described in Clause 2.1 in accordance with their Commitments.

2.3 The Borrower may request one or more Drawdowns during the Availability Period by submitting a Drawdown Notice to the Agent not less than three (3)

Business Days prior to the Drawdown Date.

- 2.4 The obligations of each Bank under this Agreement are several. Any failure of a Bank to perform any of its obligations under this Agreement shall not relieve any other party hereto of any of its obligations hereunder. No Bank shall be responsible for the obligations of any other Bank under this Agreement.
- 2.5 The rights of each Bank and the Agent against the Borrower under this Agreement are separate and independent rights. Subject to the terms and conditions of this Agreement, the Agent, at the direction of the Majority Banks, shall have the exclusive right to enforce the Security Documents.
- 2.6 The Banks shall pay the proceeds of each Drawdown directly to the following account of the Borrower:

Account Name	[redacted]
Account Number	[redacted]
Bank Name	[redacted]

3. Interest

- 3.1 The Borrower shall pay interest on the principal amount of each Borrowing by payments in arrears on each Payment Date in relation to each Borrowing at the Rate of Interest, and for each successive Interest Period until the Borrower has repaid the principal amount of each Borrowing in full.
- 3.2 Interest shall be deemed to accrue from day to day and shall be computed on the basis of 30-day months in a 360-day year, and paid according to the number of days elapsed from the date of each Drawdown pursuant to the aforesaid provisions.
- 3.3 In the event any amount due hereunder is not paid when due hereunder, the Borrower shall, immediately on demand by the Banks or the Agent, pay interest on such unpaid amount from the date that such amount is due until the date such amount is paid in full, at the Default Rate. Default interest shall be compounded at the end of each Interest Period.

4. Repayment

- 4.1 Subject to the terms hereof, the Borrower shall repay the Principal Sum by twenty (20) consecutive quarterly instalments each of an amount equal to the

total amount of all Borrowings outstanding on the day following the last day of the Availability Period, divided by 20, commencing on the ninth (9th) Payment Date.

- 4.2 Notwithstanding Clause 4.1 above, on the Maturity Date, the Borrower shall repay all outstanding Borrowings to the Agent for the account of the Banks.

5. Prepayment

- 5.1 The Borrower may, at any time after the date falling one (1) year following the Effective Date, prepay in whole or in part the principal amount of all Borrowings outstanding hereunder, subject to a minimum of thirty (30) days prior written notice and a prepayment fee equal to 1.0% of the outstanding principal amount of the Borrowings prepaid, if such prepayment is made within three (3) years of the Effective Date. For the avoidance of doubt, any prepayment of Borrowings hereunder made after three (3) years of the Effective Date will not be subject to any prepayment fee.

6. Conditions Precedent

- 6.1 This Agreement shall become effective at such time as the following conditions precedent have been satisfied:

- 6.1.1 The Agent has received the following:

6.1.1.1 a duly executed copy of this Agreement and each of the other Loan Documents as of the Effective Date;

6.1.1.2 a certificate of an officer of each Loan Party, in a form satisfactory to the Agent (acting reasonably), attaching thereto its constating documents, authorizing resolutions, and an incumbency certificate; and

6.1.1.3 an opinion of Johnson, Camacho & Singh Attorneys-at-Law, Trinidad and Tobago counsel to the Agent and the Banks, addressed to the Agent and each Bank, with respect to the enforceability of each of the Loan Documents;

- 6.1.1 a certificate of an officer of the Borrower confirming that no Material Adverse Change has occurred since the date hereof;

- 6.1.2 all such other documentation and information reasonably requested from the Borrower in connection with applicable AML/KYC Legislation (including, for certainty, internal compliance requirements of each Bank),

in each case to the extent requested from the Borrower not less than ten (10) days prior to the date of this Agreement; and

- 6.1.5 a certificate of an officer of the Borrower confirming that the representations and warranties of the Borrower contained in Clause 7 are true and correct as of the date of such certificate, except to the extent that such representations and warranties specifically refer to an earlier date, in which case confirming that such representations and warranties were true and correct as of such earlier date.

7. Representations and Warranties

7.1 The Borrower hereby represents and warrants to the Agent and each of the Banks that:

- 7.1.1 the Borrower is a company with limited liability duly incorporated and validly existing under the laws of Trinidad and Tobago, with power to own its own assets and carry on its business as conducted as of the date of this Agreement;
- 7.1.2 the Borrower has full power and authority to execute and deliver the Loan Documents, to make the Borrowings, and to comply with the provisions of, and perform all its obligations under the Loan Documents and the Credit Facility shall not cause any limitation on the Borrower's ability to borrow to be exceeded;
- 7.1.3 the entry into and performance by the Borrower of the Loan Documents does not and will not violate in any material respect any law or regulation of any Governmental Authority, or the constating documents of any Loan Party, or any agreement, contract or other undertaking to which the Loan Party is a party or which is binding on the Loan Party or any of the Loan Parties respective assets, to the extent that the consequences of any such violation would have a Material Adverse Effect;
- 7.1.4 all consents, licences, approvals and authorisations on the part of the Borrower required in connection with the entry into, performance, validity and enforceability of the Loan Documents have been obtained and are in full force and effect, and there has been no default in the performance of any of the terms or conditions of any such consent, licence approval or authorisation, except to the extent any failure to obtain any such consent, licence, approval or authorisation, or any such default, would not reasonably be expected to have a Material Adverse Effect;

- 7.1.5 no material action, suit, proceeding, litigation or dispute against the Borrower is currently taking place or pending or, to the Borrower's knowledge, threatened, nor is there subsisting any unsatisfied judgment or award given against the Borrower by any court or arbitrator which in each case would reasonably be expected to have a Material Adverse Effect;
 - 7.1.6 no Default or Event of Default has occurred and is continuing;
 - 7.1.7 the Borrower's business and operations are in compliance with all Applicable Laws including Environmental Laws, except for any non-compliance which would not reasonably be expected to have a Material Adverse Effect;
 - 7.1.8 the financial statements of the Parent most recently provided to the Agent by the Borrower fairly reflect, as of the dates thereof, the financial condition of the Parent and the results of its operations and cash flows for the fiscal period covered thereby, and from the date of such financial statements, and except as disclosed to the Agent in writing, no event or circumstance has occurred which would reasonably be expected to have a Material Adverse Effect;
 - 7.1.9 the Borrower possesses all licences, patents, trademarks, service marks and copyrights, free from material restrictions, that are necessary for the ownership, maintenance and operation of its assets and businesses and it is not in violation of any rights of others with respect to any of the foregoing, except to the extent any failure to possess, or any violation, would not reasonably be expected to have a Material Adverse Effect;
 - 7.1.10 except as set forth on Schedule 4 attached hereto, the Borrower has good and marketable title to its properties and assets except for defects in title which, in the aggregate, would not reasonably be expected to have a Material Adverse Effect;
- 7.2 The representations and warranties of the Borrower set out in Clause 7.1 shall survive the execution of this Agreement and each Drawdown and shall be deemed to be repeated as of each Drawdown Date.

8. Undertakings

- 8.1 The Borrower covenants and agrees with each of the Banks and the Agent that:
 - 8.1.1 the Borrower shall provide to the Agent each of the following:

- 8.1.1.1 as soon as available, but in any event within one hundred and eighty (180) days after the end of each financial year of the Parent, the Parent's consolidated annual audited accounts and financial statements for such financial year, such accounts and financial statements to be prepared in accordance with GAAP;
- 8.1.1.2 as soon as available, but in any event within sixty (60) days after the end of each financial quarter of the Parent, the Parent's quarterly management accounts;
- 8.1.1.3 as soon as available, but in any event within forty five (45) days prior to the end of each financial year of the Parent, the Parent's preliminary annual cash flow projections;
- 8.1.1.4 within a reasonable period following any reasonable request by the Agent therefor, such other financial and operating statements and reports of the Borrower or the Parent;
- 8.1.2 the Borrower shall duly and punctually pay all Indebtedness as and when due by it hereunder;
- 8.1.3 the Borrower shall provide the Agent with prompt written notice of:
 - 8.1.3.1 any litigation arbitration or administrative proceedings which are made or commenced against or adversely affect the Borrower, and which, if adversely determined, would reasonably be expected to have a Material Adverse Effect;
 - 8.1.3.2 the occurrence of any Default or Event of Default and specifying that Default or Event of default and what steps it has taken or is taking to remedy it; and
 - 8.1.3.3 any Release from the land of the Borrower of a Hazardous Materials into the natural environment;
- 8.1.4 the Borrower shall keep and maintain in effect and comply with all consents, licence, approval or authorisation or other requirement necessary as may be required under any Applicable Law in connection with the Borrower's ability to perform its obligations under this Agreement or for the validity or enforceability of this Agreement;
- 8.1.5 the Borrower shall take all actions and make all filings and registrations as the Agent may reasonably request in order to perfect any Security Interest granted by it in favour of the Agent;

- 8.1.6 the Borrower shall provide the Agent with copies of all notices and other communications dispatched to its creditors generally;
- 8.1.7 the Borrower shall maintain in full force and effect such policies of insurance issued by insurers of recognized standing insuring such properties and operations and providing such coverages as would usually be maintained by Persons engaged in the same or similar business as the Loan Parties in the localities where such properties and operations are located, except to the extent any failure to do so would not reasonably be expected to have a Material Adverse Effect;
- 8.1.8 the Borrower shall file all material tax returns which are to be filed by it from time to time, shall pay when due, or make provision for payment of, all Taxes (including interest and penalties), and shall provide adequate reserves for the payment of any Tax, the payment of which is being contested;
- 8.1.9 the Borrower shall comply in all material respects with all Applicable Laws including, without limitation, all Environmental Laws, except to the extent any failure to comply would not reasonably be expected to have a Material Adverse Effect;
- 8.1.10 the Borrower shall utilise each Drawdown only for such purpose as is provided in this Agreement;
- 8.1.11 the Borrower shall, upon reasonable notice and during regular business hours, permit the Agent to visit and inspect the Borrower's premises, properties and assets and examine copies of the Borrower's records or other information and discuss the Borrower's affairs with the auditors, counsel and other professional advisers of the Borrower and the Parent; provided that such visit shall be limited to no more than one (1) visit per calendar year if no Event of Default has occurred and is continuing, and such visit shall be at the expense of the Agent;
- 8.1.12 if at any time the Borrower has surplus Dollars with which it intends to purchase Trinidad and Tobago Dollars, it shall offer to sell such Dollars and purchase Trinidad and Tobago Dollars from the Agent prior to making any such offer to any other financial institution, and the Agent shall have the right of first refusal of any such offer to purchase such Dollars and sell such Trinidad and Tobago Dollars at the most favourable rate (from the perspective of the Borrower) of (a) the rate offered by the Central Bank of Trinidad and Tobago and (b) the rate offered by the Agent to its customers generally.

8.2 During the term of this Agreement, the Borrower further undertakes with the Agent and each of the Banks that it shall not, without the prior written consent of the Agent on behalf of the Majority Banks:

8.2.1 grant, create, assume or suffer to exist any Security Interest securing borrowed money affecting any of its properties, assets or other rights other than under the Security Documents, other than Permitted Liens;

8.2.2 sell, transfer or otherwise dispose (including by way of dissolution) of any of its property or assets other than Permitted Dispositions;

8.2.3 enter into any transaction whereby all or substantially all of its undertaking, property and assets would become the property of any other person (herein called a '**Successor**') whether by way of reorganization, amalgamation, merger, plan of arrangement, wind up, liquidation, transfer, sale or otherwise (each a '**Reorganization Transaction**') unless;

8.2.3.1 prior to or contemporaneously with the consummation of such Reorganization Transaction:

8.2.3.1.1 the Successor is or will be (by operation of law or otherwise) bound by or have assumed all the covenants and obligations of the Borrower under the Loan Documents to which it is a party; and

8.2.3.1.2 the Loan Documents to which it is a party will be valid and binding obligations of the Successor, enforceable against the Successor and entitling the Agent, as against the Successor, to exercise all their rights under the Loan Documents to which it is a party,

and provided that the Successor shall also execute and/or deliver to the Agent such documents necessary to effect or establish 8.2.3.1.1 and 8.2.3.1.2 above:

8.2.3.2 in the case of the Borrower, the Successor is a corporation incorporated or formed under the laws of Trinidad and Tobago, Barbados, Canada (or any province or territory thereof) or the United States (or any state thereof, or the District of Columbia);

8.2.3.3 other than in the case of a Reorganization Transaction involving only Loan Parties, such Transaction shall be on such terms and

shall be carried out in such manner as to preserve and not to impair in any material respect any of the rights and powers of the Agent and the Banks hereunder and under any other Loan Document; and

8.2.3.4 no Default or Event of Default shall have occurred and be continuing immediately prior to such Reorganization Transaction or will occur as a result of such Reorganization Transaction;

8.2.4 make or permit any material change in the nature of its business or commence any new type of business not materially similar or ancillary to its business at the date of this Agreement; and

8.2.5 if a Default or Event of Default has occurred and is continuing, either:

8.2.5.1 declare or pay any dividends or make any distribution on its share capital, or purchase, redeem or otherwise acquired any shares of its shares, or any option over the same, such payments will at all times be subordinate to under this Agreement; or

8.2.5.2 incur any Indebtedness, except for trade payables in the ordinary course of business.

8.3 For so long as this Agreement remains in effect or any sum is payable by the Borrower hereunder, the Borrower shall, as of the end of each financial year of the Parent commencing with the financial year ended December 31, 2022, maintain the financial covenants set out below, each such covenant to be calculated on a trailing twelve month basis:

8.3.1 Net Senior Funded Debt to EBITDA of less than 2.50:1.00;

8.3.2 Net Senior Funded Debt to Book Value Equity of less than 0.70:1.00; and

8.3.3 Debt Service Coverage of not less than 2.50:1.00.

9. Events of Default

9.1 The occurrence of any one or more of the following events or circumstances constitutes an Event of Default under this Agreement:

9.1.1 the failure of the Borrower to make any payment when due hereunder, whether at stated maturity, by acceleration, or otherwise, and such failure shall remain unremedied for a period of seven (7) Business Days;

- 9.1.2 if there is a breach or failure of due and punctual observance and performance by any Loan Party of any covenant or provision of the Loan Documents, unless such breach or failure is cured to the satisfaction of the Majority Banks, acting reasonably, within thirty (30) days after written notice thereof by the Agent to the Borrower;
- 9.1.3 any representation or warranty made or deemed to be made or repeated by any Loan Party in or pursuant to any Loan Document is or proves to have been untrue or incorrect in any material respect when made or when deemed to be made or repeated, provided that if the matter, defect or deficiency which is the subject matter of the misrepresentation is capable of correction or remedy, then if it is not corrected or remedied to the satisfaction of the Majority Banks, acting reasonably, within thirty (30) days after written notice thereof by the Agent to the Borrower;
- 9.1.4 if a default, event of default or other similar condition or event (however described) in respect of the Borrower occurs or exists under any Indebtedness of the Borrower (other than the Indebtedness incurred by the Borrower under the Loan Documents) in an aggregate amount in excess of \$1,000,000, and such default, event or condition has resulted in such Indebtedness becoming, or becoming capable at such time of being declared, due and payable thereunder before it would otherwise have been due and payable;
- 9.1.5 if any Loan Party shall:
- 9.1.5.1 apply for or consent to the appointment of a receiver, trustee or liquidator of itself or of all or a substantial portion of its assets or undertaking;
 - 9.1.5.2 make a general assignment for the benefit of creditors, or be unable, or admit in writing its inability or failure, to pay its debts generally as they become due; or
 - 9.1.5.3 commence any case, proceeding or other action under any existing or future Applicable Law relating to bankruptcy, insolvency, reorganization of its debts, winding-up or relief of debtors seeking to have an order for relief entered with respect to it, or seeking to adjudicate it a bankrupt or insolvent, or seeking reorganization, arrangement or

adjustment of its debts, winding-up, liquidation, dissolution, composition or other relief with respect to it or its debts or an arrangement with creditors or taking advantage of any insolvency law or proceeding for the relief of debtors, or file an answer admitting the material allegations of a petition filed against it in any bankruptcy, creditor arrangement or insolvency proceeding;

9.1.6 if any case, proceeding or other action shall be instituted in any court of competent jurisdiction against any Loan Party seeking in respect of it an adjudication in bankruptcy, reorganization, dissolution, winding-up, liquidation, a composition or arrangement with creditors, a readjustment of debts, the appointment of a trustee, receiver, liquidator or the like of such Loan Party or of all or any substantial part of its assets, or any other like relief in respect of such Loan Party under any bankruptcy or insolvency law and, if such case, proceeding or other action is being contested by such Loan Party in good faith, the same shall continue undismissed or unstayed and in effect for any period of sixty (60) consecutive days; provided that if an order, decree or judgment is granted (whether or not entered or subject to appeal) against a Loan Party thereunder or a trustee, receiver or liquidator is appointed in the interim and such order, decree, judgment or appointment is not stayed or discharged within five (5) days of it being granted, such grace period shall cease to apply;

9.1.7 if any of the Security Interests created by the Security Documents shall cease to be a valid first priority Security Interest against the property, assets and undertaking of any Loan Party as against third parties and such event is not rectified or replaced by such Loan Party within ten (10) Business Days after written notice thereof is given by the Agent to the Borrower specifying such event and requiring the Borrower to rectify or replace the same; and

9.1.8 if a Change of Control occurs without the prior written consent of the Majority Banks.

9.2 If an Event of Default occurs and is continuing, the Majority Banks may, by written notice to the Borrower, declare any outstanding Borrowings, accrued interest thereon and all other amounts payable under this Agreement to become (i) either immediately due and payable or (ii) payable on demand, upon such demand being made by the Majority Banks. In addition, the Agent may and, if so

instructed by the Majority Banks, take any other action, exercise any other right or pursue any other remedy conferred upon the Banks and the Agent by this Agreement or any other Loan Document or by any Applicable Law or otherwise as a consequence of such Event of Default.

10. Indemnities

10.1 The Borrower shall indemnify the Indemnified Parties, on demand, against all reasonable certified costs, expenses, liabilities and losses (but excluding consequential loss and loss of profits) sustained or incurred as a result of, or in connection with:

10.1.1 the failure to make any payment when due hereunder;

10.1.2 the occurrence and/or continuance of any Event of Default and/or acceleration of repayment of any Borrowings pursuant to Clause 9.2;

10.1.3 any remedial action required to be taken under any Environmental Laws by an Indemnified Party in respect of any Release or in respect of the environmental condition of any assets or properties of the Borrower;

10.1.4 any non-compliance by the Borrower under any Environmental Laws, in respect of actions of any Governmental Authority under any Environmental Laws or in respect of the environmental condition of any assets or properties of the Borrower; or

10.1.5 any Environmental Liability arising directly or indirectly from the provision by any Bank of credit to the Borrower or the provision or granting of any Security Interest to the Agent or any Bank or any realization of, against or upon any of the assets or properties of the Borrower;

(all the foregoing in this Clause 10.1, collectively, the '**Indemnified Liabilities**'), provided that the Borrower shall have no obligation hereunder to any Indemnified Party with respect to Indemnified Liabilities to the extent such Indemnified Liabilities result from the gross negligence or wilful misconduct of or on behalf of such Indemnified Party or from a Release at, on, under or from assets or properties of the Borrower that occurs entirely following an Indemnified Party's taking possession of such assets or property by foreclosure, power of sale or similar transfer and that did not exist on or at such asset or property prior to such Indemnified Party's possession thereof. Notwithstanding any other provision of this Agreement or any other Loan Document, no

Indemnified Party shall be liable for any special, indirect, consequential or punitive damages in connection with its activities related to this Agreement or any other Loan Document or any of the transactions in connection herewith or therewith. Without limiting the foregoing, and to the extent permitted by Applicable Law, the Borrower agrees not to assert, and hereby waives, all rights for contribution or any other rights of recovery with respect to all claims, demands, penalties, fines, liabilities, settlements, damages, costs and expenses of whatever kind or nature, under or related to Environmental Laws, that any of them might have by statute or otherwise against any Indemnified Party except in the case of gross negligence or wilful misconduct of any such Indemnified Parties.

11. Fees and Expenses

11.1.1 The Borrower shall pay to the Arranger a one-time fee equal to 0.75% of the Principal Sum, payable on or before the first Drawdown Date.

11.2 The Borrower shall, on demand, pay to the Banks and the Agent the amount of all reasonable and documented costs and expenses including, but not limited to, legal fees and expenses (incurred by the Banks and the Agent in connection with the negotiation, preparation, printing and execution of the Loan Documents and any amendment, waiver, consent or suspension of rights or any proposal for any of the foregoing) requested by or on behalf of the Borrower and relating to the Loan Documents.

11.3 The Borrower shall, on demand, pay to the Banks and the Agent the amount of all reasonable and documented costs and expenses incurred by it in connection with the enforcement of or the preservation of, any rights under the Loan Documents.

11.4 If, after the date hereof, the introduction of, any change in, or the implementation of, any Applicable Law (including any capital adequacy requirement) (other than any taxes on the overall net income of a Bank or upon the overall capital of a Bank), regulation, treaty or official directive now or hereafter in effect (whether or not having the force of law) or any change in the interpretation or application thereof by any court or by any judicial or Governmental Authority charged with the interpretation or administration thereof, or if compliance by any Bank with any request from any central bank or other fiscal, monetary or other authority (whether or not having the force of law) (individually, a '**Circumstance**')

11.4.1 subjects a Bank to any Taxes, changes the basis of taxation of payments due to a Bank or increases any existing Taxes, on payments of principal, interest or other amounts payable by the Borrower to a Bank under this Agreement;

11.4.2 imposes, modifies or deems applicable any reserve, special deposit, capital adequacy, regulatory or similar requirement against assets or liabilities held by a Bank, or deposits of or for the account of a Bank, or loans by a Bank, or any other acquisition of funds for loans by a Bank or commitments by a Bank to fund loans or obligations of a Bank in respect of bankers' acceptances accepted by such Bank or letters of credit or letters of guarantee issued by such Bank.

11.4.3 imposes on a Bank any other condition with respect to this Agreement:

and the result of 11.4.1, 11.4.2 or 11.4.3 above is, in the sole determination of such Bank acting reasonably and in good faith, to increase the cost to such Bank or to reduce the income receivable by such Bank in respect of Borrowings, such Bank shall promptly notify the Agent. The Agent shall promptly notify the Borrower and the Borrower shall pay to the Agent for the benefit of such Bank from time to time that amount which compensates such Bank for such additional cost or reduction in income from time to time ('**Additional Compensation**') on the next Payment Date, provided that the Borrower shall not be obligated to pay any such Additional Compensation unless such Bank is generally claiming similar compensation from other customers in similar circumstances, and the Borrower shall not be obligated to pay any portion of such Additional Compensation accruing under this Section 11.4 for any period prior to the date which is three (3) months prior to the date on which the Agent, on behalf of such Bank, gives notice to the Borrower that such Additional Compensation is so accruing, provided that, if the circumstances giving rise to such claim have a retroactive effect, then such three (3) month period shall be extended to involve the period of such retroactive effect. A photocopy of the relevant law, regulation, treaty, official directive or regulatory requirement (or, if it is impracticable to provide a photocopy, a written summary of the same) and a certificate by a duly authorized officer of such Bank (prepared in good faith) setting forth the amount of the Additional Compensation and the basis for it must be submitted by the Agent to the Borrower and is prima facie evidence of the amount of the Additional Compensation. If the Agent notifies the Borrower that Additional Compensation is owed, the Borrower shall pay such Additional Compensation to the Agent for the account of such Bank and the Borrower shall have the right, upon written irrevocable prior notice of at least three (3) Business Days to the Agent to make payment in full to the Agent for the account of such Bank in respect of the applicable Borrowing on the date specified in such notice together with accrued but unpaid interest and fees in respect of such Borrowing.

11.5 Any fees or expenses referred to in this Clause are exclusive of any value added tax or any other similar tax which may be chargeable in connection with such fee or expense, as applicable. If any value added tax or other similar tax is so

chargeable, it shall be paid by the Borrower at the same time the Borrower pays the applicable fee or expense.

12. Payments and Calculations

- 12.1 The Agent shall notify the Borrower of the account of the Agent to which all payments to be made by the Borrower hereunder shall be paid. The Agent shall act as agent of the Borrower under the Credit Facility and pay, or cause to be paid, on behalf of the Borrower, the amounts to be paid when they are due in accordance with the terms of this Agreement.
- 12.2 All payments under this Agreement to the Banks or the Agent shall be made for value in Dollars on the date such payment is due and at such times as the Banks or the Agent may specify to the Borrower as being customary at the time for the settlement of transactions.
- 12.3 All payments made by the Borrower under this Agreement shall be made without set-off, counterclaim or condition.
- 12.4 If an amount payable under this Agreement becomes due on a day which is not a Business Day, the payment date therefor shall be extended to the next succeeding Business Day, unless such Business Day falls in the next calendar month, in which event such payment date shall be the immediately preceding Business Day, and interest shall be payable on each day during any such extension at the rate payable on the original payment date.
- 12.5 If any amount owing by the Borrower under this Agreement to a Bank (the '**Recovering Bank**') is discharged by payment, set-off or any other manner other than through the Agent in accordance with Clause 12.1, then:
- 12.5.1 the Recovering Bank shall within three (3) Business Days, notify the Agent of details of the recovery;
- 12.5.2 the Agent shall determine whether the recovery is in excess of the amount which the Recovering Bank would have received had the recovery been received by the Agent and distributed in accordance with this Agreement;
- 12.5.3 the Recovering Bank shall within three (3) Business Days of demand by the Agent pay to the Agent an amount (the '**Redistribution**') equal to the excess of the amount recovered by the Recovering Bank; and

12.5.4 the Agent shall treat the Redistribution as if it were a payment by the Borrower under this Agreement and shall pay the Redistribution to the Banks (other than the Recovering Bank) in accordance with Clause 12.1.

12.6 If a Recovering Bank must subsequently return a recovery, or an amount measured by reference to a recovery, to the Agent and the Recovering Bank has paid a Redistribution in relation to that recovery, then the other Banks shall, within three (3) Business Days of demand by the Recovering Bank through the Agent, reimburse the Recovering Bank for all or the appropriate portion of the Redistribution paid to that Bank.

13. Taxation

13.1 All payments to be made by or on behalf of the Borrower to the Banks or the Agent pursuant to this Agreement shall be made free and clear of, and without deduction for or on account of, any present or future Taxes, unless the Borrower is required by law or regulation to make any such payment subject to any Taxes.

13.2 In the event that the Borrower is required by any law or regulation to make any deduction or withholding on account of any Taxes which arise as a consequence of any payment due under this Agreement:

13.2.1 the Borrower shall notify the Banks and the Agent as soon as it becomes aware of such requirement; and

13.2.1 the Borrower shall remit promptly the amount of such Taxes to the appropriate taxation authority, and in any event prior to the date on which penalties attach thereto.

13.3 Not later than thirty (30) days after each deduction or withholding of any such Taxes, the Borrower shall forward to the Banks and the Agent evidence satisfactory to the Banks and the Agent that such Taxes have been remitted to the appropriate taxation authority.

14. Set-off

14.1 Upon the occurrence and during the continuance of any Event of Default, the Borrower hereby authorises the Banks:

14.1.1 to apply any credit balance in any currency which is at any time held by the Banks for the account of the Borrower, at any office of any of the Banks, in any country, in or towards satisfaction of any amount outstanding that is due and payable by the Borrower to the Banks under

this Agreement and in respect of which a default in payment has occurred; and

14.1.2 to use all, or any part, of any such credit balance to buy such other currencies as may be necessary to effect such application.

The Banks shall not be obliged to exercise any of its rights under this Clause 14.1, which shall be without prejudice, and in addition to any right of set-off, combination of accounts, lien or other rights to which the Banks are at any time otherwise entitled (whether by operation of law, contract or otherwise). The Banks or Agent shall promptly notify the Borrower of such application.

15. Communications

15.1 Except as otherwise provided for in this Agreement, all notices or other communications under or in respect of this Agreement to any party to this Agreement shall be in writing. A written notice shall include a notice by facsimile or by email.

15.2 All notices or other communications under or in respect of this Agreement shall be deemed to be duly given or made when delivered (in the case of personal delivery or letter or email) and when despatched (in the case of facsimile, save that in the case of any notice or communication sent by facsimile such notice or communication shall not be deemed to be given or made if the addressee has promptly notified the party dispatching such notice or communication that it has not received a legible copy of such notice or communication) to such party addressed to it at the address stated below (or at such other address as such party may specify for such purpose to the other by notice in writing):

15.2.1 in the case of the **Borrower: Touchstone Exploration (Trinidad) Ltd.**

30 Forest Reserve Road
Fyzabad
Trinidad
Attention: Scott Budau
Facsimile No: [redacted]
Email: [redacted]

15.2.2 in the case of the **Banks: c/o Republic Bank Limited**

9-17 Park Street
Port of Spain
Trinidad
Attention: [redacted]
Facsimile No: [redacted]
Email: [redacted]

15.2.3 in the case of the **Agent:** **Republic Bank Limited**
9-17 Park Street
Port of Spain
Trinidad
Attention: [redacted]
Facsimile No: [redacted]
Email: [redacted]

15.3 A notice or other communication received on a non-working day or after 4:00 p.m. in the place of receipt shall be deemed to be served on the next following working day in such place.

16. Assignments and Participations

16.1 This Agreement shall be binding upon, and enure for the benefit of, the Borrower, the Agent and the Banks and their respective successors and permitted assigns.

16.2 The Borrower may not assign or transfer all, or any part, of its rights or obligations under this Agreement without the prior written consent of the Majority Banks.

16.3 A Bank may, at its sole cost and expense, at any time, with the prior written consent of each of the Agent and the Borrower (such consent not to be unreasonably withheld), assign to one or more assignees all, or a portion of, its rights and obligations under this Agreement, provided that (i) each partial assignment shall be made as an assignment of a proportionate part of such Bank's Commitment under this Agreement in denominations of not less than \$100,000.00, (ii) the parties to each assignment shall execute an Assignment and Acceptance, and (iii) upon acceptance and recording pursuant to Clause 16.4, the assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment and Acceptance, have the rights and obligations of the assigning Bank under this Agreement, and the assigning Bank thereunder shall, to the extent of the interest assigned by such Assignment and Acceptance, be released from its obligations under this Agreement (and, in the case of an Assignment and Acceptance covering all of the assigning Bank's rights and obligations under this Agreement, such Bank shall cease to be a party hereto but shall continue to be entitled to the benefits of any indemnities hereunder). Any assignment or transfer by a Bank of rights or obligations under this Agreement that does not comply with this paragraph shall be treated for purposes of this Agreement as a sale by the Bank of a participation in such rights and obligations in accordance with Clause 16.5;

- 16.4 Upon execution of the Assignment and Acceptance, the Bank shall provide to the Agent a copy of such Assignment and Acceptance and the Agent shall record the information contained therein in the Register. No assignment shall be effective for purpose of this Agreement unless it has been recorded in the Register.
- 16.5 A Bank may, at its sole cost and expense, at any time, with the prior written consent of each of the Agent and the Borrower (such consent not to be unreasonably withheld), sell Participations to one or more banks or other entities (each a '**Participant**') in all or a portion of such Bank's rights and obligations under this Agreement and the other Loan Documents provided that (i) the Bank's obligations under this Agreement and the other Loan Documents shall remain unchanged, (ii) the Bank shall remain solely responsible to the other parties hereto for the performance of such Bank's obligations under the Loan Documents and (iii) the Borrower and the Agent shall continue to deal solely and directly with the Bank in connection with the Bank's rights and obligations under this Agreement and the other Loan Documents. Any agreement or instrument pursuant to which a Bank sells a Participation shall provide that the Bank shall retain the sole right to enforce this Agreement and the other Loan Documents to the extent applicable and to approve any amendment, modification or waiver of any provision of this Agreement or any other Loan Documents. In no event shall the Bank who sells a Participation agree with a Participant to take, or refrain from taking, any action under this Agreement or under any other Loan Document, except that any agreement or instrument pursuant to which the Bank sells a Participation may provide that the Bank will not, without the consent of the Participant, agree to any amendment, modification or waiver.
- 16.5.1 In the event a Bank sells a Participation in accordance with this Clause 16.5, the Bank will continue to collect all payments made in accordance with this Agreement. For the avoidance of doubt, the Borrower's obligation to provide evidence of payments will be discharged by the Borrower providing such evidence to the Bank and not to the Participant.
- 16.6 The Banks may, in connection with any assignment or participation or proposed assignment or participation, disclose to a potential assignee or transferee or sub-participant of any of its rights or obligations under the Loan Documents (or any other person with whom a Bank is contemplating entering into contractual relations with respect to this Agreement) such information relating to the Borrower and the Borrower's assets as shall have been made available to the Banks under this Agreement or in connection herewith, and may disclose such information to any Affiliate of a Bank or, on being requested to provide the same, to any Governmental Authority.

17. Application of Payments

17.1 All payments made by the Borrower under this Agreement shall be applied by the Agent rateably among the Banks and the Agent in accordance with amounts owed to each such Bank and the Agent (including, without limitation, costs, fees, expenses and taxes payable under Clause 11) in such order of application as shall be determined by the Agent. Any surplus shall be paid in accordance with the Borrower's instructions.

18. Calculations and Accounts

18.1 A certificate or determination of the Agent in writing as to any amount owed to it under this Agreement or in connection therewith shall, in the absence of manifest error, be conclusive and binding on the Borrower.

18.2 Each Bank shall maintain, in accordance with its usual practice, accounts evidencing the amounts from time to time advanced by, and owing to, it under this Agreement.

19. Miscellaneous

19.1 No delay or omission on the part of the Banks or the Agent in exercising any right, power or remedy under this Agreement shall impair such right, power or remedy or be construed as a waiver thereof, nor shall any single or partial exercise of any such right, power or remedy, preclude any further exercise thereof or the exercise of any other right, power or remedy. The rights, powers and remedies provided in this Agreement are cumulative and not exclusive of any rights, powers and remedies provided by law, and may be exercised from time to time and as often as the Banks or the Agent may deem expedient.

19.2 Any waiver or amendment by the Majority Banks of any provision of this Agreement, or any consent or approval given by the Majority Banks under this Agreement, shall only be effective if given in writing and then only for the purpose and upon the terms for which it is given and shall be binding on all Banks.

19.3 Any provision of this Agreement which is or becomes prohibited or unenforceable in any jurisdiction does not invalidate, affect or impair the remaining provisions hereof in such jurisdiction and any such prohibition or unenforceability in any jurisdiction does not invalidate or render unenforceable such provision in any other jurisdiction.

19.4 The obligations of the Borrower under this Agreement shall remain in full force and effect until the Banks shall have received repayment of all Borrowings in

accordance with the terms of this Agreement. Without prejudice to the foregoing, the obligations of the Borrower under Clauses 10, 11, 12, 13 and 20 shall survive the repayment of the Credit Facility.

- 19.5 The Borrower shall pay all stamp duty to which this Agreement may be subject to or give rise.
- 19.6 This Agreement may be executed in one or more counterparts, including PDF counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument. Signed signature pages may be transmitted by facsimile or by email, and any such signature shall have the same legal effect as an original.

20. Currency Indemnity

- 20.1 If, under any Applicable Law, and whether pursuant to a judgment being made or registered against the Borrower or the liquidation of the Borrower or for any other reason, any payment under, or in connection with, this Agreement is made or fails to be satisfied in a currency (the '**Payment Currency**') other than the currency in which such payment is due under or in connection with this Agreement (the '**Contractual Currency**'), then to the extent that the amount of such payment actually received by the Banks or the Agent, when converted into the Contractual Currency at the rate of exchange, falls short of the amount due under or in connection with this Agreement, the Borrower, as a separate and independent obligation, shall indemnify and hold harmless the Indemnified Parties against the amount of such shortfall. For the purposes of this Clause 20.1, '**rate of exchange**' means the most favourable rate to the Borrower at which the Banks or the Agent is able, on or about the date of such payment, to purchase the Contractual Currency with the Payment Currency, and it shall take into account any premium and other costs of exchange with respect to such transaction.

21. Confidentiality

- 21.1 The Banks and the Agent agree to hold all confidential information obtained pursuant to this Agreement in accordance with its customary procedure for handling such information of this nature and in accordance with safe and sound banking practices; provided that nothing herein shall prevent the Banks and the Agent from disclosing and/or transferring such confidential information (i) upon the order of any court or administrative agency or otherwise to the extent required by statute, rule, regulation or judicial process, (ii) to bank examiners or upon the request or demand of any other Governmental Authority, (iii) which had been publicly disclosed other than as a result of a disclosure by the Banks and the Agent prohibited by this Agreement, (iv) in connection with any litigation

to which a Bank and/or Agent is a party, or in connection with the exercise of any remedy this Agreement or any other Loan Document, (v) to the Banks' and the Agent's legal counsel and independent auditors and accountants, (vi) to the Banks' and the Agent's respective branches, subsidiaries, representative offices, affiliates, for confidential use (including in connection with the provision of any service and for data processing, statistical and risk analysis purposes), and (vii) to any actual or proposed Participant or assignee in respect of any one or more Borrowings.

22. Law and Jurisdiction

- 22.1 This Agreement shall be governed by and construed in accordance with the laws of Trinidad and Tobago.
- 22.2 The parties agree that the courts of Trinidad and Tobago shall have non-exclusive jurisdiction to hear and determine all disputes arising under this Agreement.

23. The Agent and the Banks

- 23.1 The Agent hereby declares that it holds and shall hold:
- 23.1.1 all rights, titles and interest that may now or hereafter be mortgaged, charged, assigned or otherwise secured in favour of the Agent by or pursuant to the Security Documents to which it is expressed to be a party as mortgagee, chargee, pledgee or equivalent;
- 23.1.2 the benefit of all representations, covenants, guarantees, indemnities and other contractual provisions given in favour of the Agent (other than any such benefits given to the Agent solely for its own benefit) by or pursuant to the Security Documents; and
- 23.1.3 all proceeds of the security referred to in sub-clause 23.1.1 above and of the enforcement of the benefits referred to in sub-clause 23.1.2 above on trust for itself and the Banks from time to time. Each of the parties hereto agrees that the obligations, rights and benefits vested or to be vested in the Agent as trustee as aforesaid by the Security Documents, or any document entered into pursuant thereto, shall (as well before as after enforcement) be performed and (as the case may be) exercised by the Agent in accordance with the provisions of this Clause 23.
- 23.2 The Agent shall have all the powers and discretions conferred upon trustees by the laws of Trinidad and Tobago (to the extent not inconsistent herewith) and by way of supplement it is expressly declared as follows:

- 23.2.1 the Agent shall be at liberty to place the Security Documents and any other instruments, documents or delivered to it pursuant thereto or in connection therewith for the time being in its possession in any safe deposit, safe or receptacle selected by the Agent or with any bank or company whose business includes undertaking the safe custody of documents and upon request by the Borrower, the Agent shall notify the Borrower of the location of the Security Documents or such other instruments, documents or deeds;
- 23.2.2 the Agent may, whenever it reasonably thinks fit, delegate by power of attorney or otherwise to any member of the group of companies to which it belongs all or any of the rights, trusts, powers, authorities and discretions vested in it by the Security Documents and such delegation may be made upon such terms and subject to such conditions (including the power to sub-delegate) and subject to such regulations as the Agent may reasonably think fit and the Agent shall not be bound to supervise, or be in any way responsible for any loss incurred by reason of any misconduct or default on the part of, any such delegate (or sub-delegate);
- 23.2.3 notwithstanding anything else herein contained, the Agent may refrain from doing anything which would or might, in its opinion, be contrary to any law of any jurisdiction or any directive or regulation of any agency of any state or which would or might otherwise render it liable to any person and may do anything which, in its opinion, is necessary to comply with any such law, directive or regulation;
- 23.2.4 save in the case of gross negligence or wilful misconduct, the Agent, and every attorney, agent, delegate, sub-delegate and any other person appointed by any of them under the Security Documents, may indemnify itself or himself out of the security held by the Agent against all reasonable liabilities, costs, fees, charges, losses and expenses properly incurred by any of them in relation to, or arising out, of the taking or holding of any of the security constituted by, or any of the benefits provided by, the Security Documents or in the exercise or purported exercise of the rights, trusts, powers and discretions vested in any of them or in respect of any other matter or thing done or omitted to be done in any way relating to the Security Documents or pursuant to any law or regulation;
- 23.2.5 without prejudice to the provisions of any of the Security Documents, the Agent shall not be under any obligation to insure any property or to require any other person to maintain any such insurance and shall not be

responsible for any loss which may be suffered by any person as a result of the lack of or inadequacy or insufficiency of any such insurance; and

23.2.6 neither the Agent nor any director, officer, employee, attorney or agent of the Agent shall be liable to any other person for any action taken or not taken by it or them under or in connection with this Agreement, unless caused by its or their gross negligence or wilful misconduct.

23.3 Without prejudice to Clause 23.2, the Agent shall not be liable for any failure:

23.3.1 to require the deposit with it of any deed or document certifying, representing or constituting the title of any person to any of the property mortgaged, charged, assigned or otherwise encumbered by or pursuant to the Security Documents;

23.3.2 to require any further assurances in relation to the Security Documents;
or

23.3.3 to monitor or enquire as to whether or not an Event of Default has occurred or is continuing.

23.4 The Agent shall not be responsible to any other party for:

23.4.1 the sufficiency or accuracy of any representations warranties or statements made in or in connection with this Agreement or any other document;

23.4.2 whether or not amounts payable under this Agreement are actually paid (when due or without limitation otherwise); or

23.4.3 any other failure of any other person to perform its respective obligations under this Agreement or any other document.

23.5 The Agent may:

23.5.1 rely on any original or copy of any notice document or signature believed by it to be authentic;

23.5.2 rely on any statement made by any person regarding any matters which may reasonably be assumed to be within his knowledge; and

23.5.3 select, engage, pay for and (whether or not engaged by it) rely on lawyers accountants surveyors or other professional advisers;

and shall not be liable to any other party to this Agreement for any consequences of such reliance.

23.6 The Agent shall not, at any time, be deemed to have knowledge of the occurrence of an Event of Default unless it has received written notice from a party referring to this Agreement, describing the applicable event or circumstances and stating that the event is an Event of Default. If the Agent receives such a notice, it shall promptly notify the Banks

23.7 The Agent may:

23.7.1 carry on any banking or other business with the Borrower;

23.7.2 act as agent or trustee for or in relation to any financing involving the Borrower;

23.7.3 retain for its own account any fees profits or other remuneration payable to it as Agent under this Agreement or in relation to any of the above matters; and

23.7.4 if it is also a Bank, exercise all its rights and powers in such capacity under this Agreement as if it were not also the Agent.

23.8 The Agent shall (subject as otherwise provided in this Agreement) act or refrain from acting in accordance with any instructions of the Majority Banks in connection with any matter, whether or not expressly provided for in this Agreement, and shall be fully protected if it so acts or refrains from acting in accordance with any such instructions. However, the Agent shall not be obliged to seek instructions as to the exercise of any right power or discretion or as to any such matter and, in the absence of instructions, the Agent may act as it sees fit. Any instructions given by the Majority Banks shall be binding on all the Banks.

23.9 Before it commences any proceedings or takes any action under or in respect of this Agreement, the Agent may require an indemnity and/or security satisfactory to it, whether by way of payment in advance or otherwise, against all liabilities losses costs and expenses which it would or may incur in doing so.

23.10 The Agent shall promptly forward any document or copy of any document which it receives from a party for another party and shall not be obliged to review or check the same. The Agent shall otherwise not be obliged, now or in the future, to provide any Bank with any information concerning the business, financial condition, creditworthiness, status or affairs of the Borrower or, unless requested to do so by a Bank in accordance with this Agreement, to request any certificate or other document from the Borrower or any other person. Without limitation, the Agent need not disclose any information relating to the Borrower if disclosure

would or might, in the opinion of the Agent, be contrary to any duty of secrecy or confidentiality or otherwise render it liable to any person.

23.11 Each Bank confirms that it has made, and will in future continue to make, its own independent investigation assessment and appraisal of the business, financial condition, creditworthiness, status and affairs of the Borrower in connection with the participation of such Bank in the Borrowings made under this Agreement and has not relied and will not rely on the Agent therefor.

23.12 Each Bank shall forthwith on demand indemnify the Agent for its proportion (rateably according to the Banks' respective percentage of the Principal Sum) of any liability, loss, cost or expense incurred by or imposed on or claimed from the Agent in any way relating to or arising out of its acting as the Agent except to the extent that the liability loss or expense arises from the Agent's gross negligence or wilful misconduct or is part of its normal administrative costs and expenses.

23.13 The Borrower shall forthwith on demand reimburse each Bank for any payment made by it under Clause 23.12 above. The liability of the Borrower shall not be limited or affected by Clause 23.12 above.

23.11 Subject to the appointment and acceptance of a successor agent, the Agent may resign at any time by giving thirty (30) days written notice to the Banks and the Borrower. Upon receipt of the notice of resignation, and with the consent of the Borrower (such consent not to be unreasonably withheld), the Agent may forthwith appoint as successor agent any Affiliate of the Agent. Failing such appointment, the Majority Banks may, with the consent of the Borrower (such consent not to be unreasonably withheld), appoint a successor agent.

23.12 If the appointment of a successor agent is to be made by the Majority Banks but the Majority Banks have not, within 30 days after the Agent's notice of resignation, appointed a successor agent which accepts such appointment, the Agent may, with the consent of the Borrower (such consent not to be unreasonably withheld), appoint a successor agent which shall be a Bank or an Affiliate of a Bank.

23.13 Upon the acceptance of any appointment of a successor Agent, the resignation of the Agent and the appointment of any successor Agent will both become effective when the successor Agent notifies all the parties to this Agreement that it accepts the appointment, upon which:

23.13.1 the successor Agent will succeed to and become vested with all the rights, powers, privileges and duties as agent under the Loan Documents of the resigning Agent;

23.13.2 the resigning Agent will be discharged from its further duties and obligations as agent under the Loan Documents, but any such resignation will not affect such resigning Agent's obligations hereunder as a Bank;

23.13.3 the resigning Agent shall continue to have the benefit and protection of this Clause 23 in respect of the period while it was the Agent; and

23.13.4 the resigning Agent shall, at its own cost, make available to the successor agent such documents and records, and provide such assistance, as the successor agent may reasonably request for the purposes of performing its functions as the agent under this Agreement.

24. Maintenance of the Register

24.1 The Agent shall have the following duties as registrar:

24.1.1 maintenance of the Register of Banks;

24.1.2 dealing with transfers of rights or obligations of any of the Banks;

24.1.3 providing information required by the Borrower and the Banks from time to time relative to the Register of Banks; and

24.1.4 performing such functions as are usually performed by registrars and transfer agents in respect of assignment of any rights or obligations of syndicated lenders.

IN WITNESS WHEREOF the the duly authorised representative of the Borrower has executed this Loan Agreement the day and year first hereinabove written and the duly authorised representative of each of the Banks have hereunto set their respective hands on the dates appearing opposite each of their respective signatures and the duly authorised representative of the Agent has hereunto set his hand the 15th day of June, 2020.

SIGNED by the within named **TOUCHSTONE**)
EXPLORATION (TRINIDAD) LTD. in the)
presence of:)

(signed) "*Marjorie Nunez*")
Attorney at Law)

(signed) "*Joseph Pancham*")
Joseph Pancham)

SIGNED for and on behalf of **REPUBLIC**)
BANK LIMITED in its capacity as a **Bank** in)
the presence of:)

(signed) "*Nicholas Sinanan*")
Attorney at Law)
)

(signed) "*Preston George*")
Preston George)

SIGNED for and on behalf of **REPUBLIC**)
BANK LIMITED in its capacity as **Agent** in)
the presence of:)

(signed) "*Nicholas Sinanan*")
Attorney at Law)
)

(signed) "*Preston George*")
Preston George)

SCHEDULE 1

Banks and Commitments

Banks	Commitments
Republic Bank Limited	US\$20,000,000.00

SCHEDULE 2

Drawdown Notice

To: **Republic Bank Limited**

[]

[]

Fax: []

Date:

Dear Sirs,

Re: Loan Agreement dated the day of , 2020 (the '**Loan Agreement**') between Touchstone Exploration (Trinidad) Ltd., as Borrower, Republic Bank Limited, as Agent, and the Banks party thereto from time to time.

Capitalised terms not otherwise defined herein have the meanings given to them in the Loan Agreement.

We wish to make a Drawdown under the above Loan Agreement as follows:

- (a) Drawdown Date: _____
- (b) Amounts: _____
- (c) Proceeds are to be paid in accordance with Clause 2.6 of the Loan Agreement.

We confirm that:

- (a) the representations and warranties set out in Clause 7 of the Loan Agreement are true and accurate on the date of this notice as if made on such date, except to the extent that such representations and warranties specifically refer to an earlier date, in which case such representations and warranties were true and correct as of such earlier date; and
- (b) no Default or Event of Default has occurred and is continuing or would result from the proposed Drawdown.

Yours faithfully,

.....
For and on behalf of
Touchstone Exploration (Trinidad) Ltd.
Authorised Signatory

SCHEDULE 3

FORM OF ASSIGNMENT AND ACCEPTANCE

1. Reference is made herein to the Loan Agreement dated the [] day of [], 2020 (the '**Loan Agreement**'), made among Touchstone Exploration (Trinidad) Ltd., as Borrower, Republic Bank Limited, as Agent, and the Banks party thereto from time to time. Capitalised terms used herein but not defined herein shall have the respective meanings assigned thereto in the Loan Agreement, whether specifically set forth therein or by reference to another document.
2. The Assignor named on the reverse hereof (the '**Assignor**') hereby sells and assigns, without recourse, to the Assignee named on the reverse hereof (the '**Assignee**'), and the Assignee hereby purchases and assumes, without recourse, from the Assignor, effective as of the assignment date (the '**Assignment Date**') set forth on the reverse hereof, the interests set forth on the reverse hereof (the '**Assigned Interest**') in the Assignor's rights and obligations under the Loan Agreement, together with unpaid interest accrued. The Assignee hereby acknowledges receipt of a copy of the Loan Agreement and the other Loan Documents.
3. From and after the Assignment Date, (i) the Assignee shall be a party to and be bound by the provisions of the Loan Agreement and, to the extent of the interest assigned by this Assignment and Acceptance, have the rights and obligations of a Bank under the Loan Agreement and the other Loan Documents and (ii) the Assignor shall, to the extent of the interests assign by this Assignment and Acceptance, relinquish its rights and be released from its obligations under the Loan Agreement and the other Loan Documents.
4. From and after the Assignment Date, the Assignee is deemed to have appointed the Agent as its agent under the Loan Agreement and the other Loan Documents and authorises the Agent to take such actions on its behalf and to exercise such powers as are conferred on the Agent by the terms thereof, together with such actions and powers as are reasonably incidental thereto.
5. The Assignee acknowledges that it has, independently and without reliance upon the Agent or the Assignor and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to purchase the Assigned Interest. The Assignee also acknowledges that it will, independently and without reliance upon the Agent or the Assignor, and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions under or based upon the Loan Agreement and the other Loan Documents or any related agreement or any document furnished thereunder.
6. This Assignment and Acceptance shall be construed in accordance with, and this Assignment and Acceptance and all matters arising out of or relating in any way whatsoever

(whether in contract, tort or otherwise) to this Assignment and Acceptance shall be governed by the laws of Trinidad and Tobago.

Date of Assignment:

Name of Assignor:

Name of Assignee:

Assignee's Address for Notices:

Effective date of Assignment:

Principal Amount Assigned:

SIGNED for and on behalf of **[the Assignor]**)
in the presence of:)
)
)
)
)
)

SIGNED for and on behalf of **[the Assignee]**)
in the presence of:)
)
)
)
)
)

SCHEDULE 4

INFORMATION REGARDING TITLE TO ASSETS

1. The Exploration and Production (Public Petroleum Rights) Licence dated August 20, 2007 between the Subsidiary and the Trinidad and Tobago Ministry of Energy and Energy Industries ('MEEI') in respect of the Palo Seco Block expired on August 19, 2013.

The Subsidiary is currently negotiating a licence renewal or extension and has permission from the MEEI to operate in the interim period. The Subsidiary has no indication that the license will not be renewed.

2. The following private lease agreements have expired and are currently being renegotiated:

(a) [redacted]

(b) [redacted]

(c) [redacted]

(d) [redacted]

(e) [redacted]

(f) [redacted]

(g) [redacted]

(h) [redacted]

(i) [redacted]

(j) [redacted]

(k) [redacted]

Based on legal opinions received, the Subsidiary is continuing to recognize revenue on the producing blocks as the Subsidiary is the operator, no title to the revenue has been disputed and the Subsidiary is paying all associated royalties and taxes. The Borrower currently has no indication that any of the producing expired leases will not be renewed.