

This Agreement has been entered into but has not become effective. This Agreement is being held by an escrow agent on the terms and subject to the conditions set out in an escrow agreement with the parties to this Agreement and other persons. Subject to the satisfaction of certain escrow release conditions, this Agreement shall be released from escrow in which case it shall become effective and be deemed to have been in effect and commenced on the date of this Agreement. If such escrow release conditions are not satisfied by 12 January 2018, then, unless otherwise agreed, this Agreement shall be returned to the party which deposited it with the escrow agent and this Agreement shall be treated as never having had effect.

INVESTMENT AGREEMENT

BETWEEN

ORCA EXPLORATION GROUP INC.

-and-

SWALA (PAEM) LIMITED

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INVESTMENT AGREEMENT

THIS AGREEMENT made as of December 29, 2017.

BETWEEN:

ORCA EXPLORATION GROUP INC., a company incorporated under the laws of British Virgin Islands ("**Orca**")

-and-

SWALA (PAEM) LIMITED, a private limited company incorporated under the laws of England and Wales with registrations number [Redaction – company number] whose registered office is located at [Redaction – address] ("**Swala**").

Each a "**Party**" and collectively the "**Parties**".

WHEREAS Orca is the registered and beneficial owner of the Investment Shares.

AND WHEREAS Orca wishes to sell the Investment Shares to Swala and Swala wishes to purchase the Investment Shares from Orca in three tranches, upon and subject to the terms and conditions of this Agreement.

AND WHEREAS the Investment Shares represent, in the aggregate, 40% of the issued and outstanding Shares.

NOW THEREFORE in consideration of the mutual covenants and agreements set out in this Agreement, the receipt and sufficiency of which are acknowledged, the Parties agree as follows:

ARTICLE 1 DEFINITIONS

1.1 Definitions

For purposes of this Agreement:

"**Accounting Referee**" has the meaning given in Sections 2.6(a) and 3.5(b).

"**Adjustment Statement**" has the meaning given in Section 2.5(a).

"**Affiliate**" means, with respect to any Person, any other Person that, directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such Person; however for the purposes of this Agreement, PAEM and its Subsidiaries shall be deemed to not be affiliates of Orca or Swala.

"**Agent**" means Link Corporate Trustees (UK) Limited, the escrow agent pursuant to the Escrow Agreement.

"**Agreement**" means this Investment Agreement including the recitals and all Exhibits, and all amendments agreed to by the Parties.

"**Anti-Bribery Laws**" means: (i) the laws relating to combating bribery and corruption in the countries of each of the Parties' place of incorporation or formation, principal place of business, place of registration as an issuer of securities, and/or in the countries of each of the Parties' ultimate parent Person's place of incorporation or formation, principal place of business, and/or place of registration as an issuer of securities; (ii) the United States Foreign Corrupt Practices Act; (iii) the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada); (iv) the Corruption of Foreign Public Officials Act (Canada); (v) sections 119 to 123 and section 426 of the Criminal Code of Canada; and (vi) the Bribery Act (2010) (United Kingdom).

"**Applicable Law**" means, in relation to any Person, property or circumstance, all laws and statutes, including regulations, rules, by-laws, ordinances and other statutory instruments enacted thereunder; all judgements, decrees, rulings and orders of courts, tribunals, commissions and other similar bodies of competent jurisdiction (whether administrative, regulatory, legislative, executive or otherwise); all orders, rules, directives, policies, and guidelines having force of law issued by any Governmental Authority; and all terms and conditions of any permits, licenses or approvals; that are in effect as of the relevant time and are applicable to such Person, property or circumstance.

"**Asset Realisation Notice**" has the meaning given in Section 3.3(d).

"**Business Day**" means a day, other than a Saturday, a Sunday or a statutory holiday, on which banks are open generally to conduct commercial business in Port Louis, Mauritius.

"**Call Option Agreement**" means the call option agreement dated the date of this Agreement between Orca, Swala, PAEM and Link Corporate Trustees (UK) Limited.

"**Cash Proceeds**" means all compensation, damages, penalties, interest and other payments in the form of cash or cash equivalents, if any, recovered or received by PAEM or its Subsidiaries as a result of any litigation, arbitration, alternative dispute resolution process or procedures or claims, whether such compensation, damages, penalties, interest or other payments are recovered or received pursuant to court order at trial or upon appeal or pursuant to the terms of any settlement agreement.

"**Claim**" means any claim, demand, lawsuit, action, proceeding, notice of breach, default, non-compliance or violation, order, direction, audit, arbitration or request for arbitration, or governmental proceeding or investigation.

"**Claim Deductible**" means [Redacted – dollar amount].

"**Claim Notice**" has the meaning given in Section 7.2.

"**Closing**" means the First Closing, the Second Closing or the Third Closing, as the context requires, and "**Closings**" means all of the foregoing.

"**Closing Date**" means the First Closing Date, the Second Closing Date or the Third Closing Date, as the context requires and "**Closing Dates**" means all of the foregoing.

"**Closing Time**" means 9:00 a.m. on the relevant Closing Date.

"**Confidentiality Agreement**" means the Confidentiality Agreement dated November 11, 2015 between Orca, as a disclosing party, and Swala Oil & Gas (Tanzania) plc and Swala Energy Limited, each as a receiving party.

"Consent and Acknowledgement" means the consent and acknowledgement deed dated the date of this Agreement between Orca, Swala, PAEM and Link Corporate Trustees (UK) Limited.

"Consequential Losses" means any consequential, indirect, incidental, punitive or exemplary damages or losses, lost or deferred profits, revenues or overheads, loss of business opportunity, loss of or delay in production, losses based on loss of use or other business interruption losses and damages, regardless of whether or not such losses or damages are or were reasonably foreseeable by the Person suffering or incurring same.

"Contract" means any agreement, contract, lease, license, obligation, promise or undertaking (whether written or oral and whether express or implied) that is or is intended to be legally binding.

"control" means, with respect to any Person, any other Person that possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of such Person, whether through ownership of voting stock, ownership interest or securities, by contract or otherwise, and includes the terms "controlled by" and "under common control with".

"Day" means a Gregorian calendar day unless otherwise specifically provided.

"Defaulting Shareholder" has the meaning given in the Shareholders' Agreement.

"Deferred Consideration" has the meaning given in Section 2.3(a)(ii).

"Deferred Payment Date" means the earlier of:

- (a) the date which is 45 Days after the First Closing Date, or if such date is not a Business Day, the immediately preceding Business Day; and
- (b) the date which is 2 Business Days after the date upon which Shareholder Approval is obtained.

"Disclosure Letter" means the letter, dated as of the date hereof, delivered by one Party to the other in connection with this Agreement as may be updated from time to time pursuant to Section 7.4(f).

"Dispute" means any dispute, controversy, or claim (of any and every kind or type, whether based on contract, tort, statute, regulation, or otherwise) arising out of, relating to or connected with this Agreement or the operations and activities carried out under this Agreement, including any dispute as to the construction, validity, interpretation, enforceability, breach or termination of this Agreement.

"Effective Date" means 12:00 a.m. East Africa Time on January 1, 2017.

"Encumbrance" means any mortgage, charge, pledge, hypothecation, lien (but excluding liens arising by operation of law), assignment by way of security, title retention, option, right to acquire, right of pre-emption, right of set-off, counterclaim, trust arrangement or other security, preferential right or agreement to confer security, or any equity or restriction, but specifically excluding any such matter in favour of either Party under or pursuant to this Agreement or the Shareholders' Agreement.

"Escrow Agreement" means the escrow agreement dated December 27, 2017 among the Agent, Global Summits (Master) Fund, Ltd., Templeton Emerging Markets Income Fund, Swala and Orca whereby the cash portion of the First Purchase Price, as set forth in Section 2.3(a)(i), and the Swala Costs are held in escrow by the Agent pending the completion of certain steps and confirmation instructions for release of such funds.

"**Exclusivity Agreement**" means the exclusivity agreement dated April 3, 2017 between Orca and Swala Parent.

"**Exhibit**" means an exhibit attached to and made part of this Agreement.

"**Financial Statements**" means the consolidated audited financial statements of PAEM for the year ended December 31, 2016.

"**First Base Price**" means \$25,782,250.

"**First Closing**" means the completion of the First Transaction in accordance with the terms of this Agreement.

"**First Closing Date**" means the date of this Agreement.

"**First Purchase Price**" means the First Base Price plus or minus, as applicable, the Purchase Price Adjustment for the First Tranche Shares plus, if cash is paid on account of any Preferred Shares not issued on the First Closing Date, interest on such cash balance at a rate of 10% per annum from the First Closing Date until the date of payment.

"**First Tranche Shares**" means 7,933 Shares.

"**First Transaction**" means the payment of the First Purchase Price by Swala to Orca and the conveyance of the First Tranche Shares to Swala on and subject to the terms and conditions, as more fully described in this Agreement.

"**GAAP**" means generally accepted accounting principles in the relevant jurisdiction, including, where applicable, International Financial Reporting Standards (IFRS), as applied by Orca consistent with past practices.

"**Government Official**" means:

- (a) an employee, officer, director or representative of a Governmental Authority;
- (b) a legislative, administrative, or judicial official, regardless of whether elected or appointed;
- (c) an officer or individual who holds a position in a political party;
- (d) a candidate for political office; or
- (e) an officer or employee of a supra-national organization (including Africa Development Bank, World Bank, United Nations, International Monetary Fund, and Organization for Economic Cooperation and Development).

"**Governmental Authority**" means any government or governmental or regulatory body thereof or political subdivision thereof, whether national, federal, state, provincial, regional, local or foreign, or any agency, instrumentality or authority thereof, including any taxation authority, or any court having jurisdiction over the Parties or the relevant Transaction.

"**Guarantee**" means the guarantee provided by Swala Parent in the form attached as Schedule 4 to the Shareholders' Agreement.

"Hold Harmless Letters" means the letters dated on or before the date of this Agreement from (i) Franklin Advisers, Inc., as investment manager, (on behalf of Global Summits (Master) Fund, Ltd) and Franklin Advisers, Inc., as investment manager, (on behalf of Templeton Emerging Markets Income Fund) and (ii) Exotix Partners LLP, in each case to Orca, PAEM and PAEM's Subsidiary.

"ICC" means the International Chamber of Commerce.

"IFC" means International Finance Corporation.

"IFC Amendment and Consent Letter" means the amendment and consent letter between PanAfrican Energy Tanzania Limited, Orca, and IFC.

"IFC Loan Agreement" means the loan agreement dated October 29, 2015 between PanAfrican Energy Tanzania Limited, Orca, and IFC, to be amended pursuant to the IFC Amendment and Consent Letter.

"Indemnity Claim" has the meaning given in Section 3.1(a).

"Indemnity Claim Consideration Period" has the meaning given to it in Section 3.3(b).

"Indemnity Claim Notice" has the meaning given to it in Section 3.3(a) and shall be interpreted as a Notice of Dispute for the purposes of Section 11.9.

"Indemnity Claim Period" means the period from the date of this Agreement until December 31, 2021.

"Indemnity Dispute Resolution Notice" has the meaning given to it in Section 3.3(b)(i)(A).

"Interim Period" means:

- (a) in respect of the Second Transaction and the Second Tranche Shares, the period from the date of this Agreement until the earlier of the Second Closing Date or the termination of this Agreement; and
- (b) in respect of the Third Transaction and the Third Tranche Shares, the period from the date of this Agreement until the earlier of the Third Closing Date or the termination of this Agreement.

"Investment Share (Deferred) Transfer Form" has the meaning given to it in Section 2.3(g).

"Investment Shares" means the First Tranche Shares, the Second Tranche Shares or the Third Tranche Shares or all of them, as the context requires.

"Keep-Whole Amount" is the amount of an Indemnity Claim specified in the related Indemnity Claim Notice multiplied by Swala's Percentage Interest on the date of the applicable Indemnity Claim Notice.

"Knowledge of Orca" means the actual knowledge, following commercially reasonable inquiry, of either the Chief Executive Officer or the Chief Financial Officer of Orca.

"Knowledge of Swala" means the actual knowledge, following commercially reasonable inquiry, of either the Chief Executive Officer or the Chief Financial Officer of Swala or Swala Parent, as applicable.

"Legal Proceeding" means any judicial, administrative or arbitral action, suit or proceeding (public or private) by or before a Governmental Authority, Government Official or arbitration tribunal.

"**Liability**" means any debt, liability or obligation (whether direct or indirect, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, or due or to become due) and all costs, interest and expenses relating thereto (and **Liabilities** shall be construed accordingly).

"**Losses**" means all losses, obligations, damages, notices, actions, suits, proceedings, demands, assessments, judgments, costs, penalties and expenses, including legal counsel's and other professionals' fees and disbursements on a full indemnity basis and including the costs and expenses incurred in investigating, prosecution, defending or negotiating the settlement of, and the payment of any settlement, judgement or award in respect of, any Claim.

"**Non-Cash Proceeds**" means all compensation, damages, penalties, interest, agreements, commitments, undertakings and other benefits and protections (whether provided by contract, court order or applicable law) not in the form of cash or cash equivalents, if any, recovered or received by PAEM or its Subsidiaries as a result of any litigation, arbitration, alternative dispute resolution process or procedures or claims, whether such compensation, damages, penalties, interest, agreements, commitments, undertakings or other benefits or protections are recovered or received pursuant to court order at trial or upon appeal or pursuant to the terms of any settlement agreement.

"**Notice Date**" has the meaning given in Section 3.5(b).

"**Notice of Dispute**" has the meaning given in Section 11.9(a).

"**Orca Documents**" has the meaning given in Section 5.2(a).

"**Orca's Solicitors**" means Conyers Dill & Pearman (Mauritius).

"**Organizational Documents**" means, as applicable; (i) the memorandum and articles of association of a company; (ii) the articles or certificate or deed of incorporation and the bylaws of a body corporate; (iii) any constitution, charter or similar document adopted or filed in connection with the creation, formation, or organization of a body corporate; and (iv) any amendment to any of the foregoing.

"**Outside Date**" means February 28, 2018, unless otherwise agreed in writing by the Parties.

"**PAEM**" means PAE PanAfrican Energy Corporation, a Mauritius company.

"**Percentage Interest**" has the meaning given in the Shareholders' Agreement.

"**Person**" means any individual, corporation, partnership, firm, joint venture, association, joint enterprise, joint-stock company, trust, unincorporated organization, Governmental Authority or other entity.

"**Pre-Effective Date Assets**" means, in respect of PAEM and/or its Subsidiaries, the following categories of assets of such Persons:

- (a) those assets, properties, claims and rights set forth in Part 1 of Exhibit 2;
- (b) any and all Tax benefits, refunds, credits or other reductions in Tax payments otherwise required to be made to a Taxing Authority arising or being allowable in respect of any taxable period ending on or before the Effective Date;

- (c) any and all benefits, refunds, credits or other reductions in payments otherwise required to be made to a third party arising or being allowable as a result of an audit in respect of any period ending on or before the Effective Date;
- (d) the sum of any and all Cash Proceeds plus the fair market value of any and all Non-Cash Proceeds, resulting from any litigation, arbitration, alternative dispute resolution process or procedures or claims that PAEM or its Subsidiaries file or assert after the Effective Date under or in relation to Contracts and any amendments thereto, or at law, to which PAEM or its Subsidiaries is party or subject to on the date of this Agreement and related in whole or in part to facts or circumstances which had occurred or were occurring, or causes of action which had accrued or were accruing, on or before the Effective Date (and where in part, to the extent the Cash Proceeds plus the fair market value of any and all Non-Cash Proceeds allocated or apportioned to the period before the Effective Date) and any similar future lawsuits, claims or appeals brought by PAEM or its Subsidiaries related to such matters or arising out of the conduct involved in such litigation, arbitration, alternative dispute resolution process or procedures or claims;
- (e) any benefit resulting from the exchange, settlement, set off or other satisfaction or discharge of any of the foregoing Pre-Effective Date Assets. For certainty:
 - (i) if the benefit so received has a value which is greater than the value of the relevant Pre-Effective Date Asset, then (A) the portion of the benefit so received equal to the value of the relevant Pre-Effective Date Asset shall itself be a Pre-Effective Date Asset, and (B) the excess shall not be a Pre-Effective Date Asset, and
 - (ii) if the benefit so received has a value which is less than the value of the relevant Pre-Effective Date Asset, then only the benefit so received shall be a Pre-Effective Date Asset; and
- (f) those Pre-Effective Date Assets referenced in the Disclosure Letter.

"Pre-Effective Date Liabilities" means, in respect of PAEM and/or its Subsidiaries, any and all Liabilities of such Persons which (i) arose before the Effective Date, or (ii) relate exclusively to facts or circumstances that existed on or before the Effective Date, including the following:

- (a) those liabilities set forth in Part 1 of Exhibit 2;
- (b) any Tax liabilities, negative adjustments and reassessments related exclusively to any taxable period ending on or before the Effective Date;
- (c) any liabilities arising as a result of an audit by a third party and related exclusively to any period ending on or before the Effective Date;
- (d) any liabilities resulting from any litigation, arbitration, alternative dispute resolution process or procedures or claims filed or asserted under or in relation to Contracts to which to PAEM or its Subsidiaries is party on the date of this Agreement and any amendments thereto and related exclusively to facts or circumstances that occurred on or before the Effective Date and any similar future lawsuits, claims or appeals brought by the parties thereto (other than PAEM or its Subsidiaries) related to such matters or arising out of the conduct involved in such litigation, arbitration, alternative dispute resolution process or procedures or claims; and

- (e) any environmental liabilities related exclusively to operations conducted by PAEM or its Subsidiaries in the period ending on or before the Effective Date,

in each case, to the extent all disputes, controversies, and claims (of any kind or type, whether based on contract, tort, statute, regulation or otherwise) arising out of, relating to, or connected with such Liability or Liabilities have been determined by a court, administrative tribunal, arbitral tribunal or other dispute resolution body of competent jurisdiction in accordance with Applicable Law or by agreement of the parties resulting in a non-appealable, binding and final judgment, decision or award; provided that the Pre-Effective Date Liabilities shall not include, in any event: (x) any Liabilities to the IFC under the IFC Loan Agreement or the IFC Amendment and Consent Letter; (y) any Liabilities that arise or are increased as a result in any change in Applicable Law after the Effective Date; and (z) any Losses or Liabilities as a result of any type of lawful nationalization, confiscation or expropriation of any asset of PAEM and/or its Subsidiaries by a Governmental Authority.

"Preferred Share Ratio" means the percentage of the Purchase Price that Swala has paid by the issuance of Preferred Shares by Swala Parent to Orca, as determined, from time to time, at the relevant time of transfer under Section 7.3(e).

"Preferred Shares" means preferred shares of Swala Parent having those terms set forth in Exhibit 3.

"Purchase Price" means the First Purchase Price, the Second Purchase Price, or the Third Purchase Price or the sum of the foregoing, as the context requires.

"Purchase Price Adjustment" means an amount determined in accordance with Sections 2.5 and 2.6 and Exhibit 2.

"Qualified Buyer" has the meaning given in the Shareholders' Agreement.

"Realisation Dispute Resolution Notice" has the meaning given in Section 3.3(e)(ii) and shall be interpreted as a Notice of Dispute for the purposes of Section 11.9.

"Realisation Notice Consideration Period" has the meaning given in Section 3.3(e).

"Redeemable Shares (Mauritius)" means the redeemable preference shares of PAEM of USD 1.00 each.

"Release Notice" has the meaning given in the Escrow Agreement.

"Required Third Party Consents" means the consent of IFC to each of the Transactions as set out in the IFC Amendment and Consent Letter.

"Rules of Appointment" means the ICC Rules for the Appointment of Experts and Neutrals.

"Rules of Arbitration" means the ICC Rules of Arbitration which govern the conduct of ICC arbitration proceedings.

"Second Base Price" means \$39,217,750.

"Second Closing" means the completion of the Second Transaction in accordance with the terms of this Agreement.

"Second Closing Date" has the meaning given in Section 4.1(a).

"**Second Purchase Price**" means the Second Base Price plus or minus, as applicable, the Purchase Price Adjustment for the Second Tranche Shares.

"**Second Tranche Shares**" means 12,067 Shares.

"**Second Transaction**" means the payment of the Second Purchase Price by Swala to Orca and the conveyance of the Second Tranche Shares to Swala on and subject to the terms and conditions, as more fully described in this Agreement.

"**Share Transfer Form**" means an instrument in substantially the form set forth in Exhibit 1.

"**Shareholder Approval**" means the passing by the shareholders of Swala Parent of a special resolution approving: (i) the creation of 50,000,000 Preferred Shares, having the rights, privileges, restrictions and conditions described in Exhibit 3, and (ii) the issuance of such number of Preference Shares to Orca as is necessary for Swala to discharge its obligations under this Agreement.

"**Shareholder Loan Agreement**" means a loan agreement substantially in the form provided in schedule 2 of the Shareholders' Agreement between Orca and Swala, as lenders, and PAEM, as borrower.

"**Shareholders' Agreement**" means the shareholders' agreement in the form agreed on the date of this Agreement.

"**Shares**" means the Class A common shares of PAEM of USD 1.00 each.

"**Subsidiary**" means, with respect to any Person, any other Person that is directly controlled by, such Person, and includes any Person that is a subsidiary of such Person being directly controlled.

"**Survival Period**" has the meaning given in Section 7.1(a).

"**Swala Costs**" means [Redacted – dollar amount].

"**Swala Documents**" has the meaning given in Section 6.2(a).

"**Swala Parent**" means Swala Oil & Gas (Tanzania) plc, a United Republic of Tanzania company.

"**Taxes**" means:

- (a) all income, profits, franchise, gross receipts, capital, sales, use, withholding, value added, ad valorem, transfer, real estate transfer, stock/share transfer, gross receipts, registration, duty, securities transactions, employment, social security, disability, occupation, asset, property, severance, documentary, stamp, excise and other taxes, unclaimed property and escheat obligations, duties and similar governmental charges or assessments imposed on behalf of any Governmental Authority; and
- (b) any interest, penalties, fines, additions to tax or additional amounts imposed by any Taxing Authority in connection with any item described in paragraph (i),

and "**Tax**" means any one of them.

"**Taxing Authority**" means with respect to any Tax, the Governmental Authority or political subdivision thereof that imposes such Tax, and the agency (if any) charged with the collection of such Tax for such

entity or subdivision, including any Governmental Authority or agency that imposes, or is charged with collection, social security or similar charges or premiums.

"**Third Base Price**" means \$65,000,000.

"**Third Closing**" means the completion of the Third Transaction in accordance with the terms of this Agreement.

"**Third Closing Date**" has the meaning given in Section 4.1(b).

"**Third Party**" means any Person other than Swala, Orca or any of their respective Affiliates, or PAEM and its Subsidiaries.

"**Third Purchase Price**" means the Third Base Price plus or minus, as applicable, the Purchase Price Adjustment for the Third Tranche Shares.

"**Third Tranche Shares**" means 20,000 Shares.

"**Third Transaction**" means the payment of the Third Purchase Price by Swala to Orca and the conveyance of the Third Tranche Shares to Swala on and subject to the terms and conditions, as more fully described in this Agreement.

"**Transaction**" means the First Transaction, the Second Transaction, or the Third Transaction, as the context so requires and "**Transactions**" means all of them.

1.2 Headings

The expressions "Article", "Section", "Subsection", "clause", "subclause", "paragraph" and "Exhibit" followed by a number or letter or combination thereof mean and refer to the specified article, section, subsection, clause, subclause, paragraph and schedule of or to this Agreement.

1.3 Exhibits

Appended to this Agreement are the following Exhibits:

Exhibit 1	Form of Share Transfer
Exhibit 2	Purchase Price Adjustment
Exhibit 3	Preferred Share Terms
Exhibit 4	Form of Certificate of Director or Officer of Orca
Exhibit 5	Form of Certificate of Director or Officer of Swala

These Exhibits are incorporated into and from part of this Agreement.

1.4 Monetary Amounts

All monetary amounts expressed herein or calculated or to be paid pursuant hereto shall be in United States Dollars unless otherwise specified. If any amount must be converted from United States Dollars to any other currency or from any other currency to United States Dollars for the purposes of this Agreement, such amount shall be converted using the conversion methodology of Orca and its Affiliates consistent with past practice.

1.5 Interpretation Not Affected by Headings

The division of this Agreement into Articles, Sections, Subsections, clauses, subclauses and paragraphs and the provision of headings for all or any thereof are for convenience and reference only and shall not affect the construction or interpretation of this Agreement.

1.6 Included Words

When the context reasonably permits, words suggesting the singular shall be construed as suggesting the plural and vice versa, and words suggesting gender or gender neutrality shall be construed as suggesting the masculine, feminine and neutral genders. If a term is defined in this Agreement, a derivative of that term shall have a corresponding meaning.

1.7 References

- (a) A reference to any statute or similar legislative instrument means such statute or similar legislative instrument as amended, modified, codified, replaced or re-enacted, in whole or in part, and in effect from time to time, including rules and regulations promulgated thereunder, and references to any section or other provision of any statute or similar legislative instrument means that provision of such statute or similar legislative instrument from time to time in effect and constituting the substantive amendment, modification, codification, replacement or re-enactment of such section or other provision.
- (b) A reference to any agreement, document or instrument means such agreement, document or instrument as amended, replaced, restated or modified and in effect from time to time in accordance with the terms thereof.

1.8 Other Definitional and Interpretive Matters

- (a) When calculating the period of time before which, within which or following which any act is to be done or step taken pursuant to this Agreement, the date that is the reference date in calculating such a period or is the first date of such period shall be excluded. If the last day of such period is a non-Business Day, the period in question shall end on the next succeeding Business Day.
- (b) The words such as "herein," "hereinafter," "hereof," "hereto" and "hereunder" refer to this Agreement as a whole and not merely to a subdivision in which such words appear unless the context otherwise requires.
- (c) Wherever the words "include," "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limiting the foregoing in any respect."
- (d) Unless otherwise specified, any reference in this Agreement to any particular time of day shall mean the local time in Port Louis, Mauritius on the particular day.
- (e) The Parties have participated jointly in the negotiation and drafting of this Agreement and, in the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as jointly drafted by the Parties and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any provision of this Agreement.

- (f) If a Closing does not occur, each provision of this Agreement which presumes that Swala has acquired the Investment Shares that are the subject of such Closing shall be construed as having been contingent on such Closing having occurred.
- (g) Except as specifically provided herein, if there is any conflict or inconsistency between a provision of the body of this Agreement and that of an Exhibit, the provisions of the body of this Agreement shall prevail to the extent of the conflict.
- (h) An item arising with respect to a specific representation or warranty shall be deemed to be "reflected on" or "set forth in" any financial statements, to the extent any such phrase appears in such representation or warranty, if: (i) there is a reserve, accrual or other similar item underlying a number on such financial statements that related to the subject matter of such representation, (ii) such item is otherwise specifically set forth on any financial statements, or (iii) such item is specifically set forth in the notes thereto.

ARTICLE 2 PURCHASE AND SALE

2.1 Sale of Investment Shares

On and subject to the terms and the conditions contained herein:

- (a) Orca hereby sells the First Tranche Shares to Swala and Swala purchases the First Tranche Shares from Orca; and
- (b) Orca agrees to sell the Second Tranche Shares and the Third Tranche Shares to Swala, and Swala agrees to purchase the Second Tranche Shares and the Third Tranche Shares from Orca.

2.2 Purchase Price

The consideration payable by Swala to Orca:

- (a) for the First Tranche Shares shall be the First Purchase Price,
- (b) for the Second Tranche Shares shall be the Second Purchase Price, and
- (c) for the Third Tranche Shares shall be the Third Purchase Price.

2.3 Payment of Purchase Price

- (a) Subject to Sections 2.3(e) and 2.3(f), Swala shall pay the First Purchase Price to Orca as follows:
 - (i) immediately upon execution of this Agreement, \$17,055,950 by wire transfer in immediately available funds to the account and beneficiary as Orca shall direct; and
 - (ii) the balance (the "**Deferred Consideration**") by causing Swala Parent to issue Preferred Shares to Orca at a face value of \$1.00 per Preferred Share, on or before the Deferred Payment Date.

Following receipt of the Deferred Consideration, Orca shall immediately provide the requisite notice to Orca's Solicitors for the purposes of Section 2.3(g)(i) to enable the release of the Investment Share (Deferred) Transfer Form.

- (b) Subject to Sections 2.3(e) and 2.3(f), Swala shall pay the Second Purchase Price to Orca as follows:
- (i) \$27,790,204 by wire transfer in immediately available funds to the account and beneficiary as Orca shall direct; and
 - (ii) the balance by causing Swala Parent to issue Preferred Shares to Orca at a face value of \$1.00 per Preferred Share.
- (c) Subject to Sections 2.3(e) and 2.3(f), Swala shall pay the Third Purchase Price to Orca as follows:
- (i) \$44,846,154 by wire transfer in immediately available funds to the account and beneficiary as Orca shall direct; and
 - (ii) the balance by causing Swala Parent to issue Preferred Shares to Orca at a face value of \$1.00 per Preferred Share.
- (d) Orca shall notify Swala of the account and beneficiary details for such wire transfers in a timely manner.
- (e) If Swala is unable to cause Swala Parent to issue the Preferred Shares to Orca on the relevant Closing Date or on or before the Deferred Payment Date (for any reason, including the failure to obtain the Shareholder Approval), as required pursuant to Section 2.3(a)(ii), 2.3(b)(ii) or 2.3(c)(ii), as applicable, then Swala shall pay the full amount of the Deferred Consideration, Second Purchase Price or Third Purchase Price (plus, in the case of the Deferred Consideration, interest on such balance at a rate of 10% per annum from the relevant First Closing Date until the date of payment) on the Deferred Payment Date or the relevant Closing Date, as applicable, in cash by wire transfer in immediately available funds to the account and beneficiary as Orca shall direct. Swala shall notify Orca in writing as soon as it has made a determination that it will make such cash payment.
- (f) If Swala prefers to pay Orca some or all of the balance of Deferred Consideration, the Second Purchase Price or Third Purchase Price in cash rather than cause Swala Parent to issue some or all of the Preferred Shares to Orca, Swala shall notify Orca in writing specifying the additional amount of the Deferred Consideration, the Second Purchase Price or Third Purchase Price, as applicable, that is to be satisfied in cash. If such notice is given, Swala shall pay the additional cash portion of the Deferred Consideration, Second Purchase Price or Third Purchase Price (plus, in the case of the Deferred Consideration, interest on such balance at a rate of 10% per annum from the relevant First Closing Date until the date of payment) on the Deferred Payment Date or the relevant Closing Date, as applicable, in cash by wire transfer in immediately available funds to the account and beneficiary as Orca shall direct.
- (g) Concurrent with the execution of this Agreement, the Parties will execute two separate Share Transfer Forms for the First Tranche Shares. One of the Share Transfer Forms shall be with respect to the number of Investment Shares Swala acquires on account of the cash payment made pursuant to Section 2.3(a)(i). The other Share Transfer Form shall be with respect to the number of Investment Shares equal to the value of the Preferred Shares to be issued pursuant to Section 2.3(a)(ii)(the "**Investment Share (Deferred) Transfer Form**"). Orca will provide the Investment Share (Deferred) Transfer Form to Orca's Solicitors and Orca's Solicitors shall retain and hold such Investment Share (Deferred) Transfer Form in trust until:

- (i) it receives notice from both Orca and Swala that Swala has met its obligations of Section 2.3(a)(ii), in which case the Investment Share (Deferred) Transfer Form will be released to PAEM to be registered by the Company Secretary in Mauritius; or
- (ii) one Business Day after the Deferred Payment Date and it receives notice from Orca that Swala has failed to meet its obligations of Section 2.3(a)(ii), in which case the Investment Share (Deferred) Transfer Form will be destroyed.

Where Swala fails to meet its obligations under Section 2.3(a)(ii) and the Investment Share (Deferred) Transfer Form is destroyed, no further action to vest such Investment Shares in Orca will be required and Orca will be deemed to have reacquired such Investment Shares.

2.4 Shareholder Approval and Deferred Consideration

- (a) Swala shall, in accordance with Applicable Law and the constitutional documents of Swala Parent, as soon as practical after the date hereof:
 - (i) use its best endeavours to cause the board of directors of Swala Parent to authorize the creation of 50,000,000 Preferred Shares, having the rights, privileges, restrictions and conditions described in Exhibit 3 prior to the earlier of the Deferred Payment Date and the Outside Date; and
 - (ii) use its best endeavours to obtain Shareholder Approval prior to the earlier of the Deferred Payment Date and the Outside Date.
- (b) Swala keep Orca informed of its progress in fulfilling its obligations in Section 2.4(a) and shall notify Orca upon each of:
 - (i) causing the board of directors of Swala Parent to authorize the creation of 50,000,000 Preferred Shares, having the rights, privileges, restrictions and conditions described in Exhibit 3;
 - (ii) obtaining Shareholder Approval; and
 - (iii) having definitively failed to do either of the foregoing.
- (c) Swala shall notify the Capital Markets and Securities Authority under the Capital Markets and Securities Act, CAP. 79, and the stock market in accordance with the Dar es Salaam Stock Exchange Rules, 2016.

2.5 Purchase Price Adjustments

- (a) The Adjustment Statement for the First Closing shall be as set out in Part 3 of Exhibit 2.
- (b) This Section 2.5(b) shall apply to the Second Closing and Third Closing. If it is no longer possible for the Second Closing or the Third Closing to occur, then Orca shall not be required to provide an Adjustment Statement for the relevant Transaction under this Section 2.5(b).
 - (i) At least 15 Business Days prior to each of the Second Closing Date and Third Closing Date Orca shall prepare and provide Swala with an "**Adjustment Statement**" substantially in the form of Part 3 of Exhibit 2 setting forth Orca's good faith determination of the relevant

Purchase Price Adjustments and the relevant Purchase Price, together with all documentation reasonably necessary to support such determination.

- (ii) If Swala disagrees with any item in an Adjustment Statement, Swala must give notice thereof to Orca within 10 Business Days of receipt of the Adjustment Statement. Swala shall be deemed to have irrevocably accepted any item in an Adjustment Statement that is not the subject of a dispute notice delivered within such period. All amounts not disputed in time shall be binding on the Parties. Each of the Parties shall use its reasonable efforts and act in good faith in order to resolve any disagreements regarding Orca's determination of the relevant Purchase Price as set forth in the Adjustment Statement prior to the relevant Closing Date. If the Parties are unable to resolve any such disagreement by the fifth Business Day prior to the relevant Closing Date, the relevant Purchase Price shall be as set forth in the Adjustment Statement (subject to any agreed changes) and Closing for such Investment Shares will occur on the relevant Closing Date at such Purchase Price. Any unresolved disagreements respecting the relevant Purchase Price shall be resolved as provided in Section 2.6.

2.6 Adjustment Dispute Resolution

- (a) If the Parties are unable to resolve any disagreements regarding the calculation of the relevant Purchase Price under Section 2.5(b) within 30 Days of the relevant Closing Date, they shall promptly thereafter retain an accounting firm of international recognition with expertise in the oil and gas industry which is independent of the Parties, is not the auditor of any Party or any of their respective Affiliates and is otherwise acceptable to Orca and Swala acting reasonably (the "**Accounting Referee**"). If the Parties are unable to agree on the selection of the Accounting Referee, either Party may request that the ICC International Centre for ADR, in accordance with the Rules of Appointment, appoint an expert to serve as the Accounting Referee, which selection shall be binding on the Parties. The Parties will direct the Accounting Referee to review this Agreement and the items or amounts to which the applicable Party took exception for the purpose of calculating the relevant Purchase Price (it being understood that in making such calculation, the Accounting Referee shall be functioning as an expert and not as an arbitrator). In making such calculation, the Accounting Referee shall consider only those items or amounts in the relevant Adjustment Statement and any calculation of the relevant Purchase Price that had been previously agreed by the Parties or that became binding upon the Parties. The Accounting Referee shall be instructed to deliver to Orca and Swala, as promptly as practicable (but in any case, no later than 30 Days from the date of engagement of the Accounting Referee), a report setting forth such calculation. Such report shall be final and binding upon Orca and Swala. The cost of such review and report shall be borne by Orca and Swala in their Percentage Interests.
- (b) Orca and Swala shall, and shall direct and cause PAEM and its Subsidiaries to, cooperate and assist in the resolution of any exceptions to the relevant Adjustment Statement and the calculation and re-calculation of the relevant Purchase Price, and the conduct of the review referred to in this Section 2.6(b).
- (c)
 - (i) If
 - (A) the relevant Purchase Price or any adjustments thereto as agreed by the Parties or that became binding on the Parties or as determined by the Accounting Referee pursuant to Section 2.6(a) exceeds

(B) the Purchase Price set forth in the relevant Adjustment Statement,

Swala shall pay to Orca the amount of such excess in the manner provided in Section 2.6(d).

(ii) If

(A) the Purchase Price set forth in the relevant Adjustment Statement exceeds

(B) the relevant Purchase Price as agreed by the Parties or that became binding on the Parties or as determined by the Accounting Referee pursuant to Section 2.6(a),

Orca shall pay to Swala the amount of such excess in the manner provided in Section 2.6(d).

(d) Any payment to be made pursuant to this Section 2.6 shall be made within five Business Days after the applicable amount of such payment was agreed by the Parties, became binding upon the Parties or was determined by the Accounting Referee, as the case may be, by wire transfer by Swala or Orca, as the case may be, of immediately available funds to the account of the applicable Party as may be designated in writing by such Party.

ARTICLE 3 PRE-EFFECTIVE DATE MATTERS

3.1 Pre-Effective Date Matters

- (a) The Parties acknowledge and agree that the Pre-Effective Date Assets and the Pre-Effective Date Liabilities are intended to be solely for the account of Orca. Any claim by Swala with respect to the Pre-Effective Date Liabilities (an "**Indemnity Claim**") shall be discharged by Orca on an indemnity basis in accordance with Section 3.3.
- (b) This Agreement, together with certain provisions of the Shareholders' Agreement, are intended to provide the entire mechanism and recourse of the Parties to achieve this allocation as to Pre-Effective Date Assets and Pre-Effective Date Liabilities and Swala shall not be entitled to bring any Claim for a breach of an Orca representation and warranty specified in Article 5 in respect of or as the result of any Pre-Effective Date Assets or Pre-Effective Date Liabilities.
- (c) Sections 3.1 and 3.3 to 3.5 shall survive each Closing and any termination of this Agreement.
- (d) Unless otherwise agreed in writing by the shareholders of PAEM:
- (i) the Redeemable Shares (Mauritius) shall be redeemed only in accordance with Sections 3.3(d) to (f); and
 - (ii) redeemable shares issued by any Subsidiary of PAEM to PAEM shall be redeemed only for the benefit of PAEM.
- (e) Any Taxes required to be paid by PAEM (or a Subsidiary of PAEM) that relate to any redemption of the Redeemable Shares (Mauritius) shall constitute a Pre-Effective Date Liability.
- (f) The Parties, as shareholders of PAEM, shall procure that PAEM pays any necessary Taxes in relation to the redemption of redeemable shares issued by any Subsidiary of PAEM for the benefit of PAEM.

3.2 Payments Made

The Parties acknowledge and agree that certain payments, distributions, dividends and/or redemptions have been made to Orca and/or PAEM in respect of the Pre-Effective Date Assets between the Effective Date and the date hereof. Such payments, distributions, dividends and redemptions are identified in Part 1 of Exhibit 2, and the Parties agree that no adjustment shall be made to the Purchase Price or otherwise for such payments, distributions, dividends or redemptions.

3.3 Pre-Effective Date Adjustments

- (a) In order to obtain payment from Orca pursuant to Section 3.1(a), Swala must be a shareholder of PAEM and must provide notice to Orca (an "**Indemnity Claim Notice**"). Each Indemnity Claim Notice shall contain reasonable details of the grounds for the Indemnity Claim, the amount of the Indemnity Claim, and identify the Pre-Effective Date Liability to which the Indemnity Claim relates.
- (b) Following receipt of an Indemnity Claim Notice, Orca shall have a period of 20 Business Days within which to consider the details of the Indemnity Claim (the "**Indemnity Claim Consideration Period**"). Prior to the expiry of this period, Orca shall either:
 - (i) confirm to Swala that it will not dispute the Indemnity Claim and either:
 - (A) pay in cash to PAEM or its Subsidiaries, as applicable, the entire amount specified in the Indemnity Claim Notice through the payment mechanism designated by Orca at the time of such payment; or
 - (B) pay the Keep Whole Amount to Swala, or
 - (ii) provide notice to Swala that it intends to submit some or all of the elements of the Indemnity Claim to dispute resolution in accordance with Section 3.5 or 11.9/11.10, as applicable (an "**Indemnity Dispute Resolution Notice**").
- (c) Following the expiry of the Indemnity Claim Consideration Period,
 - (i) if Swala has not received an Indemnity Dispute Resolution Notice from Orca, within 5 Business Days after the expiry of the Indemnity Claim Consideration Period Orca shall either:
 - (A) pay in cash to PAEM or its Subsidiaries, as applicable, the entire amount specified in the Indemnity Claim Notice through the payment mechanism designated by Orca at the time of such payment; or
 - (B) pay the Keep Whole Amount to Swala; and
 - (ii) if Orca has provided an Indemnity Dispute Resolution Notice to Swala in respect of some but not all of the elements of the Indemnity Claim, Orca shall comply with Section 3.3(c)(i) as to the undisputed portion of the Indemnity Claim.
- (d) If Orca wishes to distribute, transfer or otherwise receive the benefit of the Pre-Effective Date Assets (including through the redemption of Redeemable Shares (Mauritius)) and provided that Swala is a shareholder of PAEM, it shall first submit notice to Swala to this effect (an "**Asset**

Realisation Notice"). Each Asset Realisation Notice shall contain reasonable details of the grounds for the Asset Realisation Notice, the amount or value of the Pre-Effective Date Asset to be distributed to Orca, the proposed mechanics of the distribution, and the proposed date of the distribution. The proposal set forth by Orca in the Asset Realisation Notice shall be commercially reasonable having regard to the circumstances and the intention of the Parties under this Article 3; provided that any proposal to distribute cash obtained from a Pre-Effective Date Asset through the Redeemable Shares (Mauritius) shall be deemed to be commercially reasonable.

- (e) Following receipt of an Asset Realisation Notice, Swala shall have a period of 20 Business Days within which to consider the details of the proposed realisation (the "**Realisation Notice Consideration Period**"). Prior to the expiry of this period, Swala shall either:
 - (i) confirm to Orca that it will not dispute the proposed realisation/distribution; or
 - (ii) provide notice to Orca that it intends to submit some or all of the elements of the proposed distribution/realisation to dispute resolution in accordance with Section 3.5 or 11.9/11.10, as applicable (a "**Realisation Dispute Resolution Notice**").
- (f) Following the expiry of the Realisation Notice Consideration Period:
 - (i) if Orca has not received a Realisation Dispute Resolution Notice from Swala, Orca, PAEM and its Subsidiaries shall be free to proceed with the proposed realisation/distribution strictly in accordance with the details contained in the Asset Realisation Notice; and
 - (ii) if Swala has provided a Realisation Dispute Resolution Notice to Orca in respect of some but not all of the elements of the proposed distribution/realisation, PAEM and its Subsidiaries shall be free to proceed with the proposed realisation/distribution of the undisputed elements strictly in accordance with the details contained in the Asset Realisation Notice.

3.4 Limitations

- (a) Orca shall not be required to make any payment for an Indemnity Claim under Section 3.3, to the extent that the purported payment:
 - (i) is expressly taken into account in the calculation of or any adjustment to the Purchase Price;
 - (ii) results in a double counting of the Pre-Effective Date Liabilities or of any other Liability under this Agreement;
 - (iii) arises or is increased as a result of any act or omission of or on behalf of Swala or was contributed to by Swala or its Affiliates; or
 - (iv) results from any fact, circumstance or event which would not have occurred but for any legislation not in force on the Effective Date, or any change of any law or administrative practice of any Governmental Authority, including any legislation or change which takes effect retrospectively.
- (b) Except as set out in Section 3.4(c), Swala shall not be entitled to give an Indemnity Claim Notice after the expiry of the Indemnity Claim Period.

- (c) If:
- (i) there is dispute with respect to a Pre-Effective Date Liability between PAEM and/or its Subsidiary and a Third Party before the applicable court, administrative tribunal, arbitral tribunal or other dispute resolution body of competent jurisdiction in accordance with Applicable Law or by agreement of the parties to the dispute prior to the expiry of the Indemnity Claim Period;
 - (ii) such body has not given a non-appealable, binding and final judgment, decision or award prior to the expiry of the Indemnity Claim Period; and
 - (iii) prior to the expiry of the Indemnity Claim Period, Swala gives notice to Orca reserving its right to give an Indemnity Claim Notice in respect of the subject matter of such dispute,

then Swala shall be entitled to give an Indemnity Claim Notice in respect of the subject matter of the dispute for 30 Days after the relevant body issues a non-appealable, binding and final judgment, decision or award in respect of such dispute.

3.5 Dispute Resolution Processes for Pre-Effective Date Matters

- (a) Where a Party has provided either a Realisation Dispute Resolution Notice or an Indemnity Dispute Resolution Notice to the other Party, then:
- (i) where the Parties agree within ten Days of the date of receipt by any Party of the Realisation Dispute Resolution Notice or the Indemnity Dispute Resolution Notice that the dispute is solely related to the accounting treatment or the calculation of a Pre-Effective Date Asset or a Pre-Effective Date Liability, the dispute resolution provisions of Section 3.5(b) shall apply; and
 - (ii) for all other Disputes which the Parties have not agreed to have determined pursuant to Section 3.5(a)(i), the dispute resolution provisions of Sections 11.9 and 11.10 shall apply.
- (b) The Parties shall endeavour, by consultation and negotiation between senior executives to amicably resolve in good faith any Dispute arising out of or in connection with a Realisation Dispute Resolution Notice or an Indemnity Dispute Resolution Notice (the "**Notice Date**"). If there is no agreed resolution within 15 Days of the Notice Date by any Party of receipt of either a Realisation Dispute Resolution Notice or an Indemnity Dispute Resolution, as applicable, the Parties shall promptly thereafter retain an accounting firm of international recognition with expertise in the oil and gas industry which is independent of the Parties, is not the auditor of any Party or any of their respective Affiliates and is otherwise acceptable to Orca and Swala acting reasonably (the "**Accounting Referee**"). If the Parties are unable to agree on the selection of the Accounting Referee within 25 Days of the Notice Date, either Party may request that the ICC International Centre for ADR, in accordance with the Rules of Appointment, appoint an expert to serve as the Accounting Referee, which selection shall be binding on the Parties. The Accounting Referee shall be instructed to deliver to Orca and Swala, as promptly as practicable (but in any case, no later than 30 Days from the date of engagement of the Accounting Referee), a report setting forth such calculation and determination. Such report shall be final and binding upon Orca and Swala. The cost of such review and report shall be borne by Orca and Swala in their Percentage Interests.
- (c) Orca and Swala shall, and shall direct and cause PAEM and its Subsidiaries to, cooperate and assist in the resolution of any disputes resolved pursuant to Section 3.5(b).

- (d) Within 5 Business Days of the Parties agreeing, an Accounting Referee determining, or an arbitration tribunal determining the amount of an Indemnity Claim or a Pre-Effective Date Asset (as applicable):
- (i) where such agreement or determination results in Orca being liable to make a payment, Orca shall make such payment; and
 - (ii) where such agreement or determination results in Orca being entitled to a realisation or distribution of Pre-Effective Date Assets, such realisation or distribution shall be made.

ARTICLE 4 CLOSING

4.1 Closing Date

- (a) The Second Closing Date shall be the Outside Date, unless the Parties agree to an earlier date in writing.
- (b) The Third Closing Date shall be the Outside Date, unless the Parties agree to an earlier date in writing.

4.2 Place of Closing

Each Closing shall be held at the offices of Burnet, Duckworth & Palmer LLP in Calgary, Alberta, Canada, or such other place as the Parties agree in writing.

4.3 Swala Closing Deliverables

At each Closing and, to the extent applicable, the Deferred Payment Date, Swala shall deliver to Orca:

- (a) directly or through the Agent, the cash component of the relevant Purchase Price in accordance with Section 2.3;
- (b) the certificates representing the Preferred Shares component of the relevant Purchase Price in accordance with Section 2.3;
- (c) the Share Transfer Form for the Investment Shares to be transferred pursuant to the relevant Closing duly signed by Swala;
- (d) Swala's Disclosure Letter;
- (e) in respect of the First Closing only:
 - (i) a Release Notice to the Agent to release the cash component of the First Purchase Price and the Swala Costs, duly signed by all parties (other than the Agent and Orca) to the Escrow Agreement;
 - (ii) the Shareholders' Agreement, the Shareholder Loan Agreement and the Guarantee, each duly signed by Swala and, where applicable, Swala Parent;

- (iii) the Hold Harmless Letters duly signed by the parties thereto other than Orca, PAEM and PAEM's Subsidiary;
 - (iv) the Investment Share (Deferred) Transfer Form duly signed by Swala;
 - (v) the Consent and Acknowledgment duly signed by the parties thereto other than Orca and PAEM; and
 - (vi) the Call Option Agreement duly signed by the parties thereto other than Orca and PAEM;
- (f) in respect of the Second Closing and the Third Closing, a certificate of a director or officer of Swala in the form set forth in Exhibit 5 certifying (i) that the representations and warranties of Swala as set forth in Article 6 are true and correct in all material respects as of the relevant Closing Time, except to the extent such representations and warranties relate to another date or time, in which case such representations and warranties shall be true and correct in all material respects, on and as of such other date or time; (ii) that Swala has performed or complied in all material respects with all of the covenants, obligations and agreements required to be performed by them under this Agreement prior to the relevant Closing Time; and (iii) the resolutions of the board of directors (and, if necessary under Applicable Law, the shareholders) of Swala and Swala Parent approving the execution, delivery and performance of this Agreement and the consummation of the Transactions; and
- (g) all other payments, agreements, certificates and other instruments and documents to be delivered by Swala at a Closing, in duly executed form where required.

4.4 Orca Closing Deliverables

At each Closing and, to the extent applicable, the Deferred Payment Date, Orca shall deliver to Swala:

- (a) a Share Transfer Form for the transfer of the relevant Investment Shares, duly endorsed by Orca;
- (b) Orca's Disclosure Letter;
- (c) in respect of the First Closing only:
 - (i) the Shareholders' Agreement, the Shareholder Loan Agreement the Consent and Acknowledgment and the Hold Harmless Letters each duly signed by Orca and PAEM and PAEM's Subsidiary (as applicable);
 - (ii) a copy of the IFC Amendment and Consent Letter duly signed by the parties thereto;
 - (iii) a Release Notice to the Agent to release the cash component of the First Purchase Price and the Swala Costs, duly signed by Orca;
 - (iv) the Investment Share (Deferred) Transfer Form duly signed by Orca; and
 - (v) the Call Option Agreement duly signed by Orca and PAEM;
- (d) in respect of the Second Closing and the Third Closing, a certificate of a director or officer of Orca substantially in the form set forth in Exhibit 4 certifying (i) that the representations and warranties of Orca as set forth in Article 4 that were deemed to have been made as of the relevant Closing

Time are true and correct in all material respects as of the relevant Closing Date, except to the extent such representations and warranties relate to another date or time, in which case such representations and warranties shall be true and correct in all material respects, on and as of such other date or time; (ii) Orca has performed or complied in all material respects with all of the covenants, obligations and agreements required to be performed by it under this Agreement prior to the relevant Closing Time; and (iii) the resolutions of the board of directors of Orca approving the execution, delivery and performance of this Agreement and the consummation of the Transactions;

- (e) a resolution of the Board of Directors of PAEM approving the transfer of the relevant Investment Shares;
- (f) a certified copy of the share register of PAEM, located in Mauritius, indicating that it has been updated to reflect the sale and transfer of the relevant Investment Shares to Swala and with respect to the First Closing, such certified copy of the share register provided on the First Closing Date to reflect the Investment Shares transferred pursuant to the first Investment Share Transfer Form described in Section 2.3(g) but not the Investment Shares transferred pursuant to the Investment Share (Deferred) Transfer Form; and
- (g) all other payments, agreements, certificates and other instruments and documents to be delivered by Orca at Closing, in duly executed form where required.

4.5 Orca Closing Conditions

- (a) The obligations of Orca to consummate the Second Transaction and Third Transaction are subject to the satisfaction or fulfillment of each of the following conditions (any or all of which may be waived by Orca in whole or in part to the extent permitted by Applicable Law) on or before the Outside Date:
 - (i) Swala shall have paid (directly or indirectly through the Agent) the Second Purchase Price or Third Purchase Price, as applicable to Orca in accordance with Section 2.3, and Swala shall have delivered (or be ready, willing and able to deliver at such Closing) to Orca the documents and other items required to be delivered to Orca under Section 4.3;
 - (ii) Swala's updated Disclosure Letter delivered pursuant to Section 7.4(f) (if any) shall not have included any new matter or matters not in Swala's Disclosure Letter dated the date hereof which would have a material adverse effect on the value of the Preferred Shares or the ability of Swala or Swala Parent to perform its obligations under the Agreement, the Shareholders' Agreement, the Shareholder Loan Agreement or the Guarantee, as applicable;
 - (iii) the Required Third Party Consents shall have been obtained in form and substance satisfactory to Orca acting reasonably and in good faith and each such Required Third Party Consent shall be in force and effect;
 - (iv) the representations and warranties of Swala set forth in Article 6 shall be true and correct in all material respects as of the relevant Closing Date, or, in each case, shall be true and correct in all material respects as of such other date or dates as specified therein, and all obligations and covenants of Swala in this Agreement that are to be performed or complied with prior to or at the relevant Closing Date (other than in respect of the agreements, certificates and other instruments and documents to be delivered at the relevant Closing

Date by Swala pursuant to Section 4.3) shall have been performed or complied with in all material respects;

- (v) Swala shall be a Qualified Buyer and shall not be a Defaulting Shareholder under the Shareholders' Agreement;
 - (vi) there shall not be in effect any lawful order by a Governmental Authority of competent jurisdiction restraining, enjoining or otherwise prohibiting the relevant Closing;
 - (vii) Swala has strictly complied with its obligations under Section 2.3(a)(ii), if applicable; and
 - (viii) the board of directors of Orca (acting in its sole discretion) has determined that it wishes to proceed with the consummation of such Transaction.
- (b) In addition to Section 4.5(a), the obligation of Orca to consummate the Third Transaction is subject to the satisfaction or fulfillment of the condition that the Second Closing shall have occurred on or before the Outside Date (which may be waived by Orca in whole or in part to the extent permitted by Applicable Law).

4.6 Swala Closing Conditions

The obligations of Swala to consummate the Second Transaction and Third Transaction are subject to the satisfaction or fulfillment of each of the following conditions (any or all of which may be waived by Swala in whole or in part to the extent permitted by Applicable Law) on or before the Outside Date:

- (a) Swala shall have completed its fundraising and raised sufficient funds to pay the cash portion of the Second Purchase Price or Third Purchase Price, as applicable;
- (b) Orca's updated Disclosure Letter delivered pursuant to Section 7.4(f) (if any) shall not have included any new matter or matters not in Orca's Disclosure Letter dated the date hereof which would have a material adverse effect on the value of the Investment Shares or the ability of Orca to perform its obligations under the Agreement, the Shareholders' Agreement, or the Shareholder Loan Agreement;
- (c) the Required Third Party Consents shall have been obtained in form and substance satisfactory to Swala acting reasonably and in good faith and each such Required Third Party Consent shall be in force and effect;
- (d) the representations and warranties of Orca set forth in Article 5 shall be true and correct in all material respects as of the relevant Closing Date, or, in each case, shall be true and correct in all material respects as of such other date or dates as specified therein, and all obligations and covenants of Orca in this Agreement that are to be performed or complied with prior to or at the relevant Closing Date (other than in respect of the agreements, certificates and other instruments and documents to be delivered at the relevant Closing Date by Orca pursuant to Section 4.4) shall have been performed or complied with in all material respects;
- (e) Orca shall have delivered (or be ready, willing and able to deliver at such Closing) to Swala the documents and other items required to be delivered to Swala under Section 4.4;

- (f) there shall not be in effect any lawful order by a Governmental Authority of competent jurisdiction restraining, enjoining or otherwise prohibiting the relevant Closing; and
- (g) the board of directors of each of Swala and Swala Parent (acting in its sole discretion) has determined that it wishes to proceed with the consummation of such Transaction.

4.7 Efforts to Satisfy Conditions and Waiver

- (a) Swala shall proceed diligently and in good faith and use its commercially reasonable efforts to satisfy or comply with the conditions set forth in Sections 4.5(a)(i), 4.5(a)(iii), 4.5(a)(iv), 4.5(a)(v), 4.6(a) and 4.6(c), prior to the relevant Closing Time.
- (b) Orca shall proceed diligently and in good faith and use its commercially reasonable efforts to satisfy or comply with the conditions set forth in Sections 4.5(a)(iii), 4.6(c), 4.6(d) and 4.6(e) prior to the relevant Closing Time.

4.8 Post-Closing Obligations

If not completed at the relevant Closing Date or the Deferred Consideration Date, as applicable, within two Business Days of the relevant Closing Date or the Deferred Consideration Date, as applicable, Orca shall, or shall coordinate with Swala and PAEM's respective company secretary to:

- (a) procure that the share register of PAEM, located in Mauritius, is updated to reflect the sale and transfer of the relevant Investment Shares to Swala;
- (b) procure that PAEM makes the appropriate filings with the Registrar of Companies in Mauritius to reflect the transfer of the relevant Investment Shares; and
- (c) procure that any required notification or filing with a Governmental Authority be made.

4.9 Termination of Agreement

- (a) If:
 - (i) Orca provides notice to Swala that any of the conditions in Section 4.5 applicable to the Second Transaction have not been fulfilled, satisfied or waived before the Outside Date; or
 - (ii) Swala provides notice to Orca that any of the conditions in Section 4.6 applicable to the Second Transaction have not been fulfilled, satisfied or waived before the Outside Date,

then this Agreement shall terminate in respect of the Second Transaction and the Third Transaction. For the avoidance of doubt the relevant notice may only be given by Swala or Orca, as applicable, if any of the relevant conditions in Section 4.5 or 4.6, as applicable, have not been fulfilled, satisfied or waived before the Outside Date.

- (b) If:
 - (i) Orca provides notice to Swala that any of the conditions in Section 4.5 applicable to the Third Transaction have not been fulfilled, satisfied or waived before the Outside Date; or
 - (ii) Swala provides notice to Orca that any of the conditions in Section 4.6 applicable to the Third Transaction have not been fulfilled, satisfied or waived before the Outside Date,

then this Agreement shall terminate in respect of the Third Transaction. For the avoidance of doubt the relevant notice may only be given by Swala or Orca, as applicable, if any of the relevant conditions in Section 4.5 or 4.6, as applicable, have not been fulfilled, satisfied or waived before the Outside Date.

4.10 Effect of Termination

If, this Agreement is terminated with respect to the Second Transaction or Third Transaction or both, each of the Parties shall be released from any further performance of its duties and obligations arising under this Agreement with respect to the relevant Transaction after the date of such termination and such termination shall be without liability to either of the Parties.

ARTICLE 5 REPRESENTATIONS AND WARRANTIES OF ORCA

The representations and warranties of Orca in this Article 5 are made as of the date of this Agreement and shall be deemed to be repeated as of (i) the First Closing Date in respect of the First Transaction and the First Tranche Shares and the Investment Shares, (ii) the Second Closing Date (if any) in respect of the Second Transaction and Second Tranche Shares, and (iii) the Third Closing Date (if any) in respect of the Third Transaction and Third Tranche Shares, each (unless another date or time is specified in a particular representation or warranty, in which case, that particular representation or warranty shall be deemed to have been made as of the specified date or time). Orca represents and warrants to Swala that, subject to Orca's Disclosure Letter:

5.1 Organization and Good Standing

- (a) Orca is a company duly incorporated, validly existing and in good standing under the laws of the British Virgin Islands and has all requisite corporate power and authority to own and operate its properties and to carry on its business as now conducted.
- (b) PAEM is a private company limited by shares duly incorporated, validly existing and in current standing under the laws of Mauritius and has all requisite corporate power and authority to own and operate its properties and to carry on its business as now conducted.
- (c) Schedule 5.1 of the Disclosure Letter sets out statements regarding each PAEM Subsidiary, which statements shall be deemed to be a representation and warranty under this Section 5.1.

5.2 Authorization of Agreement and Enforceability

- (a) Subject to the conditions precedent contained in Section 4.5(a)(viii), Orca has all requisite power, authority and legal capacity to enter into the Investment Agreement and to sell the Investment Shares in accordance with provisions of this Agreement and to execute and deliver this Agreement and each other agreement, document, or instrument or certificate contemplated by this Agreement or to be executed by it in connection with the consummation of the Transactions (the "**Orca Documents**").
- (b) The execution, delivery and performance by Orca of this Agreement and each Orca Document to which it is a party has been duly authorized by all required corporate action on the part of Orca.
- (c) This Agreement has been, and each Orca Document will be, duly and validly executed and delivered by Orca, and (assuming the due authorization, execution and delivery by Swala and the

other parties thereto, as the case may be) this Agreement constitutes, and each Orca Document, when so executed and delivered, will constitute, legal, valid and binding obligations of Orca, enforceable against it in accordance with their terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium and similar Applicable Law affecting creditors' rights and remedies generally, and subject, as to enforceability, to general principles of equity, including principles of commercial reasonableness, good faith and fair dealing (regardless of whether enforcement is sought in a proceeding at law or in equity).

5.3 Conflicts; Consents of Third Parties

The execution and delivery by Orca of this Agreement or the Orca Documents, the consummation of the Transactions and the compliance by it with any of the provisions hereof or thereof will not:

- (a) conflict with, or result in any violation of or default (with or without notice or lapse of time or both) under, or give rise to a right of termination or cancellation or acceleration of performance under, any provision of:
 - (i) the Organizational Documents of Orca, PAEM or PAEM's Subsidiaries;
 - (ii) any agreement, license, permit, approval or authorization to which Orca, PAEM or PAEM's Subsidiaries is a party or by which Orca, PAEM or PAEM's Subsidiaries is bound;
 - (iii) any order of any Governmental Authority applicable to Orca, PAEM or PAEM's Subsidiaries or to which they are bound; or
 - (iv) any Applicable Law; or
- (b) require it, PAEM, or PAEM's Subsidiaries to obtain any consent, waiver, approval, order, permit or authorization of, or declare or file with, or give notification to, any Person or Governmental Authority other than any consents, waivers, approvals, orders, permits or authorizations previously obtained, and other than the Required Third Party Consents, there are no other third party consents required to be obtained in respect of the Transactions.

5.4 Title to Investment Shares

- (a) Orca has good and marketable title to, and is the sole legal, beneficial and registered owner of, all of the Investment Shares, free and clear of any and all Encumbrances other than: (i) transfer restrictions imposed by Applicable Law regarding securities which will have been fully complied with on or before the relevant Closing Date; or (ii) any restriction imposed by IFC and with respect to which Orca will have received the IFC Amendment and Consent Letter on or before the relevant Closing Date, and there is no contract, option or any other right binding upon Orca to sell, transfer, assign, pledge, charge, mortgage or in any other way dispose of or grant an Encumbrance in respect of any of the Investment Shares other than pursuant to this Agreement.
- (b) Orca has the power and authority to sell, transfer, assign and deliver the Investment Shares to Swala as provided in this Agreement.

5.5 Capitalization

- (a) The stated capital of PAEM consists of 100,000 Shares, and 1,000 Redeemable Shares (Mauritius), of which 100,000 Shares, and 1,000 Redeemable Shares (Mauritius) are issued and outstanding as validly issued, fully paid and non-assessable shares of PAEM.
- (b) Other than set out in Section 5.5(a), there is no option, warrant, call, subscription, convertible security, right, or contract of any character to which PAEM is a party or by which it is bound obligating PAEM to issue, exchange, repurchase, redeem, or otherwise acquire any securities of PAEM or obligating PAEM to grant, extend, accelerate the vesting of, or enter into any such option, warrant, call, subscription, convertible security, right, or contract.

5.6 Subsidiaries

- (a) Except as set out in schedule 5.6 of the Disclosure Letter, PAEM has no Subsidiaries.
- (b) For each Subsidiary of PAEM, PAEM is the sole legal, beneficial and registered owner of, all of the shares of such Subsidiary.
- (c) Schedule 5.6 of the Disclosure Letter sets out statements regarding each PAEM Subsidiary, which statements shall be deemed to be representations and warranties under this Section 5.6.

5.7 Litigation

- (a) There are no Legal Proceedings pending or, to the Knowledge of Orca, threatened against Orca or to which Orca is otherwise a party, which, if adversely determined, would reasonably be expected to have a material adverse effect on the ability of Orca to perform its obligations under this Agreement or to consummate the Transactions. Orca is not subject to any order of any Governmental Authority except to the extent the same would not reasonably be expected to have a material adverse effect on the ability of Orca to perform its obligations under this Agreement or to consummate the Transactions.
- (b) Orca has not received written notice of any Legal Proceedings that are pending or, to the Knowledge of Orca, any Legal Proceedings that are threatened, against PAEM or its Subsidiaries or to which PAEM or its Subsidiaries is a party.
- (c) There are no unsatisfied judgments against PAEM or its Subsidiaries or any consent decrees or injunctions to which PAEM or its Subsidiaries are subject.

5.8 Compliance with Applicable Law

To the Knowledge of Orca, each of PAEM and PAEM's Subsidiaries is in compliance, in all material respects, with all Applicable Law applicable to its business, or operations, and Orca has not received written notice of, and each of PAEM and its Subsidiaries has not been charged with, any violation of any Applicable Law.

5.9 Minute Books

The minute books of PAEM are complete and correct, in all material respects, with respect to all matters that are material to PAEM and contain copies of all resolutions passed by the directors and shareholders of PAEM.

5.10 Corporate Registers

Except as may be reasonably required in connection with this Agreement or in respect of the Transactions, the registers of shareholders and registers of share transfers of PAEM contained in its minute books are complete and accurate in all material respects.

5.11 Financial Advisors

None of Orca, PAEM or PAEM's Subsidiaries has incurred any liability to any Person for the payment of any fee or commission or like payment in connection with the Transactions for which Swala, PAEM or PAEM's Subsidiaries would be liable.

5.12 Bankruptcy and Insolvency Matters

No action or proceeding has been commenced or filed by, or against, PAEM or its Subsidiaries which specifically seeks receivership, liquidation, bankruptcy, or any other similar proceeding in respect of PAEM or its Subsidiaries, or the appointment of a trustee, receiver, liquidator, custodian or other similar officer for PAEM or its Subsidiaries.

5.13 Anti-Bribery

Neither Orca, PAEM nor PAEM's Subsidiaries, or their respective officers and directors, has made, offered, or authorized and will not make, offer or authorize any payment, money, gift, fee, commission, remuneration or other thing of value to or for the benefit of any Government Official in order to influence an act or decision of the Government Official in his, her or its official capacity, cause the Government Official to act or fail to act in violation of his, her or its lawful duty, or cause the Government Official to influence an act or decision of a Governmental Authority, for the purpose of assisting any Party or its Affiliates in obtaining or retaining business or for the purpose of securing an improper advantage, or in violation of any Anti-Bribery Laws.

5.14 Representations in Loan Agreement

The representations and warranties provided by Orca in Section 3.1(q) of the IFC Loan Agreement are true and correct in all material respects as of the Closing Date as if set out in full herein.

5.15 Financial Statements

The Financial Statements were prepared in accordance with GAAP, and present fairly in all material respects the financial position, results of operations and cash flows of PAEM, as applicable, as of the dates thereof and for the periods indicated therein.

5.16 Pre-existing Loans

As of the date of this Agreement, there are no pre-existing inter-company loans to/from PAEM, PAEM's Subsidiaries or Orca that have not been settled in full and for which PAEM or its Subsidiaries would be responsible for after the Effective Date.

5.17 Health, Safety and Environment (HSE)

As of the date of this Agreement, there are no material or notifiable breaches of any health, safety and environment obligations under any Applicable Law by Orca, PAEM or PAEM's Subsidiaries.

ARTICLE 6
REPRESENTATIONS AND WARRANTIES OF SWALA

The representations and warranties of Swala in this Article 6 are made as of the date of this Agreement in respect of the First Transaction and shall be deemed to be repeated as of (i) the Second Closing Date (if any) in respect of the Second Transaction, and (ii) the Third Closing Date (if any) in respect of the Third Transaction (unless another date or time is specified in a particular representation or warranty, in which case, that particular representation or warranty shall be deemed to have been made as of the specified date or time). Swala represents and warrants to Orca that, subject to Swala's Disclosure Letter:

6.1 Organization and Good Standing

- (a) Swala is a company duly organized, validly existing and in good standing under the laws of England and has all requisite corporate power and authority to own and operate properties and carry on its business as now conducted.
- (b) Swala Parent is a company duly organized, validly existing and in good standing under the laws of the United Republic of Tanzania and has all requisite corporate power and authority to own and operate properties and carry on its business as now conducted.

6.2 Authorization of Agreement and Enforceability

- (a) Subject to the condition precedent contained in Section 4.6(g), Swala has all requisite power, authority and legal capacity to enter into the Investment Agreement and to purchase the Investment Shares in accordance with provisions of this Agreement and to execute and deliver this Agreement and each other agreement, document, instrument or certificate contemplated by this Agreement or to be executed by Swala in connection with the consummation of the Transactions (the "**Swala Documents**").
- (b) The execution, delivery and performance by Swala of this Agreement and each Swala Document to which it is a party has been duly authorized by all required corporate action on the part of Swala.
- (c) Swala Parent has all requisite power, authority and legal capacity to purchase execute and deliver the Guarantee. The execution, delivery and performance by Swala Parent of the Guarantee has been duly authorized by all required corporate action on the part of Swala Parent.
- (d) This Agreement has been, and each Swala Document will be, duly and validly executed and delivered by Swala and (assuming the due authorization, execution and delivery by Orca and the other parties thereto, as the case may be) this Agreement constitutes, and each Swala Document when so executed and delivered, will constitute, legal, valid and binding obligations of Swala, enforceable against it in accordance with their terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium and similar Applicable Law affecting creditors' rights and remedies generally, and subject, as to enforceability, to general principles of equity, including principles of commercial reasonableness, good faith and fair dealing (regardless of whether enforcement is sought in a proceeding at law or in equity).
- (e) The Guarantee will be duly and validly executed and delivered by Swala Parent and will constitute, legal, valid and binding obligations of Swala Parent, enforceable against it in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium and similar Applicable Law affecting creditors' rights and remedies generally, and subject, as to enforceability,

to general principles of equity, including principles of commercial reasonableness, good faith and fair dealing (regardless of whether enforcement is sought in a proceeding at law or in equity).

6.3 Conflicts; Consents of Third Parties

The execution and delivery by Swala of this Agreement or the Swala Documents, the execution and delivery by Swala Parent of the Guarantee and the consummation of the Transactions, or the compliance by it or Swala Parent, as the case may be, with any of the provisions hereof or thereof will not:

- (a) conflict with, or result in any violation of or default (with or without notice or lapse of time, or both) under, or give rise to a right of termination or cancellation or acceleration of performance under, any provision of:
 - (i) the Organizational Documents of Swala or Swala Parent;
 - (ii) any agreement, license, permit, approval or authorization to which Swala or Swala Parent is a party or by which Swala or Swala Parent is bound;
 - (iii) any order of any Governmental Authority applicable to Swala or Swala Parent or by which Swala or Swala Parent is bound; or
 - (iv) any Applicable Law;
- (b) require Swala or Swala Parent to obtain any consent, waiver, approval, order, permit or authorization of, or declare or file with, or give notification to, any Person or Governmental Authority, other than any consents, waivers, approvals, orders, permits or authorizations previously obtained and currently in force.

6.4 Preferred Shares

Notwithstanding the introductory language of this Article 6, the representations and warranties of Swala in this Section 6.4 are made as of the date that Swala Parent authorizes the creation of the Preferred Shares and shall be deemed to be repeated as of (i) the Deferred Payment Date in respect of the First Transaction, (ii) the Second Closing Date (if any) in respect of the Second Transaction, and (iii) the Third Closing Date (if any) in respect of the Third Transaction.

- (a) In addition to the stated capital of Swala Parent set forth in Section 6.5(b), the stated capital of Swala Parent includes 50,000,000 Preferred Shares.
- (b) The terms of the Preferred Shares are as attached as Exhibit 3 to this Agreement and there are no other shares of Swala Parent which rank in priority to the Preferred Shares in respect to the payment of cash distributions.
- (c) Other than as specified in Section 6.4(c)(i), no Person has been issued any Preferred Shares and, other than this Agreement, there is no contract, option or any other right binding upon Swala Parent to sell, transfer, assign, pledge, charge, mortgage or in any other way dispose of or grant an Encumbrance in respect of any of the Preferred Shares other than pursuant to this Agreement.
 - (i) Pursuant to Applicable Law, the shareholders of Swala Parent have a pre-emptive right to purchase a certain number of Preferred Shares upon the issuance of such Preferred Shares under this Agreement.

- (d) The Preferred Shares are free and clear of any and all Encumbrances other than transfer restrictions imposed by Applicable Law regarding securities which will have been fully complied with on or before the Deferred Payment Date or the relevant Closing Date, as applicable.
- (e) Swala Parent has the power and authority to issue and deliver the Preferred Shares to Orca as provided in this Agreement.
- (f) The Preferred Shares to be delivered pursuant to this Agreement when issued will be validly issued, fully paid and non-assessable shares and obligations of Swala Parent.

6.5 Capitalization

- (a) The authorized capital of Swala consists of 100 common shares of which 100 common shares are issued and outstanding as validly issued, fully paid and non-assessable shares of Swala.
- (b) Subject to Section 6.4, the authorized capital of Swala Parent consists of 150,000,000 common shares and 144,200 convertible notes, of which 106,201,618 common shares and 144,200 convertible notes are issued and outstanding as validly issued, fully paid and non-assessable shares and obligations of Swala Parent.
- (c) Other than as set out in Section 6.5(a) there is no option, warrant, call, subscription, convertible security, right, or contract of any character to which Swala is a party or by which it is bound obligating Swala to issue, exchange, repurchase, redeem, or otherwise acquire any securities of Swala or obligating Swala to grant, extend, accelerate the vesting of, or enter into any such option, warrant, call, subscription, convertible security, right, or contract.
- (d) Other than as set out in Section 6.5(b) and as contemplated in Section 6.4, there is no option, warrant, call, subscription, convertible security, right, or contract of any character to which Swala Parent is a party or by which it is bound obligating Swala Parent to issue, exchange, repurchase, redeem, or otherwise acquire any securities of Swala Parent or obligating Swala Parent to grant, extend, accelerate the vesting of, or enter into any such option, warrant, call, subscription, convertible security, right, or contract.

6.6 Litigation

- (a) There are no Legal Proceedings pending or, to the Knowledge of Swala, threatened against Swala or to which Swala is otherwise a party, which, if adversely determined, would reasonably be expected to have a material adverse effect on the ability of Swala to perform its obligations under this Agreement or to consummate the Transactions. Swala is not subject to any order of any Governmental Authority except to the extent the same would not reasonably be expected to have a material adverse effect on the ability of Swala to perform its obligations under this Agreement or to consummate the Transactions.
- (b) There are no Legal Proceedings pending or, to the Knowledge of Swala, threatened against Swala Parent or to which Swala Parent is otherwise a party, which, if adversely determined, would reasonably be expected to have a material adverse effect on the ability of Swala Parent to perform its obligations under the Guarantee. Swala Parent is not subject to any order of any Governmental Authority except to the extent the same would not reasonably be expected to have a material adverse effect on the ability of Swala Parent to perform its obligations under the Guarantee.

- (c) Swala and Swala Parent have not received written notice of any Legal Proceedings that are pending or, to the Knowledge of Swala, any Legal Proceedings that are threatened, against Swala or Swala Parent or to which Swala or Swala Parent is a party.
- (d) There are no unsatisfied judgments against Swala or Swala Parent or any consent decrees or injunctions to which Swala or Swala Parent is subject.

6.7 Compliance with Applicable Law

To the Knowledge of Swala, Swala Parent is in compliance, in all material respects, with all Applicable Law applicable to its business, or operations, and Swala has not received written notice of, and Swala Parent has not been charged with, any violation of any Applicable Law.

6.8 Financial Advisors

No Person has acted, directly or indirectly, as a broker, finder or financial advisor for Swala or Swala Parent in connection with the Transactions, except as set out in Swala's Disclosure Letter, and no Person is entitled to any fee or commission or like payment in respect thereof for which Orca or PAEM will have any obligation or liability.

6.9 Acting as Principal

Swala is acquiring the Investment Shares as principal for its own account and without a current intention to publicly distribute or sell the Investment Shares or any interest in them. Swala represents that it understands that the investment contemplated by this Agreement involves substantial risks, and it has investigated the financial, technical and commercial data provided by Orca prior to the date of this Agreement. Swala has substantial knowledge and experience in financial and business matters and the ownership and operation of oil and gas properties such that it is capable of evaluating, and has evaluated the merits and risks inherent to the purpose of this Agreement and is able to bear the economic, political and other risks of such investment. Swala understands and agrees that it may not sell or dispose of any of the Investment Shares other than in compliance with requirements of Applicable Law and the Shareholder Agreement.

6.10 Bankruptcy and Insolvency Matters

No action or proceeding has been commenced or filed by or against Swala or Swala Parent which specifically seeks receivership, liquidation, bankruptcy, or any other similar proceeding in respect of Swala or Swala Parent, or the appointment of a trustee, receiver, liquidator, custodian or other similar officer for Swala or Swala Parent or any portion of their respective assets.

6.11 Anti-Bribery

Neither Swala nor Swala Parent, or their respective officers and directors, has made, offered, or authorized and will not make, offer or authorize any payment, money, gift, fee, commission, remuneration or other thing of value to or for the benefit of any Government Official in order to influence an act or decision of the Government Official in his, her or its official capacity, cause the Government Official to act or fail to act in violation of his, her or its lawful duty, or cause the Government Official to influence an act or decision of a Governmental Authority, for the purpose of assisting any Party or its Affiliates in obtaining or retaining business or for the purpose of securing an improper advantage, or in violation of any Anti-Bribery Laws.

6.12 Health, Safety and Environment (HSE)

As of the date of this Agreement, there are no material or notifiable breaches of any health, safety and environment obligations under any Applicable Law by Swala or Swala Parent.

ARTICLE 7 LIMITATION OF LIABILITY

7.1 Survival of Representations and Warranties and Covenants

- (a) The representations and warranties of the Parties contained in this Agreement shall survive [Redacted – time period] from:
- (i) with respect to those representations and warranties stated as of the date hereof, the First Closing Date;
 - (ii) with respect to those representations and warranties repeated on the Second Closing Date (provided the Second Closing occurs), the Second Closing Date;
 - (iii) with respect to those representations and warranties repeated on the Third Closing Date (provided the Third Closing occurs), the Third Closing Date;
- (the "**Survival Period**").
- (b) Subject to Sections 3.1(c) and 4.10, all of the covenants made by each Party in this Agreement shall continue in full force and effect until all obligations with respect to any such covenants are fulfilled in their entirety, subject to any Applicable Law regarding limitations of actions.

7.2 Notice of Claims

No claim in respect of a breach or purported breach of a representation or warranty in Article 5 or Article 6, shall be made or be enforceable by a Party unless notice of such claim, with reasonable particulars (including the representation, warranty that was inaccurate or breached) is given by such Party to the other Party within the Survival Period (a "**Claim Notice**"). Each Party irrevocably and unconditionally releases the other Party for and the other Party shall have no obligations in respect of any breach or purported breach of a representation or warranty in Article 5 or Article 6 that is not made in accordance with the foregoing.

7.3 Limitations on Liability

- (a) A Party shall not have any liability or indemnification obligations in respect of any Claims (other than Indemnity Claims) by the claiming Party:
- (i) for any individual item where the Losses, Liabilities and Claims relating thereto is less than [Redacted – dollar amount]; or
 - (ii) until and unless the aggregate amount of all Losses, Liabilities and Claims for which notices are delivered by the claiming Party exceeds the Claim Deductible, and then only to the extent such aggregate Losses, Liabilities and Claims exceed the Claim Deductible.
- (b) Neither Party shall be liable to the other Party to the extent that the Claim (other than an Indemnity Claim), Loss or Liability:

- (i) is expressly taken into account in the calculation of or any adjustment to the Purchase Price;
 - (ii) arises or is increased as a result of any act or omission of or on behalf of the claiming Party;
 - (iii) arises or is increased as a result of any act or omission of or on behalf of the indemnifying Party in the ordinary course of business consistent with past practices and where the claiming Party has consented to that act or omission;
 - (iv) was contributed to by the claiming Party or its Affiliates; or
 - (v) results from any fact circumstance or event which would not have occurred but for any legislation not in force on the Effective Date, or any change of any law or administrative practice of any Governmental Authority, including any legislation or change which takes effect retrospectively.
- (c) The amount of any Losses, Liabilities, Claims and Indemnity Claims suffered or incurred by a Party under this Agreement shall be net of any amounts actually recovered by the relevant Party under insurance policies or otherwise, and net of any Tax benefit actually realized by such Party with respect to such Losses, Liabilities, Claims and Indemnity Claims.
- (d) In no event shall the aggregate liability of:
- (i) Swala under or in respect of this Agreement in respect of all Losses, Liabilities and Claims indemnified or paid by Swala for Claims by [Redacted –limitation of liability]; and
 - (ii) Orca under or in respect of this Agreement in respect of all Losses, Liabilities, Claims and Indemnity Claims indemnified or paid by Orca for Claims or Indemnity Claims by Swala exceed [Redacted – limitation of liability].
- (e) Orca may, in its sole discretion, satisfy a portion of its liability to Swala under or in respect of this Agreement in respect of Losses, Liabilities, Claims and Indemnity Claims indemnified or paid by Orca for Claims by Swala by transferring a number of Preferred Shares to Swala. The number of Preferred Shares that Orca shall be entitled to transfer to Swala shall be up to the product of (i) the Preferred Share Ratio, multiplied by (ii) the quantum of the liability. Orca shall determine, in its sole discretion, the number of Preferred Shares it will so transfer (up to the maximum number). The Preferred Shares transferred shall be valued at the face value of \$1.00 per Preferred Shares for the purposes of determining the quantum of the liability discharged.
- (f) This Section 7.3 shall survive any termination of this Agreement.

7.4 Limitations on Representations and Warranties

- (a) Notwithstanding anything contained in this Agreement to the contrary, Swala acknowledges and agrees that, except for the representations and warranties contained or deemed contained in Article 5, neither Orca nor any other Person is making any express or implied representation or warranty with respect to Orca, PAEM, PAEM's Subsidiaries, their respective Affiliates, or the Transactions, and Orca disclaims any such other representations or warranties, whether made by Orca, PAEM, PAEM's Subsidiaries or any of their respective Affiliates, officers, directors, employees, agents or representatives. In particular (and other than has been provided pursuant to the representations and warranties contained or deemed contained in Article 5), Orca does not make any representation or warranty as to (i) the accuracy of the reserve evaluations, (ii) the value of the

Investment Shares or the assets of PAEM or its Subsidiaries or the future cash flow therefrom, (iii) the quantity, quality or recoverability of petroleum substances, (iv) the rates of inflation affecting the future costs (including both capital and operating costs) which will be incurred in producing, saving and marketing such petroleum substances, (v) title of PAEM or its Subsidiaries to its assets, (vi) the viability of any plans with respect to PAEM's and its Subsidiaries' assets, (vii) the outcomes of any Legal Proceedings, or (viii) title to any assets other than the Investment Shares. Any claims that Swala may have for breach of representation or warranty shall be based solely on the representations and warranties of Orca set forth in or deemed set forth in Article 5. In furtherance of the foregoing, except for the representations and warranties contained in or deemed contained in Article 5, Swala, acknowledges and agrees that none of PAEM, PAEM's Subsidiaries, Orca, any of their respective Affiliates or any other Person will have or be subject to any liability to Swala or any other Person for, and Orca hereby disclaims all liability and responsibility for, any representation, warranty, projection, forecast, statement, or information made, communicated or furnished (orally or in writing) to Swala or its Affiliates or representatives, including any confidential memoranda distributed on behalf of PAEM or its Subsidiaries relating to PAEM or its Subsidiaries or other publications or information provided to Swala or its Affiliates or representatives, or any other document or information in any form provided to Swala or its Affiliates or representatives in connection with the sale of the Investment Shares and the Transactions (including any opinion, information, projection, or advice that may have been or may be provided to Swala or its Affiliates or representatives by any director, officer, employee, agent, consultant, or representative of PAEM, PAEM's Subsidiaries or Orca or any of their respective Affiliates) or for Swala's use of any such information.

- (b) Notwithstanding anything contained in this Agreement to the contrary, Orca acknowledges and agrees that, except for the representations and warranties contained in Article 6, neither Swala nor any other Person is making any express or implied representation or warranty with respect to Swala, Swala Parent, their respective Affiliates, or the Transactions, and Swala disclaims any such other representations or warranties, whether made by Swala, Swala Parent or any of their respective Affiliates, officers, directors, employees, agents or representatives. Any claims that Orca may have for breach of representation or warranty shall be based solely on the representations and warranties of Swala set forth in Article 6. In furtherance of the foregoing, except for the representations and warranties contained in Article 6, Orca acknowledges and agrees that none of Swala, Swala Parent, any of their respective Affiliates or any other Person will have or be subject to any liability to Orca or any other Person for, and Swala hereby disclaims all liability and responsibility for, any representation, warranty, projection, forecast, statement, or information made, communicated or furnished (orally or in writing) to Orca, or its Affiliates or representatives, including any confidential memoranda distributed on behalf of Swala or Swala Parent relating to Swala or Swala Parent or other publications or information provided to Orca or its Affiliates or representatives, or any other document or information in any form provided to Orca or its Affiliates or representatives in connection with the Transactions (including any opinion, information, projection, or advice that may have been or may be provided to Orca or its Affiliates or representatives by any director, officer, employee, agent, consultant, or representative of Swala, Swala Parent or any of their respective Affiliates) or for Orca's use of any such information.
- (c) Swala acknowledges that it has conducted to its satisfaction, its own independent investigation of the condition, operations, assets and business of PAEM and PAEM's Subsidiaries and, in making its determination to proceed with the Transactions, Swala has relied on the results of Swala's independent investigation and Orca's representations and warranties herein. The disclosure of any matter or item in the Disclosure Letter shall not be deemed to constitute an acknowledgment that any such matter is required to be disclosed.

- (d) Orca acknowledges that it has conducted to its satisfaction, its own independent investigation of Swala and, in making its determination to proceed with the Transactions, Orca has relied on the results of Orca's independent investigation and Swala's representations and warranties herein. The disclosure of any matter or item in the Disclosure Letter shall not be deemed to constitute an acknowledgment that any such matter is required to be disclosed.
- (e) Neither Party shall be liable under this Agreement for any Claims or Losses suffered, sustained, paid or incurred by the other Party that result from any inaccuracy in or breach of any representation or warranty in this Agreement if the other Party had knowledge of such inaccuracy or breach either at the date hereof or on the relevant Closing Date for the relevant Investment Shares.
- (f) Up to the Second Closing Date or the Third Closing Date, as applicable, each Party shall have the continuing right, by notice to the other Party, to add to, supplement or amend its Disclosure Letter in consequence of an event occurring or matter arising after the signing of this Agreement and before such Closing Date (other than any change to schedules 5.1(c) and 5.6(c) of Orca's Disclosure Letter). The other Party shall be deemed to have knowledge of all matters set forth or described in such updated Disclosure Letter, including for the purposes of Section 7.4(e), from the date of such updated Disclosure Letter.
- (g) This Section 7.4 shall survive any termination of this Agreement.

7.5 No Consequential Losses

Notwithstanding anything to the contrary elsewhere in this Agreement or provided for under any Applicable Law, no Party shall, in any event, be liable to another Party, either in contract or in tort, for any Consequential Losses under or relating to this Agreement, including the breach or alleged breach hereof, whether or not the possibility of such damages or losses has been disclosed to another Party in advance or could have been reasonably foreseen by such other Party. The exclusion of Consequential Losses set forth in the preceding sentence shall not apply to any such damages sought by Third Parties against Orca or Swala. This Section 7.5 shall survive any termination of this Agreement.

ARTICLE 8 INTERIM PERIOD MATTERS

8.1 Conduct of Business.

Except (i) for actions taken in connection with emergency situations, (ii) as expressly contemplated by this Agreement, (iii) as required by Applicable Law, or (iv) with the consent of Swala, Orca covenants and agrees, during the Interim Period, that:

- (a) it shall not sell, assign, transfer or otherwise dispose of any relevant Investment Shares or create an Encumbrance on any relevant Investment Shares;
- (b) the business of PAEM and its Subsidiaries shall, in all material respects, be conducted in the ordinary course of business consistent with past practice; and
- (c) neither PAEM nor its Subsidiaries shall:
 - (i) amend its formation and organizational documents, including to create shares or alter any terms of its existing shares;

- (ii) reorganize, amalgamate or merge with any other Person;
- (iii) redeem, purchase or otherwise acquire any of its securities;
- (iv) split, combine or reclassify any of its securities; or
- (v) adopt any shareholder rights plans or similar plans.

ARTICLE 9 CONFIDENTIALITY AND PUBLIC STATEMENTS

9.1 Access to Information

Concurrently with the execution and delivery of this Agreement:

- (a) the Parties and the parties to the Exclusivity Agreement have terminated the Exclusivity Agreement; and
- (b) the Parties and the parties to the Confidentiality Agreement have executed an amendment to the Confidentiality Agreement to make Swala a party thereto as a member of "Swala" and the "Receiving Party" and to extend the term thereof until the end of the Survival Period.

9.2 Publicity; Confidentiality

- (a) Neither Party shall, and each Party shall cause or direct its Affiliates not to, issue any press release or public announcement concerning this Agreement or any Transaction before obtaining the prior written approval of the other Party, which approval will not be unreasonably withheld, conditioned or delayed, unless, in the reasonable judgment of Orca or Swala (as applicable), disclosure is otherwise required by Applicable Law or stock exchange rule or regulation, provided that, to the extent required by Applicable Law or stock exchange rules or regulations, the Party intending to make such release shall use its commercially reasonable efforts consistent with Applicable Law or stock exchange rules or regulations to consult with the other Party with respect to the text thereof prior to the release thereof.
- (b) Neither Swala nor Orca shall disclose or otherwise make available to the public the terms of this Agreement, nor may copies of this Agreement be publicly filed or otherwise made available to the public, except where such disclosure, availability or filing is required by Applicable Law or stock exchange rules or regulations and then only to the extent required by such Applicable Law or stock exchange rules or regulations. In the event that such disclosure, availability or filing is required by Applicable Law or stock exchange rules or regulations, Swala or Orca, as applicable, shall use their commercially reasonable efforts to redact such terms of this Agreement as the other may request and as permitted by Applicable Law.

ARTICLE 10 TAX MATTERS

10.1 Tax Matters

- (a) PAEM's and its Subsidiaries' liability for Taxes is reflected in the Purchase Price and any Purchase Price Adjustment thereto. There shall be no payment or adjustment for PAEM's or its Subsidiaries' Taxes (other than the Transfer Taxes) except (i) as a component of the Purchase Price Adjustment,

(ii) as set out in this Section 10.1, (iii) through the operation of Section 3.3, or (iv) as otherwise explicitly set out in this Agreement.

- (b) Swala and Orca will each use its commercially reasonable efforts to obtain any certificate or other document from any Governmental Authority or any other Person as may be necessary to mitigate, reduce or eliminate any Tax that could be imposed (including with respect to the Transactions); provided, that such actions do not adversely affect such Party.

10.2 Payment of Taxes

- (a) Each Party shall be responsible for any Taxes imposed on it under Applicable Law.
- (b) Each Party will be responsible for their obligation (if any) to collect any Tax from another Party, and such other Party shall remit such Taxes to the first Party or otherwise provide for the payment of such Taxes in a manner satisfactory to the first Party forthwith on the request of the first Party.

ARTICLE 11 MISCELLANEOUS

11.1 Further Assurances

Each Party will, from time to time and at all times hereafter, without further consideration, do such further acts and deliver all such further assurances, deeds and documents as shall be reasonably required in order to fully perform and carry out the terms of this Agreement.

11.2 Invalidity of Provisions

In case any of the provisions of this Agreement should be invalid, illegal or unenforceable in any respect, the validity, legality or enforceability of the remaining provisions contained in this Agreement shall not in any way be affected or impaired thereby.

11.3 Disclosure Letter

The Parties acknowledge and agree that any disclosure in any clause, paragraph, section or other subdivision of a Party's respective Disclosure Letter will be deemed to be disclosed in all other clauses, paragraphs, sections and other subdivisions of the Disclosure Letter as to which its relevance is reasonably apparent notwithstanding any reference to any specific clause, paragraph, section or other subdivision of the Disclosure Letter.

11.4 Expenses

Except as otherwise provided in this Agreement, each Party shall bear its own expenses incurred in connection with the negotiation and execution of this Agreement and each other agreement, document and instrument contemplated by this Agreement and the consummation of the Transactions thereby.

11.5 Entire Agreement

The provisions contained in any and all documents and agreements collateral hereto shall at all times be read subject to the provisions of this Agreement and, in the event of conflict, the provisions of this Agreement shall prevail. This Agreement, including the Exhibits, the Disclosure Letter and

Confidentiality Agreement, represents the entire understanding and agreement between the Parties with respect to the subject matter hereof. This Agreement supersedes all other agreements, documents, writings and verbal understandings between the Parties relating to the subject matter of the Agreement, other than the Confidentiality Agreement.

11.6 Amendment

Except as set out in Section 11.12, this Agreement can be amended, supplemented or changed, and any provision hereof can be waived, only by written instrument making specific reference to this Agreement signed by the Party against whom enforcement of any such amendment, supplement, modification or waiver is sought.

11.7 Waiver

No failure on the part of any Party to exercise, and no delay in exercising, any right, power or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of such right, power or remedy by such Party preclude any other or, further exercise thereof or the exercise of any other right, power or remedy. No waiver of any provision of this Agreement, including this Section 11.7, shall be effective otherwise than by an instrument in writing dated subsequent to the date hereof, executed by a duly authorized representative of the Party making such waiver.

11.8 Applicable Law

The substantive laws of England and Wales, exclusive of any conflicts of laws principles that could require the application of any other law, shall govern this Agreement for all purposes.

11.9 Notice of Dispute

- (a) This Section 11.9 does not apply to a Dispute which the Parties to the Dispute have agreed to be subject to determination by the Accounting Referee procedure in either Section 2.6 or Section 3.5.
- (b) A Party who desires to submit a Dispute for resolution shall commence the Dispute resolution process by providing the other parties to the Dispute notice of the Dispute ("**Notice of Dispute**"). The Notice of Dispute shall identify the parties to the Dispute and contain a brief statement of the nature of the Dispute and the relief requested. The submission of a Notice of Dispute shall toll any applicable statutes of limitation related to the Dispute, pending the conclusion or abandonment of Dispute resolution proceedings under this Section 11.9.
- (c) The Parties shall endeavour, by consultation and negotiation between senior executives, or by mediation (if agreed), to amicably resolve in good faith any Dispute arising out of or in connection with this Agreement. If there is no agreed resolution within 15 Days of the receipt by any Party of a Notice of Dispute, Disputes shall be resolved in accordance with Section 11.10.

11.10 Dispute Resolution

- (a) This Section 11.10 does not apply to a Dispute which the Parties to the Dispute have agreed to be subject to determination by the Accounting Referee procedure in either Section 2.6 or Section 3.5.
- (b) Any Dispute shall be resolved through final and binding arbitration, it being the intention of the Parties that this is a broad form arbitration agreement designed to encompass all possible Disputes, including Disputes about the arbitrability of a Dispute.

- (i) The arbitration shall be conducted under the Rules of Arbitration of the International Chamber of Commerce by three arbitrators appointed in accordance with the said Rules (the "**Rules**"). The Emergency Arbitrator Provisions in the said Rules shall apply.
 - (ii) The seat and place of arbitration shall be London, England.
 - (iii) The arbitration proceedings shall be conducted in the English language and the arbitrators shall be fluent in the English language. The governing law of this arbitration clause and of any Dispute to be determined pursuant to this Section 11.10 shall be the substantive law of England and Wales.
 - (iv) The award of the arbitral tribunal shall be final and binding. Judgment on the award of the arbitral tribunal may be entered and enforced by any court of competent jurisdiction.
 - (v) The award shall include interest, as determined by the arbitral tribunal, from the date of any default or other breach of this Agreement until the arbitral award is paid in full.
 - (vi) The arbitral award shall be made and payable in United States Dollars, free of any tax or other deduction.
 - (vii) The Parties waive their rights to claim or recover from each other, and the arbitral tribunal shall not award any punitive, multiple, or other exemplary damages (whether statutory or common law) except to the extent such damages have been awarded to a third party and are subject to allocation between or among the parties to the Dispute.
- (c) All negotiations, mediation, arbitration, and expert determinations relating to a Dispute (including a settlement resulting from negotiation or mediation, an arbitral award, documents exchanged or produced during a mediation or arbitration proceeding, and memorials, briefs or other documents prepared for the arbitration) are confidential and may not be disclosed by the Parties, their employees, officers, directors, counsel, consultants, and expert witnesses, except to the extent necessary to enforce this Section 11.10 or any arbitration award, to enforce other rights of a Party, or as required by law; provided, however, that breach of this confidentiality provision shall not void any settlement, expert determination or award.
- (d) Sections 11.9 and 11.10 shall survive the termination of this Agreement.

11.11 Notices

The addresses for service, fax numbers, and e-mail addresses of the Parties are follows:

Orca:

Orca Exploration Group Inc.
 c/o Orca Exploration UK Services Ltd.
 [Redacted – address]

Attention: Chief Executive Officer
 Facsimile No.: [Redacted]
 E-mail: [Redacted]

Swala:

Swala (PAEM) Limited
[Redacted – address]

Attention: Dr. David Mestres Ridge
Facsimile No.: [Redacted]
E-mail: [Redacted]

All notices, communications and statements required, permitted or contemplated hereunder shall be in writing, and shall be delivered as follows:

- (a) by personal service on a Party at the address of such Party set out above, in which case the item so served shall be deemed to have been received by that Party when personally served;
- (b) by facsimile transmission to a Party to the fax number of such Party set out above, in which case the item so transmitted shall be deemed to have been received by that Party when transmitted during normal business hours on a business day in the destination city (or if delivered or transmitted after normal business hours on such a business day or on a day other than a such a business day, then on the next such business day); or
- (c) by electronic e-mail transmission to a Party to the e-mail address of such Party set out above when transmitted during normal business hours on a business day in the destination city (or if delivered or transmitted after normal business hours on such a business day or on a day other than a such a business day, then on the next such business day), in which case the item so transmitted shall be deemed to have been received when the recipient responds to such e-mail or an automatic delivery receipt is received by the Party who has sent such e-mail.

A Party may from time to time change its address for service, its fax number, or e-mail by giving written notice of such change to the other Party.

11.12 Severability

If any term or other provision of this Agreement is invalid, illegal, or incapable of being enforced by any Applicable Law or public policy, all other terms or provisions of this Agreement shall nevertheless remain in full force and effect. Upon such determination that any term or other provision is invalid, illegal, or incapable of being enforced, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner in order that the Transactions are consummated as originally contemplated to the greatest extent possible.

11.13 Enurement

- (a) This Agreement shall be binding upon and enure to the benefit of the Parties and their respective successors and permitted assigns.
- (b) This Agreement is made for the benefit of the Parties and their respective successors and permitted assigns.
- (c) The interpretation of this Agreement shall exclude any rights under legislative provisions conferring rights under a contract to persons not a party to that contract, including rights solely by virtue of the Contracts (Rights of Third Parties) Act of 1999.

11.14 Assignment

- (a) No assignment of this Agreement or of any rights or obligations hereunder may be made by a Party, directly or indirectly (by operation of law or otherwise), without the prior written consent of the other Party, with such consent within the absolute discretion of such other Party, and any attempted assignment without the required consent shall be void. No assignment of any obligations hereunder shall relieve any Party of its liability in respect of any such obligations.
- (b) If:
- (i) the First Closing occurs;
 - (ii) Swala transfers all of its Investment Shares and its entire interest in the Shareholders' Agreement and Shareholders Loan Agreement to Swala (Mauritius) Limited on or before the Outside Date in accordance with the Shareholders Agreement;
 - (iii) Swala and Swala (Mauritius) Limited are both wholly-owned subsidiaries of Swala Parent; and
 - (iv) Swala Parent provides a replacement Guarantee for Swala (Mauritius) Limited,

then, concurrently with the completion of the transfer referred to in Section 11.14(b)(ii) and the provision of the Guarantee referred to in Section 11.14(b)(iv), Swala shall be permitted to assign and novate its interest in this Agreement, including for certainty its rights and obligations under Article 3, to Swala (Mauritius) Limited.

11.15 Survival; No Merger

The respective representations, warranties, covenants and indemnities of the Parties contained in this Agreement, including all qualifications thereof and limitations thereon, shall not be merged in any assignments, conveyances, transfers and other documents provided for under this Agreement and shall survive each Closing (if any) to the extent provided in the respective terms thereof.

11.16 Time is of the Essence

With regard to the dates and time periods set forth or referred to in this Agreement, time is of the essence.

11.17 Counterparts

This Agreement may be executed in any number of counterparts with the same effect as if all signatories to the counterparts had signed one document. All such counterparts shall together constitute and be construed as one instrument. For avoidance of doubt, a signed counterpart provided by way of facsimile transmission or other electronic means shall be as binding upon the Parties as an originally signed counterpart.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their respective officers thereunto duly authorized, as of the date first written above.

ORCA EXPLORATION GROUP INC.

Per: (signed) "W. David Lyons"
W. David Lyons
Chairman and Chief Executive Officer

SIGNED by **DAVID MESTRES RIDGE**
for **SWALA (PAEM) LIMITED**

)
) (signed) "David Mestres Ridge"
) Director

This is Exhibit 1 attached to and forming part of an Investment Agreement between Orca Exploration Group Inc. and Swala (PAEM) Limited

Share Transfer Form

Name of Transferor	
Address of Transferor	
Name of Transferee	
Address of Transferee	
Name of company in which the shares are held	
Company Number	
Number and description of shares transferred	
Consideration	

The transfer is accepted subject to the same conditions as attached to the shares.

I/We hereby certify that the Company does not reckon among its assets any freehold or leasehold immovable property in Mauritius or interests in any undertaking which reckons among its assets such property or interests that the undertaking holds in any other undertaking or successive undertakings which reckon/s among its assets such property in Mauritius.

TRANSFEROR

I, We, the undersigned declare transferring to the transferee the aforesaid share(s)

Signature(s) of Transferor(s)

Name:

For and on behalf of:

Date:

TRANSFEEE

I, We, the undersigned declare accepting the transfer of the aforesaid share(s)

Signature(s) of Transferee(s)

Name:

For and on behalf of:

Date:

This is Exhibit 2 attached to and forming part of an Investment Agreement between Orca Exploration Group Inc. and Swala (PAEM) Limited

ADJUSTMENTS

PART 1 – Pre-Effective Date Assets

The Pre-Effective Date Assets shall include the following: [Redacted – confidential information]

PART 2 – Purchase Price Adjustments

The Purchase Price for the Investment Shares for each relevant transaction shall be adjusted:

- (i) by adding any capital payments or contributions made to PAEM by Orca in respect of such Investment Shares after the Effective Date;
- (ii) for the First Transaction only, by adding any capital payments or contributions made to PAEM by Orca in respect of the Redeemable Shares (Mauritius) after the Effective Date;
- (iii) by adding the amount of the cash float attributable to the period before the Effective Date;
- (iv) by subtracting dividends or distributions (other than those made in respect of the Pre-Effective Date Assets as outlined in Section 3.1(a)) made by PAEM to Orca in respect of such Investment Shares after the Effective Date;
- (v) by subtracting the product obtained by multiplying (A) the percentage of Shares represented by such Investment Shares, by (B) the outstanding balance of the IFC Loan on the Effective Date; and
- (vi) by adding the product obtained by multiplying (A) the percentage of Shares represented by such Investment Shares, by (B) the amount of pre-Effective Date cash retained by PAEM to repay a portion of the IFC Loan at or immediately subsequent to Closing.

PART 3 – Form of Purchase Price Adjustment Statement

Item	First Transaction	Second Transaction	Third Transaction
Base Price	\$25,782,250	\$39,217,750	\$65,000,000
Add any capital payments or contributions made to PAEM by Orca in respect of such Investment Shares after the Effective Date	\$0	•	•
Add any capital payments or contributions made to PAEM by Orca in respect of the Redeemable Shares (Mauritius) after the Effective Date	\$0	N/A	N/A
Add the amount of the cash float attributable to the period before the Effective Date	\$0	•	•
Less dividends or distributions (other than those made in respect of the Pre-Effective Date Assets as outlined in Section 3.1(a)) made by PAEM to Orca in respect of such Investment Shares after the Effective Date	\$0	•	•
Less the product obtained by multiplying (A) the percentage of Shares represented by such Investment Shares, by (B) the outstanding balance of the IFC Loan on the Effective Date	\$4,759,800	\$7,240,200	\$12,000,000
Add the product obtained by multiplying (A) the percentage of Shares represented by such Investment Shares, by (B) the amount of pre-Effective Date cash retained by PAEM to repay a portion of the IFC Loan at or immediately subsequent to Closing	\$0	•	•
Total	\$21,022,450	\$•	\$•

This is Exhibit 3 attached to and forming part of an Investment Agreement between Orca Exploration Group Inc. and Swala (PAEM) Limited

PREFERRED SHARE TERMS

Issue price and face value	The Preferred Shares would issue at an issue price of US\$1.00 per Preferred Share and have a face value of US\$1.00 per Preferred Share.
Voting rights	Except as otherwise provided in the <i>Companies Act 2002 (Tanzania)</i> , the holders of Preferred Shares would not be entitled to receive notice of or to attend or vote at any meeting of the shareholders of Swala Parent.
Ranking vis other shares	<p>The Preferred Shares would be entitled to priority over the ordinary shares of Swala Parent and all other shares of Swala Parent ranking junior to the Preferred Shares with respect to the payment of cash distributions.</p> <p>To the extent allowed under applicable law, Swala Parent shall not create or issue any securities ranking higher in priority than the Preferred Shares without the consent of Orca, such consent not to be unreasonably delayed or withheld.</p>
Distributions	<p>Subject to applicable law, the holders of the Preferred Shares would be entitled to receive out of distributable profits or distributable reserves, and Swala Parent would pay to such holder, preferential US dollar cash distributions in an amount equal to 10% per annum paid quarterly on the last day of March, June, September and December each year the Preferred Shares are outstanding.</p> <p>Such amount shall accrue from the relevant Closing Date, not the issue date.</p> <p>Distributions (less any tax required to be withheld by Swala Parent) on the Preferred Shares would be paid to the holders of Preferred Shares by electronic funds transfer on the 15th day following the quarter ends noted above.</p> <p>If any distributions are not paid in full when due ("Unpaid Distributions"), then such Unpaid Distributions are to be paid on a subsequent date or dates determined by the Board of Directors of Swala Parent on which Swala Parent would have sufficient monies properly applicable to the payment of cash distributions and in priority to distributions on the ordinary shares of Swala Parent and all other shares of Swala Parent ranking junior to the Preferred Shares with respect to the payment of distributions. The holders of Preferred Shares would not be entitled to any distribution other than or in excess of the cumulative cash distributions provided for in the articles of Swala Parent.</p>

Redemption

By the 31st December of each of 2018, 2019 and 2020, Swala shall inform Orca of the amount of money it reasonably and in its sole opinion expects it could employ to redeem the Preferred Shares for cash (the "**Primary Redemptions**"). The holder of the Preferred Shares will have the right to require that those funds to be used for a redemption of Preferred Shares at the face value of each Preferred Share (the "**Redemption Price**").

From and after the 31st December 2021, Swala will be obliged to redeem for cash, each 31st of December, at least 20% of the outstanding Preferred Shares (or if the outstanding amount is less than 20% of the original amount of \$20 million, the entire amount) held by Orca at the Redemption Price (the "**Secondary Redemptions**").

In addition to the Primary Redemptions and the Secondary Redemptions, at any time that Swala issues equity in either Swala Parent or Swala, Swala or Swala Parent, as the case may be, shall make 50% of the proceeds of such offering available to redeem any of the Preferred Shares.

At any time after 31 December 2021:

(a) if Swala Parent is unable to redeem any part of the required number of Preferred Shares pursuant to a Secondary Redemption, the holder of the Preferred Shares may request, and Swala Parent shall be obligated, to redeem Preferred Shares by way of transferring and returning of a number of Investment Shares which aggregate value equals to the amount of outstanding redemption amount which cannot be paid in cash by Swala Parent; and/or

(b) to the extent that there are any Unpaid Distributions, the holder of the Preferred Shares may request, and Swala Parent shall be obligated, to satisfy such Unpaid Distributions by transferring and returning a number of Investment Shares which aggregate value equals to the amount of Unpaid Distributions.

Conversion by Swala

On the sixth (6th) anniversary of the date the Preferred Shares are issued, Swala Parent may elect to convert any outstanding Preferred Shares into fully paid ordinary shares of Swala Parent (the "**Ordinary Shares**"). The number of Ordinary Shares to be issued on such conversion would be equal to the quotient obtained by dividing (i) the face value of the outstanding Preferred Shares to be converted *by* (ii) the weighted average closing price of Ordinary Shares for 30-Days prior to conversion expressed in US dollar terms (the "**Conversion Price**") (subject to adjustment). The Conversion Price would be subject to customary adjustments. All accrued and unpaid distributions on the Preferred Shares to be converted would be paid in US dollars on the date of conversion. The mechanics for such conversion would be set out in the share terms.

Conversion by Orca

At any time after one year following the First Closing and from time to time thereafter, Orca may elect to convert any outstanding Preferred Shares into Ordinary Shares. The number of Ordinary Shares to be issued on such conversion would be equal to the quotient obtained by dividing (i) the face value of the outstanding Preferred Shares to be converted *by* (ii) the then Conversion Price. All accrued and unpaid distributions on the Preferred Shares to be converted would be paid in US dollars on the date of conversion. The mechanics for such conversion would be set out in the share terms.

Transfers

Preferred Shares may not be transferred without the prior written consent of Swala Parent, such consent not to be unreasonably withheld. Should the holder of the Preferred Shares wish to transfer some or all of its Preferred Shares, it would do so by first seeking to transfer them to Tanzanian nationals or Tanzanian registered institutions, next seeking to transfer them to nationals of, or institutions registered in, the remaining countries of the East African Community (being Kenya, Uganda, Rwanda, Burundi and South Sudan) ("**Tanzania and EAC Preference**"), and finally seeking to transfer them to nationals of, or institutions registered in, any other country, provided however that the holder of the Preferred Shares shall not be encumbered or economically prejudiced by the Tanzanian and EAC Preference.

This is Exhibit 4 attached to and forming part of an Investment Agreement between Orca Exploration Group Inc. and Swala (PAEM) Limited

FORM OF ORCA'S CERTIFICATE

CERTIFICATE

TO: SWALA (PAEM) LIMITED

RE: Investment Agreement dated _____ (the "**Agreement**") between Orca Exploration Group Inc. ("**Orca**") and Swala (PAEM) Limited ("**Swala**")

The undersigned, [**INSERT NAME**], being the [**INSERT TITLE**] of Orca, hereby certifies, for and on behalf of Orca and not in his/her personal capacity, as follows:

1. The undersigned is personally familiar, in his/her capacity as an officer of Orca, with the matters hereinafter certified.
2. This certificate is made and delivered pursuant to Section 4.4(d) of the Agreement.
3. The definitions contained in the Agreement are adopted in this Certificate and wherever used shall have the meanings ascribed to them in the Agreement.
4. The representations and warranties of Orca as set forth in or deemed set forth in Article 5 that were deemed to have been made as of the relevant Closing Time are true and correct in all material respects as of the relevant Closing Date, except to the extent such representations and warranties relate to another date or time, in which case such representations and warranties shall be true and correct in all material respects, on and as of such other date or time.
5. Orca has performed or complied in all material respects with all of the covenants, obligations and agreements required to be performed by it under this Agreement prior to the relevant Closing Time.
6. A true copy of the resolutions of the board of directors of Orca approving the execution, delivery and performance of this Agreement and the consummation of the Transactions is attached hereto.

DATED as of this ____ day of _____.

ORCA EXPLORATION GROUP INC.

Per: _____
Name:
Title:

This is Exhibit 5 attached to and forming part of an Investment Agreement between Orca Exploration Group Inc. and Swala (PAEM) Limited

FORM OF SWALA'S CERTIFICATE

CERTIFICATE

TO: ORCA EXPLORATION GROUP INC.

RE: Investment Agreement dated _____ (the "**Agreement**") between Orca Exploration Group Inc. ("**Orca**") and Swala (PAEM) Limited ("**Swala**")

The undersigned, [**INSERT NAME**], being the [**INSERT TITLE**] of Swala, hereby certifies, for and on behalf of Swala and not in his/her personal capacity, as follows:

1. The undersigned is personally familiar, in his/her capacity as an officer of Swala, with the matters hereinafter certified.
2. This certificate is made and delivered pursuant to Section 4.3(f) of the Agreement.
3. The definitions contained in the Agreement are adopted in this Certificate and wherever used shall have the meanings ascribed to them in the Agreement.
4. The representations and warranties of Swala as set forth in Article 6 that were deemed to have been made as of the relevant Closing Time are true and correct in all material respects as of the relevant Closing Date, except to the extent such representations and warranties relate to another date or time, in which case such representations and warranties shall be true and correct in all material respects, on and as of such other date or time.
5. Swala has performed or complied in all material respects with all of the covenants, obligations and agreements required to be performed by it under this Agreement prior to the relevant Closing Time.
6. A true copy of the resolutions of the board of directors [**and shareholders**] of Swala and Swala Parent approving the execution, delivery and performance of this Agreement and the consummation of the Transactions is attached hereto.

DATED as of this ____ day of _____.

SIGNED by **DAVID MESTRES RIDGE**
for **SWALA (PAEM) LIMITED**

)
) _____
) Director