



LOAN AGREEMENT

between

Derwick Oil & Gas Corporation

and

Gazprombank Latin America Ventures B.V.

2013

This Loan Agreement (hereinafter – the “**Loan Agreement**” or “**Agreement**”) is dated on and executed by and between:

Derwick Oil & Gas Corporation, a company organised and incorporated under the laws of Barbados with its registered office at the Phoenix Centre, Georgestreet, Belleville, Saint Michael, Barbados BB11114, registered with the Barbados Registrar of Companies under number 34339 on 16 February, 2011 (the “**Creditor**”); and

Gazprombank Latin America Ventures B.V., a private company with limited liability, having its corporate seat in Amsterdam, the Netherlands, with office address at Dijsselhofplantsoen 14, 1077 BL Amsterdam, the Netherlands, and registered at the Trade Register of the Chamber of Commerce for Amsterdam under number 52285421, represented by Managing Director Christophe Gerard (the “**Borrower**”),

hereinafter collectively referred to as “**Parties**” and individually as “**Party**”,

It is agreed as follows:

1 Definition and Interpretation

1.1 In this Agreement the following terms shall have the meaning as given herein under:

“**Business Day**” means a day (other than a Saturday or a Sunday) on which commercial banks are open for the transaction of general business in London, Moscow, Amsterdam and, if on that day a payment in US Dollars is to be made, New York;

“**Derwick Loan**” means each of the loan(s) made by the Creditor to the Borrower under the Financing Agreement dated 29 June 2012 between the Creditor, the Borrower and GPB Global Resources B.V., and the loan agreement entered into by the Creditor and the Borrower on December 18, 2012;

“**GPB Loan**” means the loan made to the Borrower by Gazprombank (Open Joint-Stock Company) under the Facility Agreement dated 31 August 2012 between the Gazprombank (Open Joint-Stock Company) and the Borrower;

“**Indebtedness**” means any and all of the Borrower's obligations whether existing on the date hereof or arising after the date hereof, to make payments of whatever nature to the Creditor in respect of the Loan (by way of interest, principal repayment or otherwise);

“**LIBOR**” shall have the meaning given to it in the Subordination Deed;

“**Remaining Bonus**” shall mean the “**Bono Remanente**” as defined in clause 2 (b) of the Agreement of Bonus Payment (sp. Acuerdo del Pago del Bono) signed between the Ministry of the People's Power for Petroleum and Mining and Corporacion Venezolana del Petroleo, S.A. on 20 December, 2011;

“**Subordination Deed**” means the Deed of Subordination dated 26 November 2012

between the Creditor, the Borrower and Gazprombank (Open Joint-Stock Company).

- 1.2 Unless expressly provided to the contrary in this Agreement, a person who is not a Party has no right to under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Agreement.
- 1.3 In case of any conflict between the terms of this Agreement and the Subordination Deed, the terms of this Agreement shall prevail.

2 Subject Matter of the Agreement

- 2.1 The Creditor hereby provides to the Borrower an interest bearing loan facility (the "Loan"), in the amount of **USD 35 000 000.00 (Thirty five million United States Dollars)** in aggregate (the "Loan Amount"). The Loan is provided to the Borrower for the Permitted Purpose as set out in clause 2.2 of this Loan Agreement. The Borrower hereby agrees to receive the Loan from the Creditor according to the terms and conditions of this Loan Agreement, and subject to clause 2.5. herein under to repay the Loan, and pay accrued interest, according to the terms and conditions of this Loan Agreement.

- 2.2 The purpose of this Loan (the "**Permitted Purpose**") is the application of the proceeds of the Loan towards the payment of

- (a) the Remaining Bonus; and
- (b) in case the amount of the Remaining Bonus is less than the Loan Amount, the remaining proceeds of the Loan will be applied towards the payment of the amounts outstanding under the GPB Loan. For the avoidance of doubt the proceeds of the Loan shall be applied towards the payment of any amounts outstanding in respect of the Remaining Bonus before any application towards the payment of the amounts outstanding under the GPB Loan Agreement.

The Borrower shall apply the proceeds of the Loan towards the Permitted Purpose only and may not, without the prior written consent of the Creditor, apply the proceeds of the Loan for any purpose other than the Permitted Purpose.

- 2.3 The Loan Amount shall be transferred by the Creditor to the bank account of the Borrower as stated in clause 4.3 hereto.
- 2.4 The Loan Amount shall be transferred to the Borrower in the United States dollars in full before April 25th, 2013.
- 2.5 The payment of all or any part of the Loan shall be postponed and subordinated to the payment in full of the GPB Loan and the Derwick Loan on the terms of a deed of subordination containing terms and provisions substantially similar to those set out in the Subordination Deed (hereinafter the "**New Deed**") to be signed by the Parties and Gazprombank (Open Joint-Stock Company) upon signing the present Agreement and no payments or other distributions whatsoever shall be made in respect of any part of the

Indebtedness and no property or assets of the Borrower shall be applied to the purchase or other acquisition or retirement of any part of the Indebtedness,

- (a) until the Senior Indebtedness as defined in the Subordination Deed has been paid in full, and upon that
- (b) until the Derwick Loan has been repaid in accordance with the terms of the Loan agreement entered into by the Creditor and the Borrower on December 18, 2012.

In no way shall the failure of the Parties and Gazprombank (Open Joint-Stock Company) to enter into a New Deed for any reason whatsoever effect, or be considered a derogation of, the subordination provisions contained in this clause 2.5. and the Parties shall use their best endeavors to cooperate in good faith with each other, the notary public(s) and Gazprombank (Open Joint-Stock Company) for the purpose of signing the New Deed as soon as practicable but in any case not later than within 6 (six) months upon signing of the present Agreement. Gazprombank (Open Joint-stock Company) shall have the right under the Contracts (Rights of Third Parties) Act 1999 to enforce the obligations of the Creditor and the Borrower in this Clause 2.5.

- 2.6 The Borrower shall pay interest to the Creditor at the interest rate of LIBOR 12 months plus 8.33% (eight 33/100 percent) per annum in accordance with the terms and conditions of the present Loan Agreement (the “**Interest**”).

The Interest shall be calculated based on the actual number of days in a year (act/act) and accrued to the outstanding Loan Amount. For this purpose the day of receipt of the Loan Amount (the day on which the relevant amount has been credited to the Borrower's bank account) shall be included into the interest period, and the repayment day (the day on which the relevant amount has been debited from the Borrower's bank account) shall not.

The Interest shall be capitalized (compounded) annually, commencing from the day of receipt of the Loan Amount (the day on which the relevant amount has been credited to the Borrower's bank account) in full. As soon as any part of the Loan Amount has been prepaid (debited from the Borrower's bank account) before or at the date on which the Interest shall be capitalized, the Interest on this part of the Loan Amount shall not be capitalized (in whole or in part) for the remainder of the relevant annual period.

- 2.7 Each Party is entitled to initiate negotiations over the change of the Interest. Any such change should be agreed by both Parties and documented in an addendum to this Loan Agreement signed by both Parties.
- 2.8 Without prejudice to the provisions of the clause 2.5. of this Loan Agreement and unless otherwise agreed by the Parties in writing, the Loan Amount and the Interest shall be repaid in full by the Borrower, to the account of the Creditor at any time before, but not later than 30 (thirty) months after the date on which the Creditor transfers to the Borrower the Loan Amount in full (“**Repayment Date**”). For the avoidance of doubt no repayment of the Loan Amount and Interest shall be made until full discharge of the Borrower's

obligations with regards to GPB Loan and the Derwick Loan. If the dates of full repayment of the GPB Loan and Derwick Loan occur or are reasonably expected to occur after the Repayment Date, the Parties shall negotiate in good faith to amend the Repayment Date and the relevant provisions of the present Loan Agreement resulting from such amendment. The Borrower shall use the Creditor's bank details provided in the clause 4.3 of this Loan Agreement to repay all the funds due to the Creditor, unless the Creditor provides to the Borrower other bank details in writing.

- 2.9 The Borrower may voluntarily prepay without any penalties or charges the outstanding Loan Amount (or part of the outstanding Loan Amount) and the accrued Interest (or part of the Interest) by serving the Creditor with notice two days prior to such repayment. As soon as part of the Loan Amount has been prepaid, the Interest shall be charged on the outstanding part of the Loan Amount accordingly. Without prejudice to the provisions of clause 2.6, Interest shall accrue on all Loan Amounts so prepaid until the date on which the appropriate funds are credited to the Creditor's bank account in accordance with this Loan Agreement.
- 2.10 If the Borrower fails to repay any amount due to the Creditor under this Loan Agreement on its due date pursuant to clause 2.8, the Creditor is entitled to accrue default interest (the "**Default Interest**"), which shall accrue on the overdue amount from the due date up to the date of actual payment (both before and after judgment) at a rate which is 2 (two) per cent higher than the interest rate set out in the clause 2.6 of this Loan Agreement. For the avoidance of doubt, in no case shall the Interest set out in clause 2.6 be combined (compounded) with Default Interest.
- 2.11 Each Party shall pay independently its own bank charges related to the fulfillment, by the Party, of its respective obligations under this Loan Agreement.

3 Tax

- 3.1 All payments under this Loan Agreement shall be made without a deduction or withholding of any kind. If any taxes, charges, levies, expenses or other charges are payable in relation thereto whatsoever, then such payments shall be increased (grossed-up) by such amounts as will lead to the agreed net amounts being receivable by Creditor. If, and to the extent that under these circumstances the Borrower will have to pay an additional amount to Creditor, and Creditor has acquired or has the possibility to acquire an imputation credit, a deduction entitlement, a claim to reduction or refund of taxes paid or payable ("**Tax Credit**"), Creditor shall, without undue delay as soon as Creditor has finally received the benefit of such Tax Credit, pay to Borrower the amount that would leave Creditor in a position, in which it would be if Borrower would not have deducted or withheld taxes to the extent of the Tax Credit. Should Creditor or Borrower gain knowledge of any circumstances which would lead to a tax gross up in the aforementioned sense, Creditor and Borrower shall in good faith and using their best efforts avert or mitigate the effects of any such circumstances. In any event, Borrower shall promptly

provide Creditor with any relevant documentation that may be required.

4 Further Provisions

4.1 This Loan Agreement shall come into force on the date of its signature by the Parties and shall remain valid until full discharge, by the Parties, of their obligations under this Loan Agreement.

4.2 All amendments to this Loan Agreement shall be valid only if agreed by both Parties and documented in the addendum to this Loan Agreement and shall come in force on the date of signing such addendum.

4.3 Bank details:

(a) Of the Creditor:

Beneficiary:
Derwick Oil & Gas Corporation

Address: The Phoenix Centre
Georgestreet, Belleville,
Saint Michael,
Barbados BB11114
Taxpayer Number: 34339

Bank: Bank Julius Baer and Co. Ltd.
36, Bahnhofstrasse 8010 Zurich
Switzerland

IBAN: CH19 0851 5030 7673 62001

SWIFT/BIC: BAERCHZZ

Account Name: 3076736

Intermediary bank:

JP Morgan Chase Bank, N.A.
New York Plaza, Floor 15
10004 New York, NY USA

SWIFT/BIC: CHASUS33

Clearing ID: 021000021

(b) Of the Borrower:

Beneficiary:
Gazprombank Latin America Ventures B.V.

Address: Dijsselhofplantsoen 14,
1077 BL Amsterdam, the Netherlands

Taxpayer Number: 8503.76.907

Bank: Gazprombank (Switzerland) Ltd
P.O. Box 1721, 8032 Zurich, Switzerland

IBAN: CH1608660013094500333

SWIFT/BIC: RKBZCHZZ

Account: 130945.0333

5 Representations

5.1 Parties' Representations

Each Party makes the representations and warranties set out in this Clause 5.1 to the other Party on the date of this Agreement.

(a) Status

It is a private limited company duly incorporated and validly existing under the laws of its jurisdiction of incorporation.

(b) Binding obligations

The obligations expressed to be assumed by it in this Agreement are legal, valid, binding and enforceable obligations.

(c) Non-conflict with other obligations

The entry into and performance by it of, and the transactions contemplated by, this Agreement does not conflict with:

- (i) any law or regulation applicable to it;
- (ii) its constitutional documents; or
- (iii) any agreement or instrument binding upon it or any of its respective assets.

(d) Power and authority

It has the power and authority to enter into, perform and deliver, and has duly taken all necessary action to authorise its entry into, performance and delivery of this Agreement and the transactions contemplated by this Agreement.

(e) Validity and admissibility in evidence

All authorisations required or desirable:

- (i) to enable it lawfully to enter into, exercise its rights and comply with its obligations to this Agreement; and
- (ii) to make this Agreement admissible in evidence in its jurisdiction of incorporation,

have been obtained or effected are in full force and effect.

6 Creditor's Undertakings

6.1 Stamp Duty

The Creditor must within 2 months of the date hereof submit to the Registrar of Companies in Barbados a fully executed and dated original of this Agreement and pay

any stamp duty applicable to such submission.

7 Costs and expenses

7.1 Enforcement Costs

The Borrower shall bear the amount of all costs and expenses (including legal fees) incurred, as the case may be, in connection with enforcement of, or the preservation of any rights under, this Agreement including, for the avoidance of doubt, any costs and expenses incurred in paying stamp duty in respect of this Agreement to the Registrar of Companies in Barbados.

8 Assignment

8.1 Assignment by the Party

Each Party may not assign or transfer any of its rights or obligations under this Agreement without the prior written consent of the other Party.

9 Notices

- 9.1 Any notice, application or other communication to be given or made under this Agreement to each of the Parties shall be in writing and prepared in English. Except as otherwise provided in this Agreement, such notice, application or other communication shall be deemed to have been duly given or made when it is delivered by hand, mail (including airmail) or facsimile transmission to the party to which it is required or permitted to be given or made at such party's address specified below or at such other address as such party designates by notice to the party giving or making such notice, application or other communication.

For the Creditor:

Address: The Phoenix Centre
Georgestreet, Belleville,
Saint Michael,
Barbados BB11114
Fax number:

Attention: Francisco Convit

For the Borrower:

Address: Dijsselhofplantsoen 14-I
1077 BL Amsterdam
The Netherlands
Fax number: +31 20 570 32 01

Attention: Christophe Gerard

10 Partial invalidity

- 10.1 If, at any time, any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under any applicable law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

11 Remedies and waivers

No failure to exercise, nor any delay in exercising, on the part of either party, any right

or remedy under this Agreement shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Agreement are cumulative and not exclusive of any rights or remedies provided by law.

12 Amendments and waivers

Any term of this Agreement may be amended or waived only with the consent of all of the Parties and any such amendment or waiver will be binding on all Parties.

13 Successors and transfers

This Agreement shall bind and inure to the benefit of the respective successors and assigns of the parties hereto.

14 Counterparts

This Agreement may be executed in any number of counterparts. This has the same effect as if the signatures on the counterparts were on a single original of this Loan Agreement.

15 Governing law

This Agreement is governed by English law.

16 Enforcement and Arbitration

16.1 Any Dispute between the Parties shall be referred to arbitration in accordance with the Rules of London Court of International Arbitration (the "LCIA Rules"). The arbitration shall be conducted in London, England and, unless otherwise agreed by the Parties, the number of arbitrators shall be one, with such arbitrator to be appointed by agreement of the Parties or failing such agreement within 30 days from the date when the claimant's request for arbitration has been communicated to the other party, such arbitrator to be appointed in accordance with the LCIA Rules.

16.2 The decision of the arbitrator shall be final and binding upon the Parties, and shall not be subject to appeal. Any Party may petition any court having jurisdiction to enter judgment upon the arbitration award. Any monetary award shall include interest from the date of any breach or other violation of this Agreement to the date on which the award is paid, at a rate determined by the arbitrator.

16.3 The language at any arbitration under this Agreement shall be English.

16.4 The Parties hereby irrevocably waive and agree to exclude any rights of application or appeal to the courts or rights to state a special case for the opinion of the court to the fullest extent permitted by law in connection with any question of law arising in the course of the arbitration or with respect to any award made. The Parties hereby, to the fullest extent permitted by law, irrevocably waive any right to challenge or contest the validity or enforceability of this arbitration agreement or any arbitration proceeding or

award brought in conformity with this clause 16, including any objection based on venue or inconvenient forum.

17 Re-execution

The Parties agree to re-execute this document, in identical form, before a notary public (or equivalent notary) at their earliest convenience.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be signed in their respective names on the date first written above.

SIGNATURES OF THE PARTIES

For and on behalf of the
Creditor

Name: Francisco Convit

Position: Director

For and on behalf of the
Borrower

Name: Boris Ivanov

Position: Managing Director

