

**WHITE & CASE**

**Dated 26 July 2022**

**Bond Instrument**

constituting the issue of U.S.\$12,600,000 Senior Convertible Bonds due 2025

by

**CANADIAN OVERSEAS PETROLEUM LIMITED**

as Issuer

White & Case LLP  
5 Old Broad Street  
London EC2N 1DW

## Table of Contents

	<b>Page</b>
1. Definitions and Interpretation .....	1
2. Amount of the Bonds and Covenant to Pay .....	3
3. Benefit of this Deed .....	3
4. Bond Certificates .....	3
5. Register and Title .....	4
6. Undertakings .....	5
7. Transfers of Rights and Obligations .....	5
8. Waiver and Remedies .....	6
9. Stamp Duties and Other Taxes .....	6
10. Modification .....	6
11. Counterparts .....	6
12. Severability .....	6
13. Communications .....	7
14. Governing Law, Jurisdiction and Service of Process .....	7
Schedule 1            Form of Bond Certificate .....	9
Schedule 2            Form of Register .....	11
Schedule 3            Terms and Conditions of the Bonds .....	12
Schedule 4            Form of Conversion Notice .....	77
Schedule 5            Form of Conversion Payment Letter .....	79
Schedule 6            Regulations Concerning Transfers and Registration of the Bonds .....	80

**This Deed** is made on 26 July 2022

**By:**

- (1) **CANADIAN OVERSEAS PETROLEUM LIMITED**, a public company incorporated under the Canada Business Corporations Act and registered in Canada with registered number 420463-8 (LEI no: 213800QPF6H95J4ZAH31) whose registered office is at Suite 320, 715-5th Ave, SW, Calgary, Alberta T2P 2X6, Canada (the “**Issuer**”),

**In Favour of:**

- (2) **THE PERSONS** for the time being and from time to time registered as holders of the Bonds referred to below (the “**Bondholders**” or “**holders**”).

**Whereas:**

- (A) The Issuer has authorised the creation and issue of U.S.\$12,600,000 in aggregate principal amount senior convertible bonds due 2025 (the “**Bonds**”) and subject to the terms and conditions of the Bonds set out in Schedule 3 (*Terms and Conditions of the Bonds*) (the “**Conditions**”).
- (B) Subject to the provisions of the Conditions, the Bonds will be convertible into fully paid-up common shares of no par value in the capital of the Issuer at the Conversion Price (as defined in the Conditions), subject to adjustment in accordance with the Conditions.
- (C) The Bonds will be issued in initial principal amounts of U.S.\$200,000 each. A certificate in substantially the form set out in Schedule 1 (*Form of Bond Certificate*) (a “**Bond Certificate**”) will be issued to each holder of the Bonds in respect of its registered holding.
- (D) The Issuer wishes to constitute the Bonds by this Deed.

**It is agreed** as follows:

## **1. Definitions and Interpretation**

### **1.1 Definitions**

“**affiliate**” has the meaning given to it in Rule 501(b) of Regulation D under the Securities Act;

“**Bond Certificates**” means a Bond certificate in or in substantially the form set out in Schedule 1 (*Form of Bond Certificate*) of this Deed, including any replacement Bond Certificate issued pursuant to Clause 4 (*Bond Certificates*) hereof.

“**Bond Documents**” means the Conditions, the Bond Certificate, the Calculation Agency Agreement and this Deed.

“**Bonds**” has the meaning given to it in Recital (A).

“**Business Day**” means a day which is a business day in each of London, United Kingdom and Calgary, Canada.

“**Calculation Agency Agreement**” means the calculation agency agreement dated on or about the date hereof between the Issuer and Conv-Ex Advisors Limited as calculation agent.

“**Conditions**” has the meaning given in Recital (A).

“**Conversion Notice**” means a conversion notice in or substantially in the form set out in Schedule 4 (*Form of Conversion Notice*) of this Deed.

“**Existing Holder**” has the meaning given to it in Clause 7.2 (*Permitted Transfers*).

“**New Holder**” has the meaning given to it in Clause 7.2 (*Permitted Transfers*).

“**Register**” means the register of Bonds maintained by the Issuer in or substantially in the form set out in Schedule 2 (*Form of Register*) of this Deed.

“**Securities Act**” means the United States Securities Act of 1933, as amended.

“**U.S. Dollars**” or “**U.S.\$**” means the lawful currency of the United States of America.

Terms defined in the Conditions shall have the same meanings where used in this Deed unless separately defined.

## 1.2 Construction of Certain References

References to:

- (a) liabilities or other costs, charges, remuneration or expenses include any value added, turnover or similar tax charged in respect thereof;
- (b) words denoting the masculine gender shall include the feminine gender also, words denoting individuals shall include companies, corporations and partnerships and words importing the singular number only shall include the plural and in each case *vice versa*;
- (c) any reference to “**writing**” or “**written**” includes any method of reproducing words or text in a legible and non-transitory form;
- (d) a “**person**” shall include any individual, firm, body corporate, unincorporated association, government, state or agency of state, association, joint venture or parties, in each case whether or not having a separate legal personality, and references to a company shall be construed so as to include any company, corporation or other body corporate wherever and however incorporated or established;
- (e) any reference to “**Conditions**” means the terms and conditions of the Bonds set out in Schedule 3 of this Deed (as modified from time to time in accordance with their terms), respectively, and any reference to a numbered “**Condition**” is to the correspondingly numbered provision thereof;
- (f) this Deed or to any other document is a reference to this Deed or to that other document as modified, amended, varied, supplemented, assigned, novated or replaced from time to time; and
- (g) a party to this Deed includes that party’s permitted successors, transferees and assignees.

## 1.3 Business Day

Unless there is an express provision to the contrary, any action required to be performed by a party to this Deed which falls to be performed on a day which is not a Business Day shall be performed on the immediately following Business Day.

## 1.4 Headings

Headings shall be ignored in construing this Deed.

## 1.5 Schedules

The Schedules are an integral part of this Deed.

## 1.6 Clauses

Any reference in this Deed to a Clause is, unless otherwise stated, to a Clause hereof.

## **1.7 Statutes**

Any reference in this Deed to a statute or statutory provision shall, unless the contrary is indicated, be construed as a reference to such statute or statutory provision as the same shall have been or may be amended or re-enacted.

## **2. Amount of the Bonds and Covenant to Pay**

### **2.1 Amount of the Bonds**

The aggregate principal amount of the Bonds on issue shall be U.S.\$12,600,000. The Bonds shall be issued in principal amounts of U.S.\$200,000 each.

### **2.2 Covenant to Pay**

On and from the date hereof, the Issuer constitutes the Bonds and covenants in favour of each Bondholder that it will duly perform and comply with the obligations expressed to be undertaken by it in this Deed, in each Bond Certificate and in the Conditions (and for this purpose any reference in the Conditions to any obligation or payment under or in respect of the Bonds shall be construed to include a reference to any obligation or payment under or pursuant to this provision).

## **3. Benefit of this Deed**

### **3.1 Deed Poll**

This Deed shall take effect as a deed poll for the benefit of the Bondholders from time to time.

### **3.2 Benefit**

This Deed shall enure to the benefit of the Bondholders and each of their (and any subsequent) successors and assigns, each of which shall be entitled severally to enforce this Deed against the Issuer.

## **4. Bond Certificates**

- (a) Each Bondholder will be entitled without charge to a Bond Certificate for the aggregate amount of Bond registered in its name. Each Bond Certificate shall bear a denoting number and shall be executed by the Issuer. Every Bond Certificate shall be in the form or substantially in the form set out in Schedule 1 and shall have the form of transfer endorsed thereon.
- (b) When a Bondholder transfers their Bonds, the old Bond Certificate shall be cancelled and a new Bond Certificate in respect of the balance of such Bonds shall be issued by the Issuer without charge.
- (c) Promptly following receipt by the Issuer of evidence reasonably satisfactory to it of the ownership of and the loss, theft, destruction or mutilation of any Bond Certificate, and:
  - (i) in the case of loss, theft or destruction, of an indemnity reasonably satisfactory to it; or
  - (ii) in the case of mutilation, upon surrender and cancellation of such Bond Certificate,

the Issuer shall, at its own expense, execute and deliver, a replacement Bond Certificate.

- (d) Whenever in this Deed or the Conditions there is any requirement to deliver, produce, surrender or possess a Bond Certificate, the delivery, production, surrender or possession of an electronic copy of such Bond Certificate shall be satisfactory, save that in the case of a surrender of a Bond Certificate by electronic means the Bondholder (where not the Issuer) shall confirm to the Issuer destruction of any original thereof.

## **5. Register and Title**

### **5.1 Form of Register**

- (a) The Issuer shall maintain a Register (whether in electronic form or otherwise) outside the United Kingdom in respect of the Bonds in accordance with the regulations in Schedule 6 (*Regulations Concerning Transfers and Registration of the Bonds*). Any Bondholder and any person authorised in writing by any Bondholder shall be at liberty, at all reasonable times during business hours on any Business Day and free of charge, to inspect the Register and to take copies of or extract from the same or any part thereof or otherwise to receive from the Issuer (by email, if so requested by such Bondholder) a copy thereof.
- (b) A Bond Certificate will be issued to each Bondholder in respect of its registered holding.
- (c) Each Bond Certificate will be numbered serially with an identifying number which will be recorded in the Register by the Issuer.

### **5.2 Title**

- (a) Each Bondholder registered in the Register shall (except as otherwise required by law or as ordered by a court of competent jurisdiction) be treated as the absolute owner of such Bond for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any other interest in such Bond, any writing on the Bond Certificate relating to such Bonds (other than a duly executed transfer thereof) or any notice of any previous loss or theft of such Bond Certificate) and no person shall be liable for so treating such Bondholder.
- (b) The Issuer shall promptly on demand by any Bondholder (and in any event by no later than five Business Days after demand) send to such Bondholder an extract of the Register evidencing such Bondholder as the registered holder of the Bonds held by it at such time.

### **5.3 Registration and Delivery of Bond Certificates**

- (a) Promptly following the surrender of a Bond Certificate in accordance with Clause 7 (*Transfer of Rights and Obligations*), the Issuer will register the transfer in question and deliver, at the Issuer's expense (except as provided below), a new Bond Certificate of a like principal amount to the Bonds transferred to each New Holder to the address specified for the purpose by such New Holder and, if applicable, a new Bond Certificate to the Existing Holders in accordance with Clause 7 (*Transfer of Rights and Obligations*).
- (b) Promptly following the exercise by any Bondholder of their Conversion Rights and surrender of a Bond Certificate in accordance with Condition 6.10 (*Procedure for exercise of Conversion Rights*), the Issuer will register such conversion of the Bonds and, solely in the case of a partial conversion of Bonds in accordance with the Conditions, deliver at the Issuer's expense (except as provided below) a new Bond Certificate to such Bondholder representing the principal amount of Bonds held thereby following such partial conversion.

## 5.4 Closed Periods

Bondholders may not require transfers to be registered (i) during the period of two London business days ending on the due date for any payment of principal or interest in respect of the Bonds or (ii) in respect of which a Conversion Notice has been delivered in accordance with Conditions.

## 5.5 Regulations Concerning Transfers and Registration

All transfers of Bonds, provision of new Bond Certificates (upon transfer) and entries on the Bond Register are subject to the detailed regulations concerning the transfer and registration of Bonds set out in Schedule 6 (*Regulations Concerning Transfers and Registration of the Bonds*).

## 6. Undertakings

The Issuer hereby undertakes to the Bondholders that:

- (a) it shall duly perform and observe the obligations imposed on it by this Deed;
- (b) it shall comply with the provisions of all Bond Certificates and the Conditions and the Bonds shall be held subject to and with the benefit of such provisions and the relevant Conditions, all of which shall be deemed to be incorporated in this Deed and shall be binding on the Issuer and the Bondholders and all persons claiming through or under them, respectively; and
- (c) it shall maintain the Register outside the United Kingdom and make available copies of the Register in accordance with Clause 5 (*Register and Title*) of this Deed.

## 7. Transfers of Rights and Obligations

### 7.1 Assignment

Except as set out below in Clause 7.2 (*Permitted Transfers*), no Party may assign or transfer its rights, benefits and obligations under this Deed or any Bond (including the Conditions).

### 7.2 Permitted Transfers

- (a) Subject to Clauses 5.4 (*Closed Periods*), 5.5 (*Regulations Concerning Transfers and Registration*) and the other provisions of this Clause 7.2, a Bondholder (being an “**Existing Holder**”) may at any time transfer a Bond or Bonds to any Person (a “**New Holder**”), *provided that*:
  - (i) the aggregate principal amount of such Bond or Bonds transferred is U.S.\$200,000 or a whole number multiple thereof; and
  - (ii) the Bond or Bonds are being transferred in a transaction exempt from, or not subject to, the registration requirements of the Securities Act, and in each case in compliance with applicable state securities law.
- (b) A Bondholder may not transfer a Bond to a Person who (i) is a retail client as defined in point (6) of Article 4(1) of Regulation (EU) 1286/2014/EU as it forms part of English law by virtue of the EUWA, as amended; (ii) is a customer within the meaning of the FSMA and any rules or regulations made under FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (8) of Article 2(1) of Regulation (EU) No. 600/2014 as it forms part of United Kingdom domestic law by virtue of the EUWA; or (iii) is not a qualified investor as

defined in Regulation (EU) 2017/1129 of the European Parliament and of the Council as it forms part of United Kingdom domestic law by virtue of the EUWA.

- (c) A Bondholder may only transfer a Bond to a Person in circumstances that does not result in the Bondholder of the Issuer acting in breach of section 21 of FSMA or any equivalent legislation.
- (d) Following the transfer of any Bonds in accordance with this Clause 7.2, the Issuer will (subject to and in accordance with the requirements of Schedule 5 (*Regulations Concerning Transfers and Registration of the Bonds*)) promptly register the transfer in the Register and issue a copy of the updated Register to the New Holder.
- (e) Such transfer of Bonds will be effected without charge, subject to the Person making such application for transfer paying or procuring the payment of any taxes, duties and other governmental charges in connection therewith.

## **8. Waiver and Remedies**

No failure to exercise, and no delay in exercising, on the part of the Bondholders of any right hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or future exercise thereof or the exercise of any other right. Rights hereunder shall be in addition to all other rights provided by law. No notice or demand given in any case shall constitute a waiver of rights to take other action in the same, similar or other instances without such notice or demand.

## **9. Stamp Duties and Other Taxes**

The Issuer shall pay any stamp, issue, documentary or other taxes and duties, including interest and penalties, payable in Canada in respect of the creation, issue and offering of the Bonds and the execution or delivery of this Deed or the Bond Documents. The Issuer shall also indemnify the Bondholders from and against all stamp, issue, documentary or other taxes paid by any of them in any jurisdiction in connection with any action taken by or on behalf of the Bondholders to enforce the Issuer's obligations under this Deed, the Bond Documents or the Bonds.

## **10. Modification**

The provisions of this Deed and the Conditions applicable to the Bonds may only be altered, abrogated or added to in accordance with Condition 14 (*Amendment and Waiver*).

## **11. Counterparts**

This Deed may be executed in counterparts, each of which shall constitute an original of this Deed, but the counterparts shall together constitute the same agreement.

## **12. Severability**

In case any provision in, or obligation under, this Deed shall be or becomes invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation under the laws of any other jurisdiction, shall not in any way be affected or impaired thereby.

## **13. Communications**

### **13.1 Communications in Writing**

Any communication to be made under or in connection with this Deed and the Bonds shall be made in writing and, unless otherwise stated, may be made by email or letter.

### **13.2 Addresses**

The address and email address (and the department or officer, if any, for whose attention the communication is to be made) of the Issuer for any communication or document to be made or delivered under or in connection with this Deed and the Bonds is:

**Canadian Overseas Petroleum Limited**

Address: Suite 3200  
715-5th Ave  
SW  
Calgary  
Alberta T2P 2XP

Email: RGaffney@canoverseas.com and AMillholland@canoverseas.com

Attention: Ryan Gaffney, CFO and Arthur Millholland, CEO

or any substitute address or email address or department or officer as the Issuer may notify to the Bondholders by not less than five Business Days' notice.

### **13.3 Effectiveness**

Any such notice shall take effect, in the case of a letter, at the time of delivery, or in the case of email transmission, at the time of receipt. If such delivery or receipt (as applicable) is after 5:00 p.m. (London time) or on a day which is not a London business day (in respect of matters where only London business days are specified) or Business Day (in respect of all other matters), such delivery shall be deemed to have been made on the next following London business day or Business Day, as applicable.

## **14. Governing Law, Jurisdiction and Service of Process**

### **14.1 Governing Law**

This Deed, including any non-contractual obligations arising out of or in connection with this Deed, are governed by, and shall be construed in accordance with, English law.

### **14.2 Jurisdiction**

The Issuer agrees for the benefit of each Bondholder that the courts of England shall have exclusive jurisdiction to hear and determine any suit, action or proceedings arising out of or in connection with this Deed (including any non-contractual obligations arising out of or in connection with this Deed) ("**Proceedings**") and, for such purposes, irrevocably submits to the jurisdiction of such courts. Nothing in this paragraph shall (or shall be construed so as to) limit the right of any Bondholder to take Proceedings in any other court of competent jurisdiction, nor shall the taking of Proceedings in any one or more jurisdictions preclude the taking of Proceedings by any Bondholder in any other jurisdiction (whether concurrently or not) if and to the extent permitted by law.

### **14.3 Appropriate Forum**

For the purpose of Clause 14.2 (*Jurisdiction*), the Issuer irrevocably waives any objection which it might now or hereafter have to the courts of England being nominated as the forum to

hear and determine any Proceedings and agrees not to claim that any such court is not a convenient or appropriate forum.

#### **14.4 Service of Process**

The Issuer agrees that the process by which any Proceedings are commenced in England pursuant to Clause 14.2 (*Jurisdiction*) may be served on it by being delivered to the attention of Robert Brant of McCarthy Tétrault at 18th floor, 1 Angel Ct, London EC2R 7HJ. If such person is not or ceases to be effectively appointed to accept service of process on behalf of the Issuer, the Issuer shall promptly appoint a further person in England to accept service of process on its behalf. Nothing in this paragraph shall affect the right of any Bondholder to serve process in any other manner permitted by law.

This document has been executed as a Deed at the end of the Schedules and is delivered as a Deed on the date stated at the beginning of this Deed.

## Schedule 1

### Form of Bond Certificate

Bond Certificate No. [ ]

U.S.\$[amount]

#### Canadian Overseas Petroleum Limited

(the “Issuer”)

*(A public company incorporated under the laws of Canada)*

#### U.S.\$12,600,000 Senior Convertible Bonds due 2025

This is to certify that [●] is the registered holder of U.S.\$[●] in principal amount of the U.S.\$12,600,000 Senior Convertible Bonds due 2025 (the “**Bonds**”) issued with the benefit of and subject to the provisions contained in the Bond Instrument relating to the Bonds dated 26 July 2022 (as amended or supplemented from time to time) and made by the Issuer (the “**Bond Instrument**”). Words and expressions defined in the Bond Instrument shall, unless the context otherwise requires, have the same meanings in this Bond Certificate.

Interest is payable on the Bonds in accordance with Condition 5 (*Interest and Make Whole Amount*). The Bonds are redeemable in accordance with Condition 7 (*Redemption and Purchase*).

This Bond Certificate is evidence of entitlement only. Title to the Bonds passes only on due registration on the Register, and any payment due on the Bond whether of principal, interest or premium (if any) will be made only to the duly registered holder. The Bonds are transferable only in denominations of U.S.\$200,000. This Bond Certificate must be lodged together with the instrument of transfer (which must be signed by the transferor or by a person authorised to sign on behalf of the transferor) at the registered office of the Issuer. This Bond Certificate must be surrendered before any transfer can be registered or any new Bond Certificate issued in exchange.

**THE BONDS HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OR ANY SECURITIES LAW OF ANY STATE OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, RESOLD, DELIVERED OR DISTRIBUTED (DIRECTLY OR INDIRECTLY) IN OR INTO THE UNITED STATES (EXCEPT IN TRANSACTIONS EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT OR SUCH OTHER SECURITIES LAW) OR ANY OTHER RESTRICTED JURISDICTION NOR TO NOR FOR THE ACCOUNT OR BENEFIT OF ANY RESTRICTED OVERSEAS PERSON UNLESS, IN RELATION TO ANY US PERSON, THE BONDS ARE REGISTERED UNDER THE SECURITIES ACT OR THE TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.**

This Bond Certificate is evidence of entitlement only and is not a document of title. Entitlements are determined by the Register and only the Bondholder is entitled to payment in respect of this Bond Certificate.

**[INSERT APPROPRIATE EXECUTION BLOCK]**

Issued on [●] 20[●]

## Form of Transfer

### Canadian Overseas Petroleum Limited

(the “Issuer”)

*(A public company incorporated under the laws of Canada)*

### U.S.\$12,600,000 Senior Convertible Bonds due 2025 (the “Bonds”)

Dated: [●]

1. For value received [*insert name of transferor*] (the “Transferor”), being the registered holder of this Bond Certificate, hereby transfers to [*insert name of transferee*] (the “Transferee”), U.S.\$[●]<sup>1</sup> in principal amount of the Bonds of the Issuer and irrevocably requests and authorises the Issuer to effect the relevant transfer by means of appropriate entries in the register kept by it.
2. The administrative details of the Transferee for the purpose of the Bonds are:
  - [*Insert Address*]
  - [*Attention*]
  - [*Email*]
  - [*Payment Details*]
3. The Transferee expressly acknowledges the limitations on the Transferor’s obligations in respect of this Bond Certificate, the Bond Instrument and the Conditions.
4. This transfer certificate may be entered into in any number of counterparts and this has the same effect as if the signature on the counterparts were on a single copy of the transfer certificate.
5. This transfer certificate and any non-contractual obligations arising out of or in connection with it are governed by and construed in accordance with English law

## **[INSERT APPROPRIATE EXECUTION BLOCK]**

### Notes

- (a) The name of the person by or on whose behalf this form of transfer is signed must correspond with the name of the registered holder as it appears on the face of this Bond Certificate.
- (b) A representative of such registered holder should state the capacity in which he signs, e.g., executor.
- (c) This form of transfer must be accompanied by such documents, evidence or information as the Issuer may reasonably require.
- (d) If the Transferor is a corporation, partnership or fiduciary, the title of the person signing on behalf of such Transferor must be stated.

---

<sup>1</sup> Note to Transferor: Bonds are transferable only in denominations of U.S.\$200,000.

**Schedule 2 Form of Register**

**CANADIAN OVERSEAS PETROLEUM LIMITED**

**U.S.\$12,600,000 SENIOR CONVERTIBLE BONDS DUE 2025**

<b>Name:</b>	[•]						
<b>Contact Details:</b>	[•]						
<b>Initial Principal Amount:</b>	U.S.\$[•]						
<b>DATE</b>	<b>CERT NUMBER</b>	<b>ACQUISITIONS</b>	<b>DISPOSALS</b>	<b>REDEMPTIONS / CANCELLATIONS</b>	<b>CONVERSIONS / CONVERSION PRICE AND FLOOR PRICE</b>	<b>PAID AND DEFERRED CONVERSION PAYMENTS</b>	<b>BALANCE</b>
[•]	[•] <i>[Insert details of replacement Bond Certificates, if any]</i>	U.S.\$[•] from <i>[insert name of transferor and details of transaction]</i>	U.S.\$[•] from <i>[insert name of transferee and details of transaction]</i>	U.S.\$[•] <i>[Specify details of all redemptions or cancellations of Bonds]</i>	U.S.\$[•] <i>[Specify details of all conversions of Bonds into Shares]</i>	<u>Conversion Date:</u> [•] 20[•]  Amount of Conversion Payment paid: U.S.\$[•]  Amount of Conversion Payment deferred: U.S.\$[•]  <i>[Specify each Conversion Date and the amount of the Conversion Payment that has been paid or deferred]</i>	U.S.\$[•]

## Schedule 3

### Terms and Conditions of the Bonds

The issue of the Senior Convertible Bonds due 2025 in an aggregate principal amount of US\$12,600,000 (the “**Bonds**”, which expression shall, unless otherwise indicated, include any Further Bonds (as defined below)) was (save in respect of any Further Bonds) authorised by a resolution of the board of directors of Canadian Overseas Petroleum Limited (the “**Issuer**”) passed on 22 July 2022.

The Bonds are constituted by a Bond Instrument dated 26 July 2022 (the “**Bond Instrument**”) made by the Issuer. The statements set out in these Terms and Conditions (the “**Conditions**”) are subject to the provisions of the Bond Instrument.

The Issuer shall also enter into a calculation agency agreement (the “**Calculation Agency Agreement**”) dated on or about the date of the Bond Instrument with Conv-Ex Advisors Limited (the “**Calculation Agent**”, which expression shall include any successor as calculation agent under the Calculation Agency Agreement) whereby the Calculation Agent has been appointed to make certain calculations in relation to the Bonds. The Bondholders are deemed to have notice of those provisions applicable to them which are contained in the Calculation Agency Agreement.

Capitalised terms used but not defined in these Conditions shall have the meanings attributed to them in the Bond Instrument unless the context otherwise requires or unless otherwise stated.

#### 1. Form, Initial Denomination, Title and Status

##### 1.1 Form and Initial Denomination

The Bonds are in registered form in initial principal amounts of U.S.\$200,000.

##### 1.2 Title

Title to the Bonds will pass by transfer and registration as described in Clause 5 (*Register and Title*) of the Bond Instrument and Condition 4. Each registered holder of Bonds will (except as otherwise required by law or as ordered by a court of competent jurisdiction) be treated as the absolute owner of such Bond for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in such Bond, any writing on the Bond Certificate relating to such Bonds (other than a duly executed transfer thereof) or any notice of any previous loss or theft of such Bond Certificate) and no person will be liable for so treating such holder.

##### 1.3 Status

- (a) The Bonds constitute direct, unconditional, unsubordinated obligations of the Issuer. The payment obligations of the Issuer under the Bonds shall at all times rank at least *pari passu* with the claim of its unsecured and unsubordinated creditors, save for such obligations that may be mandatorily preferred by provisions of law applying to companies generally.
- (b) The Bonds will initially (upon issuance) be unsecured but shall, upon the occurrence of an RBL Facility being entered into, have the benefit of any security as described under Condition 2.2 below.

#### 2. Negative Pledge and Covenant to Procure Second Lien Behind RBL Facility

##### 2.1 Negative Pledge

So long as any Bond remains outstanding (as defined below), the Issuer shall not create or permit to subsist any Security Interest (as defined below), other than a Permitted Security Interest, upon the whole or any part of its present or future undertaking, assets or revenues (including any uncalled capital) to secure any Financial Indebtedness or to secure any Financial Indebtedness Guarantee, without (subject to Condition 2.2) at the same time or prior thereto securing the obligations of the Issuer under the Bonds and the Bond Instrument (including these Conditions) equally and rateably therewith or providing such other security, guarantees and/or other arrangements for the benefit of Bondholders as may be approved by the holders of at least 75 per cent. in principal amount of the Bonds outstanding.

## 2.2 Covenant to Procure Second Lien Behind RBL Facility

Upon the grant of Security Interests in the favour of lenders (or any security agent or facility agent for the lenders and/or the finance parties) under a reserved based lending facility (or any similar financing arrangement whether or not commercially negotiated by reference to a borrowing base) (an “**RBL Facility**”) which directly or indirectly results in the refinancing, repayment or redemption of all amounts outstanding under the Summit Credit Agreement, the Issuer shall, and shall procure that its Subsidiaries shall, grant in favour of the Bondholders such Security Interests, guarantees, rights and remedies to ensure that Bondholders have the benefit of a second ranking Security Interest over any and all assets of the Group in respect of which Security Interests are granted in connection with the RBL Facility and such rights and remedies as is customary for the Bondholders to be in the position as providers of second lien financing, including, from each guarantor or obligor (together, the “**Guarantors**”) under the RBL Facility, guarantees of all obligations of the Issuer under the Bond Instrument and the Bonds (each such guarantee, subordinated to the RBL Facility on customary second ranking terms). All such Security Interests, guarantees, rights and remedies shall be granted by the Issuer and its Subsidiaries in favour of the Bondholders by no later than the date on which Security Interests are granted in connection with the RBL Facility.

Each Bondholder agrees to enter into such documents (including amendments to the Bond Instrument) (together, the “**Additional Documents**”) as may be necessary or desirable to give effect to this Condition 2.2, provided that (a) if, in the opinion of any Bondholder, the entry into the Additional Documents will require any legal fees and/or other expenses to be incurred by such Bondholder, the Issuer shall, within five Notice Business Days of demand, reimburse such Bondholder for the amount of such legal costs and expenses incurred by it in entering into such Additional Documents provided that such legal costs and expenses shall be agreed with the Issuer in advance, and (b) no Bondholder shall be required to agree to any provision contained in any Additional Documents that, in the opinion of such Bondholder, (i) imposes an onerous obligation on such Bondholder or (ii) may directly or indirectly have an adverse effect on the rights or remedies of the Bondholders under the Bond Documents prior to the entry into of the Additional Documents and (c) the Additional Documents are in form and substance reasonably satisfactory to the Bondholders.

For the purposes of these Conditions:

“**Financial Indebtedness**” means any indebtedness of any Person for or in respect of:

- (a) moneys borrowed;
- (b) amounts raised by acceptance under any acceptance credit facility;
- (c) amounts raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or similar instruments;
- (d) the amount of any liability in respect of leases or hire purchase contracts which would, in accordance with IFRS, be treated as finance or capital leases;

- (e) the amount of any liability in respect of any purchase price for assets or services the payment of which is deferred primarily as a means of raising finance or financing the acquisition of the relevant asset or service;
- (f) amounts raised under any other transaction (including any forward sale or purchase agreement and the sale of receivables or other assets on a “with recourse” basis) having the commercial effect of a borrowing;
- (g) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the mark-to-market value shall be taken into account);
- (h) any counter-indemnity obligation in respect of any guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and
- (i) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (h) above.

“**Financial Indebtedness Guarantee**” means in relation to any Financial Indebtedness of any Person, any obligation of another Person to pay such indebtedness including (without limitation) (i) any obligation to purchase such indebtedness, (ii) any obligation to lend money, to purchase or subscribe shares or other securities or to purchase assets or services in order to provide funds for the payment of such indebtedness, (iii) any indemnity against the consequences of a default in the payment of such indebtedness and (iv) any other agreement to be responsible for repayment of such indebtedness.

“**Permitted Security Interest**” means in relation to the Issuer:

- (a) any Security Interest securing any Financial Indebtedness or any Financial Indebtedness Guarantee of a Person existing at the time that such Person is merged into, or consolidated with, the Issuer, provided that such Security Interest was not created in contemplation of, and the principal amount secured has not increased in contemplation of or since, such merger or consolidation or acquisition of such Person;
- (b) any Security Interest existing on any property or assets prior to the acquisition thereof by the Issuer, provided that such Security Interest was not created in contemplation of, and the amount secured has not increased in contemplation of or since, such acquisition;
- (c) any renewal of or substitution for any Security Interest permitted by any of paragraphs (a) to (b) (inclusive) of this definition, provided that with respect to any such Security Interest (i) the principal amount secured has not increased and (ii) the Security Interest has not been extended to any additional assets (other than the proceeds of such assets);
- (d) any Security Interest on property acquired (or deemed to be acquired) under a financial lease, or claims arising from the use or loss of or damage to such property, provided that any such encumbrance secures only rentals and other amounts payable under such lease;
- (e) any Security Interest arising under any retention of title, hire purchase, consignment or conditional sale arrangement or arrangements having similar effect in respect of goods

supplied to the Issuer or any of its Subsidiaries in the ordinary course of business and on the supplier's standard or usual terms and not arising as a result of any default or omission by the Issuer;

- (f) any Security Interest in respect of any interest rate swap, option, cap, collar or floor agreement or any foreign currency swap agreement or other similar agreement or arrangement designed to protect the Issuer against fluctuations in interest or foreign currency rates or in respect of any commodity option, swap or other similar agreement or arrangement to protect the Issuer against fluctuations in the price of such commodity or in respect of hedging any similar risk to which the Issuer is exposed in the ordinary course of its business;
- (g) (i) a right of set-off, right to combine accounts or any analogous right which any bank or other financial institution may have relating to any credit balance of the Issuer, provided that (x) such deposit account is not a dedicated secured cash account and is not subject to restrictions against access by the Issuer, and (y) such deposit account is not intended to provide security to the depository institution; and (ii) any Security Interest arising in the ordinary course of banking transactions, provided that the Security Interest is limited to the assets which are the subject of the relevant transaction;
- (h) any Security Interest on any assets securing Financial Indebtedness which arises pursuant to any order or attachment, distraint or similar legal process arising in connection with court proceedings so long as the execution or other enforcement thereof is effectively stayed and the claims secured thereby are being contested in good faith by appropriate proceedings;
- (i) any Security Interest arising by operation of law and in the ordinary course of business; and
- (j) any Security Interest in respect of the RBL Facility, provided that the Issuer is in compliance with its obligations under Condition 2.2.

**“Security Interest”** means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

**“Summit Credit Agreement”** means the Term Loan Credit Agreement dated 16 March 2021 entered into by, among others, COPL America Holding Inc. as Parent and COPL America Inc. as the Borrower (as amended, altered, varied, supplemented, restated or replaced from time to time).

### 3. Definitions

In these Conditions, unless otherwise provided:

**“2024 Bonds”** means the US\$12,600,000 senior convertible bonds due 2024 issued on or about the Issue Date.

**“5-Day Lowest Market Price”** has the meaning provided in Condition 9.9.

**“Acceleration Notice”** has the meaning provided in Condition 10.

**“Additional Shares”** has the meaning provided in Condition 6.4.

**“Adjustment Reference Date”** means, in respect of any adjustment to the Conversion Price pursuant to Conditions 6.3(a) to 6.3(h), (a) in the case of an adjustment pursuant to Conditions 6.3(a), 6.3(b), 6.3(c), 6.3(d), 6.3(e) or 6.3(i), the relevant record date or other due date for the establishment of entitlement of the relevant event gives to such adjustment and (b) in the case of an adjustment pursuant to Conditions 6.3(f), 6.3(g) or 6.3(h), the relevant date of the first public announcement as is mentioned in Conditions 6.3(f), 6.3(g) or 6.3(h), as the case may be.

**“Applicable Adjustment Reference Date”** means, in respect of any adjustment to the Conversion Price pursuant to Conditions 6.3(a) to 6.3(h), (i) in the case of an adjustment pursuant to Conditions 6.3(a), 6.3(b), 6.3(c), 6.3(d), 6.3(e) or 6.3(i), the relevant Ex-Date of the relevant event in respect of which such adjustment is made and (ii) in the case of an adjustment pursuant to Conditions 6.3(f), 6.3(g) or 6.3(h), the relevant Adjustment Reference Date.

**“Articles of Association”** means the articles of association of the Issuer, as amended, supplemented or replaced from time to time.

**“Bond Documents”** means the Bond Instrument, the Calculation Agency Agreement, each Bond Certificate and any document entered into by the Issuer or any Guarantors in connection with the granting of Security Interests, guarantees, rights and remedies to the Noteholders pursuant to Condition 2.2.

**“Bondholder”** and **“holder”** mean the person in whose name a Bond is registered in the Register (as defined in the Bond Instrument).

**“Bondholder Early Redemption Amount”** means:

- (a) in the case of the exercise by a Bondholder of its right to require the Issuer to redeem in cash any of its Bonds upon a Fundamental Change Event in accordance with Condition 7.5, an amount in US Dollar per Bond (as determined by the Calculation Agent) equal to the sum of (a) 119 per cent. of the Principal Amount, (b) the relevant Make Whole Amount and (c) all accrued but unpaid interest up to (but excluding) the Fundamental Change Event Put Date (including any Deferred Interest payable on such Fundamental Change Event Put Date); and
- (b) in the case of Bonds becoming due and payable at a date prior to the Maturity Date following an Event of Default, an amount in US Dollar per Bond (as determined by the Calculation Agent) equal to the sum of (a) 119 per cent. of the Principal Amount, (b) the relevant Make Whole Amount and (c) all accrued but unpaid interest up to (but excluding) the relevant date of payment (including any Deferred Interest payable on such date of payment).

**“Bondholder Reserved Matter”** means an amendment or waiver of any term of the Bonds or the Bond Documents which has the effect of changing or which relates to:

- (a) this definition of “Bondholder Reserved Matter” or the definition of “Majority Bondholders”;
- (b) a modification of the date of payment (including any optional redemption pursuant to these Conditions) of any principal, interest, or other amount payable to a Bondholder under the Bonds or the Bond Documents;

- (c) a variation in the amount or calculation of any payment of principal, interest, or other amount payable, or a variation in the amount or calculation of any number of Shares deliverable, to a Bondholder under the Bonds or the Bond Documents;
- (d) to modify or cancel the Conversion Rights or the rights of Bondholders to receive Shares on the exercise of Conversion Rights pursuant to the Conditions, other than pursuant to or as a result of any amendments to the Bond Documents made in order to effect a Conversion Right Transfer or pursuant to a NewCo Scheme Modification and in accordance with these Conditions;
- (e) to increase the Conversion Price, other than in accordance with these Conditions or pursuant to a NewCo Scheme Modification;
- (f) to change the governing law of the Bonds or the Bond Documents;
- (g) a change in currency of payment of any amount under the Bonds or any Bond Document;
- (h) any amendment to the requirements in Condition 9.6;
- (i) a change to the Issuer other than in accordance with Condition 15;
- (j) a change to any provision which expressly requires the consent of Bondholders; or
- (k) any amendment to the rights of a Bondholder to assign or transfer its rights or obligations under the Bonds and/or the Bond Documents.

“**Bondholder Taxes**” has the meaning provided in Condition 6.10.

“**business day**” means, in relation to any place, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets are open for business in that place.

a “**Change of Control**” shall occur if (i) any person or persons, acting jointly or in concert, acquire(s) a Controlling interest in the Issuer (other than as a result of an Exempt Newco Scheme), or (ii) a public offer is made in respect of all (or as near as practicable all) of the Shares or if any person proposes a Scheme of Arrangement with regard to such acquisition (other than an Exempt Newco Scheme) and (such offer or Scheme of Arrangement having become or been declared unconditional in all respects or having become effective) pursuant to such offer the offeror, and any person or persons acting jointly or in concert with the offeror, has acquired or will acquire a Controlling interest in the Issuer, or (iii) the sale or transfer of the whole or a substantial part of the business and/or assets of the Issuer or the Group is made to a third party.

“**Change of Control Conversion Price**” has the meaning provided in Condition 6.3(j).

“**Change of Control Conversion Right Amendment**” has the meaning provided in Condition 11(b)(vii).

“**Closing Price**” means, in respect of a Share or any other Security, Spin-Off Security, option, warrant or other right or asset, on any dealing day in respect thereof, the closing price on the Relevant Stock Exchange on such dealing day of a Share or, as the case may be, such other Security, Spin-Off Security, option, warrant or other right or asset published by or derived from Bloomberg page HP (or any successor ticker page) (setting Last Price, or any other successor

setting and using values not adjusted for any event occurring after such dealing day; and for the avoidance of doubt, all values will be determined with all adjustment settings on the DPDF Page, or any successor or similar setting, switched off) in respect of such Share, such other Security, Spin-Off Security, option, warrant or other right or asset and such Relevant Stock Exchange (all as determined by the Calculation Agent) (and for the avoidance of doubt such Bloomberg page for the Shares as at the Issue Date is COPL LN Equity HP), if available or, in any other case, such other source (if any) as shall be determined to be appropriate by an Independent Adviser on such dealing day, provided that:

- (a) if on any such dealing day (for the purpose of this definition, the “**Original Date**”) such price is not available or cannot otherwise be determined as provided above, the Closing Price of a Share, such other Security, Spin-Off Security, option, warrant, or other right or asset, as the case may be, in respect of such dealing day shall be the Closing Price, determined by the Calculation Agent as provided above, on the immediately preceding dealing day in respect thereof on which the same can be so determined, provided however that if such immediately preceding dealing day falls prior to the fifth day before the Original Date, the Closing Price in respect of such dealing day shall be considered to be not capable of being determined pursuant to this proviso (a); and
- (b) if the Closing Price cannot be determined as aforesaid, the Closing Price of a Share, such other Security, Spin-Off Security, option, warrant, or other right or asset, as the case may be, shall be determined as at the Original Date by an Independent Adviser in such manner as it shall determine to be appropriate,

and the Closing Price determined as aforesaid on or as at any dealing day shall, if not in the Relevant Currency, be translated into the Relevant Currency at the Prevailing Rate on such dealing day.

“**Companies Act**” means the Companies Act 2006.

“**Control**” means, in relation to any person (being the “**Controlled Person**”), a person being:

- (a) entitled to exercise, or control the exercise of (directly or indirectly) fifty per cent or more of the voting power at any general meeting of the shareholders, members or partners or other equity holders (and including, in the case of a limited partnership, of the limited partners of) in respect of all or substantially all matters falling to be decided by resolution or meeting of such persons;
- (b) entitled to appoint or remove or control the appointment or removal of:
  - (i) directors on the Controlled Person’s board of directors or its other governing body (or, in the case of a limited partnership, of the board or other governing body of its general partner) who are able (in the aggregate) to exercise fifty per cent or more of the voting power at meetings of that board or governing body in respect of all or substantially all matters; and/or
  - (ii) any managing member of such Controlled Person;
  - (iii) in the case of a limited partnership, its general partner; or
- (c) entitled to exercise a dominant influence over the Controlled Person (otherwise than solely as a fiduciary) by virtue of the provisions contained in its constitutional

documents or, in the case of a trust, trust deed or pursuant to an agreement with other shareholders, partners, members of the Controlled Person,

(for the avoidance of doubt, ignoring any holding of Bonds or Warrants or similar securities issued by the Issuer from time to time which do not, by the holding thereof, confer on the holder any right or ability to exercise any voting or other rights of a shareholder or to appoint or remove or control the appointment or removal of directors of the Issuer or otherwise direct or control the directors of the Issuer, prior to the conversion or exercise of such securities for Shares) and “**Controller**”, “**Controlled**” and “**Controlling**” shall be construed accordingly; and where one person is Controlled by the same Controller as another person those two persons shall be under common Control.

“**Conversion Date**” has the meaning provided in Condition 6.10.

“**Conversion Notice**” has the meaning provided in the Bond Instrument.

“**Conversion Payment**” has the meaning provided in Condition 6.2.

“**Conversion Payment Deferral**” has the meaning provided in Condition 6.2.

“**Conversion Period**” has the meaning provided in Condition 6.1.

“**Conversion Price**” has the meaning provided in Condition 6.1.

“**Conversion Right**” has the meaning provided in Condition 6.1.

“**Conversion Right Transfer**” has the meaning provided in Condition 6.14.

“**Current Market Price**” means, in respect of a Share at a particular date, the arithmetic average of the daily Volume Weighted Average Price of a Share on each of the five consecutive dealing days ending on the dealing day immediately preceding such date, as determined by the Calculation Agent, provided that:

- (a) for the purposes of determining the Current Market Price pursuant to Condition 6.3(d) or 6.3(f) in circumstances where the relevant event relates to an issue of Shares, if at any time during the said five dealing-day period (which may be on each of such five dealing days) the Volume Weighted Average Price shall have been based on a price ex-Dividend (or ex- any other entitlement) and/or during some other part of that period (which may be on each of such five dealing days) the Volume Weighted Average Price shall have been based on a price cum-Dividend (or cum- any other entitlement), in any such case which has been declared or announced, then:
  - (i) if the Shares to be so issued do not rank for the Dividend (or entitlement) in question, the Volume Weighted Average Price on the dates on which the Shares shall have been based on a price cum-Dividend (or cum- any other entitlement) shall for the purpose of this definition be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of any such Dividend or entitlement per Share as at the Ex-Date in respect of such Dividend or entitlement (or, where on each of the said five dealing days the Volume Weighted Average Price shall have been based on a price cum-Dividend (or cum-any other entitlement), as at the date of first public announcement of such Dividend or entitlement), in any such case, determined by the Calculation Agent on a gross basis and disregarding any withholding or deduction required

to be made for or on account of tax, and disregarding any associated tax credit;  
or

- (ii) if the Shares to be so issued do rank for the Dividend or entitlement in question, the Volume Weighted Average Price on the dates on which the Shares shall have been based on a price ex-Dividend (or ex- any other entitlement) shall for the purpose of this definition be deemed to be the amount thereof increased by an amount equal to the Fair Market Value of any such Dividend or entitlement per Share as at the Ex-Date in respect of such Dividend or entitlement, in any such case, determined by the Calculation Agent on a gross basis and disregarding any withholding or deduction required to be made for or on account of tax, and disregarding any associated tax credit;
- (b) for the purpose of determining the Current Market Price of any Shares which may be comprised in a Scrip Dividend, if on any of the said five dealing days the Volume Weighted Average Price of the Shares shall have been based on a price cum all or part of such Scrip Dividend, the Volume Weighted Average Price of a Share on such dealing day or dealing days shall for the purposes of this definition be deemed to be the amount thereof reduced by an amount equal to the value (as determined in accordance with paragraph (a) of the definition of “**Dividend**”) of such Scrip Dividend or part thereof; and
- (c) for any other purpose, if any day during the said five-dealing-day period was the Ex-Date in relation to any Dividend (or any other entitlement) the Volume Weighted Average Prices that shall have been based on a price cum- such Dividend (or cum- such entitlement) shall for the purpose of this definition be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of any such Dividend or entitlement per Share as at the Ex-Date in respect of such Dividend or entitlement.

“**De-Listing Event**” shall occur if, for whatever reason: (i) the Shares cease to be admitted to trading on the London Stock Exchange, or (ii) trading of the Shares on the London Stock Exchange is suspended, providing that trading of the Shares shall not be considered to be suspended on any dealing day on which a general suspension of trading on the relevant stock exchange has occurred, for a period of 10 or more consecutive dealing days or, in circumstances where such suspension is requested by the Issuer in connection with a corporate reorganisation, such trading is suspended for a period of 60 consecutive dealing days.

“**dealing day**” means a day on which the Relevant Stock Exchange is open for business and on which Shares, other Securities, Spin-Off Securities options, warrants or other rights or assets (as the case may be) may be dealt in (other than a day on which the Relevant Stock Exchange is scheduled to or does close prior to its regular weekday closing time), provided that, unless otherwise specified or the context otherwise requires, references to “dealing day” shall be a dealing day in respect of the Shares.

“**Deferred Interest**” has the meaning provided in Condition 5.1

“**Deliverable Shares**” has the meaning provided in Condition 9.9.

“**Dividend**” means any dividend or distribution to Shareholders (including a Spin-Off) whether of cash, assets or other property, and however described and whether payable out of a share premium account, profits, retained earnings or any other capital or revenue reserve or account,

and including a distribution or payment to Shareholders upon or in connection with a reduction of capital (and for these purposes a distribution of assets includes without limitation an issue of Shares or other Securities credited as fully or partly paid up by way of capitalisation of profits or reserves), provided that:

- (a) where a Scrip Dividend is announced, then the Scrip Dividend in question shall be treated as a cash Dividend of an amount equal to the sum of:
  - (i) in respect of the portion (if any) of the Scrip Dividend (which may be the whole of the Scrip Dividend) for which a Shareholder or Shareholders may make an election, the value of the option with the highest value, with the value of each option being equal to the value of the relevant property comprising such option as at the Scrip Dividend Valuation Date provided that, in the case of an option comprising more than one type of property, the value of such option shall be equal to the sum of the values of each individual type of property comprising such option, determined as provided below; and
  - (ii) in respect of the portion (if any) of the Scrip Dividend (which may be the whole of the Scrip Dividend) which is not subject to such election, the value of such portion as determined as provided below,

and where the “**value**” of any property in or comprising of a Scrip Dividend shall be determined as follows:

- (x) in the case of Shares comprised in such Scrip Dividend, the Current Market Price of such Shares as at the Scrip Dividend Valuation Date;
  - (y) in the case of cash comprising in such Scrip Dividend, the Fair Market Value of such cash as at the Scrip Dividend Valuation Date; and
  - (z) in the case of any other property or assets comprised in such Scrip Dividend, the Fair Market Value of such other property or assets as at the Scrip Dividend Valuation Date;
- (b) any issue of Shares falling within Condition 6.3(a) or Condition 6.3(b) shall be disregarded;
  - (c) a purchase or redemption or buy back of share capital of the Issuer by or on behalf of the Issuer or any of its Subsidiaries shall not constitute a Dividend unless, in the case of a purchase or redemption or buy back of Shares by or on behalf of the Issuer or any of its Subsidiaries, the weighted average price per Share (before expenses) on any day (a “**Specified Share Day**”) in respect of such purchases or redemptions or buy backs (translated, if not in the Relevant Currency, into the Relevant Currency at the Prevailing Rate on such day) exceeds by more than 5 per cent. the Current Market Price of a Share:
    - (i) on the Specified Share Day; or
    - (ii) where an announcement (excluding, for the avoidance of doubt for these purposes, any general authority for such purchases, redemptions or buy backs approved by a general meeting of Shareholders or any notice convening such a meeting of Shareholders) has been made of the intention to purchase, redeem or buy back Shares at some future date at a specified price or where a tender offer is made, on the date of such announcement or, as the case may be, on the

date of first public announcement of such tender offer (and regardless of whether or not a price per Share, a minimum price per Share or a price range or a formula for the determination thereof is or is not announced at such time),

in which case such purchase, redemption or buy back shall be deemed to constitute a Dividend in the Relevant Currency in an amount equal to the amount by which the aggregate price paid (before expenses) in respect of such Shares purchased, redeemed or bought back by or on behalf of the Issuer or, as the case may be, any of its Subsidiaries (translated where appropriate into the Relevant Currency as provided above) exceeds the product of (i) 105 per cent. of such Current Market Price and (ii) the number of Shares so purchased, redeemed or bought back;

- (d) if the Issuer or any of its Subsidiaries (or any person on its or their behalf) shall purchase, redeem or buy back any depositary or other receipts or certificates representing Shares, the provisions of paragraph (a) above shall be applied in respect thereof in such manner and with such modifications (if any) as shall be determined by an Independent Adviser;
- (e) where a dividend or distribution is paid or made to Shareholders pursuant to any plan or arrangement implemented by the Issuer for the purpose of enabling Shareholders to elect, or which may require Shareholders, to receive dividends or distributions in respect of the Shares held by them from a person other than (or in addition to) the Issuer, such dividend or distribution shall for the purposes of these Conditions be treated as a dividend or distribution made or paid to Shareholders by the Issuer, and the foregoing provisions of this definition and the provisions of these Conditions shall be construed accordingly;
- (f) where a Dividend in cash is declared which provides for payment by the Issuer in the Relevant Currency (or, in the case of a Scrip Dividend, an amount in cash is or may be paid in the Relevant Currency, whether at the option of Shareholders or otherwise), it shall be treated as a Dividend in cash (or, in the case of a Scrip Dividend, an amount in cash) in such Relevant Currency, and in any other case it shall be treated as a Dividend in cash (or, in the case of a Scrip Dividend an amount in cash) in the currency in which it is payable by the Issuer; and
- (g) a dividend or distribution that is a Spin-Off shall be deemed to be a Dividend paid or made by the Issuer,

and any such determination shall be made by the Calculation Agent or, where specifically provided, an Independent Adviser and, in either such case, on a gross basis and disregarding any withholding or deduction required to be made for or on account of tax, and disregarding any associated tax credit.

**“equity share capital”** means (other than for the purposes of Condition 6.3(c)), in relation to any entity, its issued share capital excluding any part of that capital which, neither as respects dividends nor as respects capital, carries any right to participate beyond a specific amount in a distribution.

**“Event of Default”** has the meaning provided in Condition 10.

**“Ex-Date”** means, in relation to any Dividend (including without limitation any Spin-Off), capitalisation, redesignation, reclassification, sub-division, consolidation, issue, grant, offer or

other entitlement, unless otherwise defined herein, the first dealing day for the Shares on which the Shares are traded ex- the relevant Dividend, capitalisation, redesignation, reclassification, sub-division, consolidation, issue, grant, offer or other entitlement on the Relevant Stock Exchange (or, in the case of a Dividend which is a purchase, redemption or buy back of Shares (or, as the case may be, any depositary or other receipts or certificates representing Shares) pursuant to paragraph (c) (or, as the case may be, paragraph (d)) of the definition of “Dividend”, the date on which such purchase, redemption or buy back is made), and provided that, for the avoidance of doubt, the Ex-Date in respect of a Scrip Dividend shall be deemed to be the Ex-Date in respect of the relevant Dividend or capitalisation as referred to in the definition of “Scrip Dividend”.

“**Exempt Newco Scheme**” means a Newco Scheme where, immediately after completion of the relevant Scheme of Arrangement, the ordinary shares or units or equivalent of Newco (or depositary or other receipts or certificates representing ordinary shares or units or equivalent of Newco) are admitted to trading on a Qualifying Market.

“**Fair Market Value**” means, on any date (the “**FMV Date**”):

- (a) in the case of a cash Dividend, the amount of such cash Dividend, as determined by the Calculation Agent;
- (b) in the case of any other cash amount, the amount of such cash, as determined by the Calculation Agent;
- (c) in the case of Securities (including Shares), Spin-Off Securities, options, warrants or other rights or assets that are publicly traded on a Relevant Stock Exchange of adequate liquidity (as determined by the Calculation Agent or an Independent Adviser), the arithmetic mean of:
  - (i) in the case of Shares or (to the extent constituting equity share capital) other Securities or Spin-Off Securities, for which a daily Volume Weighted Average Price (disregarding for this purpose proviso (ii) to the definition thereof) can be determined, such daily Volume Weighted Average Price of the Shares or such other Securities or Spin-Off Securities; and
  - (ii) in any other case, the Closing Price of such Securities, Spin-Off Securities, options, warrants or other rights or assets,

in the case of both (i) and (ii) during the period of five dealing days on the Relevant Stock Exchange for such Securities, Spin-Off Securities, options, warrants or other rights or assets commencing on such FMV Date (or, if later, the date (the “**Adjusted FMV Date**”) which falls on the first such dealing day on which such Securities, Spin-Off Securities, options, warrants or other rights or assets are publicly traded, provided that where such Adjusted FMV Date falls after the fifth day following the FMV Date, the Fair Market Value of such Securities, Spin-Off Securities, options, warrants or other rights or assets shall instead be determined pursuant to paragraph (d) below, and no such Adjusted FMV Date shall be deemed to apply) or such shorter period as such Securities, Spin-Off Securities, options, warrants or other rights or assets are publicly traded, all as determined by the Calculation Agent,

- (d) in the case of Securities, Spin-Off Securities, options, warrants or other rights or assets that are not publicly traded on a Relevant Stock Exchange of adequate liquidity (as

aforesaid) or where otherwise provided in paragraph (c) above to be determined pursuant to this paragraph (d), an amount equal to the fair market value of such Securities, Spin-Off Securities, options, warrants or other rights or assets as determined by an Independent Adviser, on the basis of a commonly accepted market valuation method and taking account of such factors as it considers appropriate, including the market price per Share, the dividend yield of a Share, the volatility of such market price, prevailing interest rates and the terms of such Securities, Spin-Off Securities, options, warrants or other rights or assets, and including as to the expiry date and exercise price or the like (if any) thereof.

Such amounts shall (if not expressed in the Relevant Currency on the FMV Date (or, as the case may be, the Adjusted FMV Date)) be translated into the Relevant Currency at the Prevailing Rate on the FMV Date (or, as the case may be, the Adjusted FMV Date), all as determined by the Calculation Agent.

In addition, in the case of (a) and (b) above, the Fair Market Value shall be determined on a gross basis and disregarding any withholding or deduction required to be made for or on account of tax, and disregarding any associated tax credit.

“**Floor Price**” has the meaning provided in Condition 6.5.

“**Free Float**” means the aggregate number of Shares held by each person (together with the aggregate number of Shares held by persons acting jointly or in concert) that in each case owns Shares representing less than 5 per cent. of the total number of issued and outstanding Shares, as determined by an Independent Adviser in consultation with the Issuer and where for the purposes of this definition: (a) references to Shares shall include Shares represented by depository receipts or certificates representing Shares; (b) Shares held by or on behalf of the Issuer or any of its Subsidiaries or any director or officer thereof shall not be treated as not constituting part of the Free Float; and (d) regard shall be had to underlying beneficial holdings behind bare nominees (to the extent such information is available upon reasonable investigation).

A “**Free Float Event**” shall occur if, on each dealing day comprised in any period of 20 consecutive London business days, the number of Shares comprising the Free Float on such London business day (as determined by an Independent Adviser) is equal to or less than 20 per cent. of the total number of issued and outstanding Shares (which shall for the purposes of this definition be deemed to include any Shares represented by depository receipts or certificates representing Shares, and exclude any Shares held by or on behalf of the Issuer or any of its Subsidiaries) on such London business day. In any such case the Free Float Event shall be deemed to have occurred on the last day of the first such period of 20 consecutive dealing days as aforesaid to occur.

A “**Fundamental Change Event**” shall occur upon the occurrence of any of the following:

- (a) a Change of Control; or
- (b) a De-Listing Event; or
- (c) a Free Float Event.

“**Fundamental Change Event Notice**” has the meaning provided in Condition 6.9.

“**Fundamental Change Event Period**” means, in respect of any Fundamental Change Event, the period commencing on the date on which such Fundamental Change Event occurs and

ending 45 days following such date or, if later, 45 days following the date on which the relevant Fundamental Change Event Notice is given to Bondholders as required by Condition 6.9 or, in any such case, if that is not a Notice Business Day, the next following Notice Business Day.

“**Fundamental Change Event Put Date**” has the meaning provided in Condition 7.5.

“**Further Bonds**” means further bonds either having the same terms and conditions in all respects as the outstanding Bonds or having the same terms and conditions in all respects as the outstanding Bonds in all respects except for the first payment of interest on them and the first date on which Conversion Rights may be exercised and so that such further issue shall be consolidated and form a single series with the outstanding Bonds, and in each case which shall be issued in accordance with Condition 17.

“**Group**” means the Issuer and its Subsidiaries taken as a whole.

“**IFRS**” means International Financial Reporting Standards.

“**Independent Adviser**” means an independent adviser with appropriate expertise, which may be the Calculation Agent appointed by the Issuer at its own expense and (other than where the initial Calculation Agent is appointed) approved in writing by the Bondholders or, if the Issuer fails to make such appointment and such failure continues for a reasonable period (as determined by the Bondholders, acting reasonably), as may be appointed by the Bondholders (at the expense of the Issuer, and without liability for so doing) following notification to the Issuer, which appointment shall be deemed to be made by the Issuer.

“**Initial Conversion Price**” has the meaning provided in Condition 6.1.

“**Interest Payment Date**” has the meaning provided in Condition 5.1(a).

“**Interest Period**” has the meaning provided in Condition 5.1(a).

“**Issue Date**” means 26 July 2022.

“**Issuer Call Early Redemption Amount**” means:

- (a) if the early redemption date shall fall in the period from the date falling six months after the Issue Date to (and including) the date falling 12 months after the Issue Date, an amount in US Dollar per Bond (as determined by the Calculation Agent) equal to the sum of (a) 114 per cent. of the Principal Amount, (b) the relevant Make Whole Amount and (c) all accrued but unpaid interest up to (but excluding) the Issuer Optional Redemption Date (including any Deferred Interest payable on such Issuer Optional Redemption Date); and
- (b) if the early redemption date shall fall in the period after the date falling 12 months after the Issue Date to but excluding the Maturity Date, an amount in US Dollar per Bond (as determined by the Calculation Agent) equal to the sum of (a) 109 per cent. of the Principal Amount, (b) the relevant Make Whole Amount and (c) all accrued but unpaid interest up to (but excluding) the Issuer Optional Redemption Date (including any Deferred Interest payable on such Issuer Optional Redemption Date).

“**Issuer Optional Redemption Notice**” has the meaning provided in Condition 7.3.

“**London Stock Exchange**” means the London Stock Exchange plc.

“**Majority Bondholders**” means, at any time, holders of more than 50 per cent. of the principal amount of the Bonds outstanding.

“**Make Whole Amount**” has the meaning provided in Condition 5.3.

“**Material Subsidiary**” means at any relevant time a Subsidiary of the Issuer:

- (a) whose total assets or revenues before taxation (where the Subsidiary in question prepares consolidated accounts, whose total consolidated assets or gross consolidated revenues, as the case may be) represent 5 per cent. or more of the Issuer’s and its Subsidiaries’ consolidated gross assets or revenues before taxation, as calculated by reference to the then latest audited accounts (or consolidated accounts, as the case may be) of such Subsidiary and the then latest audited consolidated accounts of the Issuer and its consolidated Subsidiaries; or
- (b) to which is transferred all or substantially all of the assets and undertaking of a Subsidiary which immediately prior to such transfer is a Material Subsidiary.

“**Maturity Date**” means the date falling 36 months after the Issue Date.

“**Maturity Redemption Amount**” means an amount in US Dollar per Bond equal to the sum (as determined by the Calculation Agent) of (a) 119 per cent. of the Principal Amount and (b) all accrued but unpaid interest on such Bond up to (but excluding) the Maturity Date (including any Deferred Interest payable on the Maturity Date).

“**Newco Scheme**” means a Scheme of Arrangement:

- (a) which effects the interposition of a limited liability company (“**Newco**”) between the Shareholders immediately prior to the Scheme of Arrangement (the “**Existing Shareholders**”) and the Issuer; or
- (b) pursuant to which Newco acquires all the outstanding Shares and shares of one or more other entities in exchange for the issue of Exchange Securities to the Existing Shareholders and the issue of Exchange Securities (and, if applicable, such other consideration) to some or all of the holders of such shares of such other entity or entities (“**Existing Holders**”) immediately prior to the Scheme of Arrangement,

provided that:

- (i) in the case of paragraphs (a) and (b) (except for a nominal holding by initial subscribers) Exchange Securities are only issued to Existing Shareholders and (in the case of paragraph (b) above) Existing Holders;
- (ii) immediately after completion of the Scheme of Arrangement, Newco is (or one or more wholly-owned Subsidiaries of Newco are) the only shareholder (or shareholders) of the Issuer;
- (iii) all Subsidiaries of the Issuer immediately prior to the Scheme of Arrangement (other than (A) Newco, if Newco is then a Subsidiary of the Issuer; or (B) any other Subsidiary of the Issuer or Subsidiaries of the Issuer being disposed of or demerged (or similar) in whole or in part for value on an arms’ length basis in connection with the Newco Scheme) are Subsidiaries of the Issuer (or of Newco) immediately after completion of the Scheme of Arrangement and at

such time the Issuer (or Newco) holds, directly or indirectly, the same percentage of the ordinary share capital and equity share capital of those Subsidiaries as was held by the Issuer immediately prior to the Scheme of Arrangement; and

- (iv) no person or persons acting jointly or in concert shall, as a result of the Newco Scheme (A) own, acquire or control (or have the right to own, acquire or control) the right to cast more than 50 per cent. of the votes which may ordinarily be cast on a poll at a general meeting of Newco; or (B) own, acquire or control (or have the right to own, acquire or control) more than 50 per cent. of the issued ordinary shares of Newco; or (C) obtain the power to appoint and/or remove all or a majority of the members of the board of directors of Newco,

and for the purposes of this definition “**Exchange Securities**” means ordinary shares, units or equivalent of Newco or depositary receipts or certificates representing ordinary shares, units of equivalent of Newco.

“**NewCo Scheme Modification**” means amendments to these Conditions, the Bond Documents or the Bonds which are made pursuant to or in accordance with the provisions of Condition 6.14 in order to effect a Conversion Right Transfer or Condition 11(g) following or as part of a Newco Scheme (and subject to and in accordance with Condition 15).

“**Notice Business Day**” means a day which is a business day in each of London, United Kingdom and Calgary, Canada.

“**Offer Period**” has the meaning provided in Condition 9.9(c).

“**Optional Redemption Date**” has the meaning provided in Condition 7.3.

“**outstanding**” means, in relation to the Bonds, all Bonds issued except (a) those which have been redeemed in accordance with these Conditions, (b) those in respect of which Conversion Rights have been exercised and the Issuer’s obligations to issue and deliver Shares and pay all amounts due and payable in respect of such conversion under these Conditions have been duly performed, (c) those in respect of which the date for redemption has occurred and the redemption moneys (including all interest accrued on such Bonds to the date for such redemption and any interest payable under Condition 5 after such date) have been duly paid to the relevant Bondholder and for any obligations to issue and deliver Shares have been performed, and (d) those which have been purchased and cancelled as provided in Condition 7; provided that for the purposes of (1) ascertaining the right to vote on any voting matters pursuant to Condition 14, (2) the determination of how many and which Bonds are outstanding for the purposes of Conditions 10 and 14, and (3) the exercise of any discretion, power or authority which each Bondholder is required, expressly or impliedly, to exercise, those Bonds which are beneficially held by or on behalf of the Issuer or any member of the Group or any of their respective affiliates and not cancelled shall (unless no longer so held) be deemed not to remain outstanding.

“**Parity Value**” means, in respect of any dealing day, the amount determined by the Calculation Agent and calculated as follows:

$$PV = N \times VWAP$$

where

PV = the Parity Value.

N = \$US200,000 divided by the Conversion Price in effect on such dealing day, provided that if (A) such dealing day falls on or after the Applicable Adjustment Reference Date in respect of any adjustment to the Conversion Price pursuant to Conditions 6.3(a) to (h), and (B) such adjustment is not yet in effect on such dealing day, the Conversion Price in effect on such dealing day shall for the purpose of this definition only be multiplied by the adjustment factor subsequently determined by the Calculation Agent to be applicable in respect of the relevant Conversion Price adjustment.

VWAP = the Volume Weighted Average Price of a Share (translated if necessary into US Dollar at the Prevailing Rate) on such dealing day.

**“Payment Details”** means, with respect to each Bondholder, the instructions provided by it to the Issuer for the payment to the Bondholder of US Dollar cash payments and issue and delivery to the Bondholder of Shares (and which shall, for so long as the Shares are held through CREST, include CREST account details), and which may be updated by a Bondholder at any time by giving notice to the Issuer.

**“Permitted Cessation of Business”** has the meaning provided in Condition 6.14.

a **“person”** includes any individual, company, corporation, firm, partnership, joint venture, trust, undertaking, association, organisation, or state or agency of a state or any political subdivisions thereof (in each case whether or not being a separate legal entity).

**“Potential Event of Default”** means an event or circumstance which could, with the giving of notice, lapse of time, issue of a certificate and/or fulfilment of any other requirement provided for in Condition 10, become an Event of Default.

**“Prevailing Rate”** means, in respect of any pair of currencies on any day, the spot mid-rate of exchange between the relevant currencies prevailing as at 12 noon (London time) on that date (for the purpose of this definition, the “Original Date”) as appearing on or derived from Bloomberg page BFIX (or any successor page) in respect of such pair of currencies, or, if such a rate cannot be so determined, the rate prevailing as at 12 noon (London time) on the immediately preceding day on which such rate can be so determined, provided that if such immediately preceding day falls earlier than the fifth day prior to the Original Date or if such rate cannot be so determined (all as determined by the Calculation Agent), the Prevailing Rate in respect of the Original Date shall be the rate determined in such other manner as an Independent Adviser shall consider appropriate.

**“Principal Amount”** means, in respect of each Bond, US\$200,000.

“**Qualifying Market**” means the regulated market of the London Stock Exchange or the New York Stock Exchange or the Toronto Stock Exchange.

“**Record Date**” has the meaning provided in Condition 9.3.

“**Redemption Premium**” means an amount in US Dollar per Bond equal to 19 per cent. of the Principal Amount.

“**Reference Date**” means, in relation to a Retroactive Adjustment or a Share Settlement Retroactive Adjustment, the date as of which the relevant Retroactive Adjustment or, as the case may be, the relevant Share Settlement Retroactive Adjustment takes effect or, in any such case, if that is not a dealing day, the next following dealing day.

“**Reference Shares**” means, in respect of the exercise of Conversion Rights by a Bondholder, the number of Shares (rounded down, if necessary, to the nearest whole number) determined by the Calculation Agent by dividing the principal amount of the Bonds which are the subject of the relevant exercise of Conversion Rights by the Conversion Price in effect on the relevant Conversion Date, except that where the Conversion Date falls on or after the date an adjustment to the Conversion Price takes effect pursuant to Conditions 6.3(a), 6.3(b), 6.3(c), 6.3(d), 6.3(e) or 6.3(i) but on or prior to the record date or other due date for establishment of entitlement in respect of the relevant event giving rise to such adjustment, then the Conversion Price in respect of such exercise shall be such Conversion Price as would have been applicable to such exercise had no such adjustment been made.

“**Refinancing Conditions**” means the repayment of all amounts under the Summit Credit Agreement in accordance with the terms thereof.

“**Relevant Currency**” means, at any time, the currency in which the Shares are quoted or dealt in at such time on the Relevant Stock Exchange.

“**Relevant Date**” means, in respect of any payment with respect to a Bond, whichever is the later of:

- (a) the date on which such payment in respect of the relevant Bond first becomes due; and
- (b) if any amount so payable is improperly withheld or refused, the date on which payment in full of the relevant amount outstanding is made to the relevant Bondholders.

“**Relevant Jurisdiction**” has the meaning provided in Condition 8;

“**Relevant Stock Exchange**” means:

- (a) in respect of the Shares, the London Stock Exchange or, if at the relevant time the Shares are not at that time listed and admitted to trading on the London Stock Exchange, the principal stock exchange or securities market on which the Shares are then listed, admitted to trading or quoted or dealt in; and
- (b) in respect of any Securities (other than Shares), Spin-Off Securities, options, warrants or other rights or assets, the principal stock exchange or securities market on which such Securities, Spin-Off Securities, options, warrants or other rights or assets are then listed, admitted to trading or quoted or dealt in,

where “**principal stock exchange or securities market**” shall mean the stock exchange or securities market on which such Shares, such other Securities, Spin-Off Securities, options, warrants or other rights or assets are listed, admitted to trading or quoted or dealt in, provided

that if such Shares, such other Securities, Spin-Off Securities, options, warrants or other rights or assets are listed, admitted to trading or quoted or dealt in (as the case may be) on more than one stock exchange or securities market at the relevant time, then “**principal stock exchange or securities market**” shall mean that stock exchange or securities market on which such Shares, such other Securities, Spin-Off Securities, options, warrants or other rights or assets are then traded as determined by the Calculation Agent (if the Calculation Agent determines that it is able to make such determination) or (in any other case) by an Independent Adviser by reference to the stock exchange or securities market with the highest average daily trading volume in respect of such Shares, such other Securities, Spin-Off Securities, options, warrants or other rights or assets.

A “**Retroactive Adjustment**” shall occur if the Conversion Date in relation to the conversion of any Bond shall be (i) after the date which is the record date in respect of any consolidation, reclassification, redesignation or sub-division as is mentioned in Condition 6.3(a), or which is the record date or other due date for the establishment of entitlement for any such issue, distribution, grant or offer (as the case may be) as is mentioned in Condition 6.3(b), 6.3(c), 6.3(d), 6.3(e) or 6.3(i), or which is the date of the first public announcement of the terms of any such issue or grant as is mentioned in Condition 6.3(f) and 6.3(g) or of the terms of any such modification as is mentioned in Condition 6.3(h); and (ii) before the relevant adjustment to the Conversion Price becomes effective under Condition 6.3.

“**Scheduled Conversion Payment Date**” means, in respect of any exercise of Conversion Rights, the date falling seven London business days after the relevant Conversion Date.

“**Scheme of Arrangement**” means a scheme of arrangement, share for share exchange or analogous procedure.

“**Scrip Dividend**” means:

- (a) a Dividend in cash which is to be satisfied, or a Dividend in cash which may at the election of a Shareholder or Shareholders be satisfied, in whole or in part, by the issue or transfer and delivery of Shares and/or other property or assets; or
- (b) an issue of Shares or other property or assets by way of a capitalisation of profits or reserves (including any share premium account or capital redemption reserve, and whether described as a scrip or share dividend or distribution or otherwise) which is to be satisfied, or which may at the election of a Shareholder or Shareholders be satisfied, in whole or in part, by the payment of cash.

“**Scrip Dividend Valuation Date**” means:

- (a) in respect of any portion of a Scrip Dividend for which a Shareholder or Shareholders may make an election, the later of (i) the Ex-Date in relation to the relevant dividend or capitalisation, (ii) the last day on which the relevant election can be made by such Shareholder or Shareholders, and (iii) the date on which the number of Shares, amount of cash, or amount of other property or assets, as the case may be, which may be issued or transferred and delivered is publicly announced; or
- (b) in respect of any portion of a Scrip Dividend which is not subject to such election, the later of (i) the Ex-Date in relation to the relevant dividend or capitalisation and (ii) the

date on which the number of Shares, amount of cash or amount of such other property or assets, as the case may be, to be issued and delivered is publicly announced.

“**Securities**” means any securities including, without limitation, Shares and any other shares in the capital of the Issuer, and options, warrants or other rights to subscribe for or purchase or acquire Shares or any other shares in the capital of the Issuer.

“**Share Settlement**” has the meaning provided in Condition 9.9(b).

“**Share Settlement Liquidity Event**” has the meaning provided in Condition 9.9(c).

“**Share Settlement Notice**” has the meaning provided in Condition 9.9(a).

“**Share Settlement Notice Date**” has the meaning provided in Condition 9.9(a).

“**Share Settlement Observation Period**” has the meaning given to it in Condition 9.9(c).

“**Share Settlement Option**” has the meaning given to it in Condition 9.9(a).

“**Share Settlement Retroactive Adjustment**” has the meaning provided in Condition 9.9(b)(xi).

“**Shareholders**” means the holders of Shares.

“**Shares**” means common shares of no par value of the Issuer listed on the London Stock Exchange.

“**Specified Date**” has the meaning provided in Conditions 6.3(f), 6.3(g) and 6.3(h).

“**Specified Taxes**” has the meaning provided in Condition 6.10.

“**Spin-Off**” means:

- (a) a distribution of Spin-Off Securities by the Issuer to Shareholders as a class; or
- (b) any issue or transfer and delivery of any property or assets (including cash or shares or other securities of or in or issued or allotted) by any entity (other than the Issuer) to Shareholders as a class or, in the case of or in connection with a Scheme of Arrangement, Existing Shareholders as a class (but excluding the issue and allotment of ordinary shares (or depositary or other receipts or certificates representing such ordinary shares) by Newco to Existing Shareholders as a class), pursuant in each case to any arrangements with the Issuer or any of its Subsidiaries.

“**Spin-Off Securities**” means equity share capital of an entity other than the Issuer or options, warrants or other rights to subscribe for or purchase equity share capital of an entity other than the Issuer.

“**Subsidiary**” means, in relation to any person (the “first Person”) at any particular time, any other person (the “second Person”) (i) whose affairs and policies the first Person Controls or has the power to Control, or (ii) whose assets, liabilities, equity, income, expenses and cash flows are, in accordance with applicable law and IFRS, consolidated with those of the first Person in the consolidated financial statements of such Person.

“**Successor in Business**” has the meaning provided in Condition 6.14.

**“Volume Weighted Average Price”** means, in respect of a Share, such other Security or, as the case may be, a Spin-Off Security, on any dealing day in respect thereof, the volume weighted average price on such dealing day on the Relevant Stock Exchange of a Share, such other Security or, as the case may be, a Spin-Off Security, as published by or derived from Bloomberg page HP (or any successor page) (setting Weighted Average Line or any other successor setting and using values not adjusted for any event occurring after such dealing day; and for the avoidance of doubt, all values will be determined with all adjustment settings on the DPDF Page, or any successor or similar setting, switched off) in respect of such Share, such other Security, or, as the case may be, Spin-Off Security (and for the avoidance of doubt such Bloomberg page for the Shares as at the Issue Date is COPL LN Equity HP) if available or, in any other case, such other source (if any) as shall be determined to be appropriate by an Independent Adviser on such dealing day provided that:

- (a) if on any such dealing day (for the purposes of this definition, the **“Original Date”**) such price is not available or cannot otherwise be determined as provided above, the Volume Weighted Average Price of a Share, such other Security or Spin-Off Security, as the case may be, in respect of such dealing day shall be the Volume Weighted Average Price, determined as provided above, on the immediately preceding dealing day in respect thereof on which the same can be so determined, provided however that if such immediately preceding dealing day falls prior to the fifth day before the Original Date, the Volume Weighted Average Price in respect of such dealing day shall be considered to be not capable of being determined pursuant to this proviso (a); and
- (b) if the Volume Weighted Average Price cannot be determined as aforesaid, the Volume Weighted Average Price of a Share, such other Security or Spin-Off Security, as the case may be, shall be determined as at the Original Date by an Independent Adviser in such manner as it shall determine to be appropriate,

and the Volume Weighted Average Price determined as aforesaid on or as at any dealing day shall, if not in the Relevant Currency, be translated into the Relevant Currency at the Prevailing Rate on such dealing day.

**“Warrants”** means the 54,792,590 warrants issued by the Issuer to the initial Bondholders on or about the Issue Date pursuant to a warrant instrument dated on or about the Issue Date.

**“US\$”, “USD” and “US Dollar”** means the lawful currency for the time being of the United States.

**“£”** means the lawful currency for the time being of the United Kingdom.

References to any act or statute or any provision of any act or statute shall be deemed also to refer to any statutory modification or re-enactment thereof or any statutory instrument, order or regulation made thereunder or under such modification or re-enactment.

References to any issue or offer or grant to Shareholders or Existing Shareholders **“as a class”** or **“by way of rights”** shall be taken to be references to an issue or offer or grant to all or substantially all Shareholders or Existing Shareholders, as the case may be, other than Shareholders or Existing Shareholders, as the case may be, to whom, by reason of the laws of any territory or requirements of any recognised regulatory body or any other stock exchange or securities market in any territory or in connection with fractional entitlements, it is determined not to make such issue or offer or grant.

In making any calculation or determination of 5-Day Lowest Market Price, Current Market Price or Volume Weighted Average Price, such adjustments (if any) shall be made and as the Calculation Agent or an Independent Adviser considers appropriate to reflect any consolidation or sub-division of the Shares or any issue of Shares by way of capitalisation of profits or reserves, or any like or similar event.

For the purposes of Conditions 3, 6.1, 6.3, 6.4, 6.10 and 6.11 and Condition 11 only, Shares held by or on behalf of the Issuer or any of its Subsidiaries (and which, in the case of Condition 6.3(d) and 6.3(f), do not rank for the relevant right or other entitlement) shall not be considered as or treated as “**in issue**” or “**issued**”, or entitled to receive the relevant Dividend, right or other entitlement.

References to “acting jointly or in concert” shall have the meaning given to that term under the laws of the Province of Alberta and shall be construed accordingly.

## **4. Registration and Transfer of Bonds**

### **4.1 Registration**

The Issuer will keep or will cause to be kept a Register at its registered office (or if no longer outside the United Kingdom, at such other place outside of the United Kingdom) as provided in Clause 5 (*Register and Title*) of the Bond Instrument.

### **4.2 Transfer**

Bonds may be transferred in accordance with the provisions of Clauses 5 (*Register and Title*) and 7 (*Transfers of Rights and Obligations*) of the Bond Instrument.

## **5. Interest and Make Whole Amount**

### **5.1 Interest on Bonds**

#### **(a) Initial Interest Rate**

Each Bond shall bear interest from (and including) the Issue Date at the rate of 13.00 per cent. per annum, subject to adjustment for any Interest Period in accordance with the provisions of Condition 5.1(b) (the “**Rate of Interest**”), with such interest calculated by reference to the aggregate Principal Amount of the number of Bonds outstanding on each 3-month anniversary date of the Issue Date (each such date, an “**Interest Payment Date**”), and payable (subject as provided in the following paragraph) on each such Interest Payment Date.

Subject to the Issuer giving a Cash Payment Notice pursuant to Condition 5.1(d), all accrued and unpaid interest amounts shall be deferred (any such interest so deferred, “**Deferred Interest**”) and become payable in cash on the earlier of: (i) the Maturity Date, (ii) subject as provided in Condition 6.2, the relevant Conversion Payment Date in respect of any exercise of Conversion Rights, if applicable, (iii) any relevant Fundamental Change Event Put Date, if applicable, (iv) any Tax Redemption Date, if applicable, (v) the Issuer Optional Redemption Date, if applicable, (v) the Interest Payment Date immediately following the relevant date on which the Cash Payment Notice is given, if applicable and (vi) the date on which an Acceleration Notice is delivered to the Issuer by any Bondholder, if applicable.

No interest shall accrue on any Deferred Interest.

For the purposes of these Conditions:

“**Interest Period**” means the period beginning on (and including) the Issue Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

(b) Interest Step-Up

The Rate of Interest on each Bond shall cumulatively increase by 0.75 per cent. per annum on each three-month anniversary of the Issue Date (each such occurrence, a “**Step-Up**”).

If the Issuer gives a Cash Payment Notice in accordance with Condition 5.1(d), from (and including) the date on which such Cash Payment Notice is so given, no further Step-Up shall occur and the Rate of Interest (which shall include each Step-Up which has occurred prior to the date on which the Cash Payment Notice is so given) in respect of the remainder of the Interest Period commencing from (and including) the date on which the Cash Payment Notice is so given shall be reduced by 2.0 per cent. per annum (the Rate of Interest so reduced being the “**Subsequent Fixed Rate of Interest**”).

Each Bond shall bear interest from (and including) the date of delivery of such Cash Payment Notice at a Rate of Interest equal to the Subsequent Fixed Rate of Interest.

(c) Calculation of interest

The amount of interest payable in accordance with this Condition 5.1 per each Bond outstanding in respect of any period (for the purpose of this Condition 5.1, an “**Accrual Period**”) which is an Interest Period or is shorter than an Interest Period shall be calculated by the Calculation Agent as the product (rounded to nearest integral multiple of \$0.01 (with \$0.005 being rounded upwards)) of (i) the Principal Amount (being U.S.\$200,000), (ii) the applicable Rate of Interest and (iii) a fraction, the numerator of which is the number of days in such Accrual Period and the denominator of which is the product of (A) the number of days in the Interest Period in which such Accrual Period falls and (B) 4, being the number of Interest Periods normally ending in any year.

(d) Cash Payment Option

Upon giving notice thereof to Bondholders in accordance with Condition 16 (a “**Cash Payment Notice**”), the Issuer shall pay in cash all accrued and unpaid interest amounts (including any Deferred Interest) in respect of each Bond as provided below:

- (i) in respect of the Interest Period in which the Cash Payment Notice is given (the “**First Non-Deferred Interest Period**”), the Issuer shall pay in cash, on the Interest Payment Date in respect of the First Non-Deferred Interest Period, the amount of interest accrued in respect of such First Non-Deferred Interest Period;
- (ii) the Issuer shall pay in cash, on the Interest Payment Date in respect of the First Non-Deferred Interest Period, the amount of Deferred Interest (if any) in respect of each Interest Period falling prior the First Non-Deferred Interest Period; and

- (iii) the Issuer shall pay in cash, on each Interest Payment Date falling after the Interest Payment Date in respect of the First Non-Deferred Interest Period, the amount of interest accrued in respect of each Interest Period falling after the First Non-Deferred Interest Period.

As soon as reasonably practicable following (but not prior to) the repayment of all amounts under the Summit Credit Agreement and the discharge or termination thereof, the Issuer shall have the right but not the obligation to give the Cash Payment Notice.

A Cash Payment Notice, once delivered, shall be irrevocable.

- (e) Cessation of Interest

Each Bond will cease to bear interest (i) where the Conversion Right shall have been exercised by a Bondholder, from (and including) the relevant Conversion Date or (ii) where such Bond is redeemed or repaid pursuant to Condition 7 or Condition 10 from (and including) the due date for redemption or repayment thereof unless payment of principal is improperly withheld or refused or, following any election to exercise the Share Settlement Option, the Issuer fails duly to perform its obligations to issue and deliver the Deliverable Shares in accordance with Condition 9.9, interest will continue to accrue at the rate specified in Condition 5.1 (both before and after judgment) to (but excluding) the Relevant Date or, as the case may be, the date on which such issue and delivery of Deliverable Shares is duly made in accordance with Condition 9.9.

## **5.2 Interest on Conversion Payments**

- (a) In respect of such number of Bonds in respect of which the Conversion Right shall have been exercised by a Bondholder pursuant to any one Conversion Notice and where a Conversion Payment Deferral applies to the relevant Conversion Payment, interest shall accrue on such Conversion Payment at the Rate of Interest (with such interest amount calculated by reference to such Conversion Payment outstanding on each Interest Payment Date as if such interest amount was payable on such Interest Payment Date) in respect of each day (if any) comprised in the period from (and including) the date falling 6 months after the Issue Date (or, if later, the day immediately following the Scheduled Conversion Payment Date in respect of such exercise), to (but excluding) the earlier of (i) the date on which such Conversion Payment is payable in accordance with Condition 6.2 and (ii) if the relevant Bondholder exercises its Share Settlement Option in respect of such Conversion Payment as provided under Condition 9.9, the relevant Share Settlement Date, in each case, unless payment of the Conversion Payment is improperly withheld or refused or, following any election to exercise the Share Settlement Option, the Issuer fails duly to perform its obligations to issue and deliver the Deliverable Shares in accordance with Condition 9.9, in which case interest will continue to accrue at the applicable Rate of Interest (both before and after judgment) to (but excluding) the Relevant Date or, as the case may be, the date on which such issue and delivery of Deliverable Shares is duly made in accordance with Condition 9.9.
- (b) All accrued and unpaid interest amounts pursuant to paragraph (a) above shall be deferred and shall become payable in cash in accordance with Condition 6.2. No interest shall accrue on any such interest so deferred.
- (c) The amount of interest payable in accordance with this Condition 5.2 per each Conversion Payment outstanding in respect of any period (for the purpose of this

Condition 5.2, an “**Accrual Period**”) which is an Interest Period or is shorter than an Interest Period shall be calculated by the Calculation Agent as the product (rounded to nearest integral multiple of \$0.01 (with \$0.005 being rounded upwards)) of (i) the Conversion Payment, (ii) the applicable Rate of Interest and (iii) a fraction, the numerator of which is the number of days in such Accrual Period and the denominator of which is the product of (A) the number of days in the Interest Period in which such Accrual Period falls and (B) 4, being the number of Interest Periods normally ending in any year.

### 5.3 **Make Whole Amount**

For the purposes of these Conditions, “**Make Whole Amount**” means an amount in US Dollar per Bond (rounded to nearest integral multiple of \$0.01 (with \$0.005 being rounded upwards)) determined by the Calculation Agent equal to the following:

- (i) in the case of any Make Whole Amount to be determined pursuant to the definition of “Issuer Call Early Redemption Amount”, the sum of the present values (as at the Issuer Optional Redemption Date) of all payments of interest due to be made on such Bond from (but excluding) the relevant Issuer Optional Redemption Date to (and including) the Maturity Date (excluding accrued but unpaid interest to (but excluding) the Issuer Optional Redemption Date (including any Deferred Interest payable on such Issuer Optional Redemption Date)); or
- (ii) in the case of any Make Whole Amount to be determined pursuant to limb (b) of the definition of “Conversion Payment”, the sum of the present values (as at the relevant Conversion Date) of all payments of interest due to be made on such Bond from (but excluding) the relevant Conversion Date to (and including) the Maturity Date (excluding accrued but unpaid interest to (but excluding) the Conversion Date (including any Deferred Interest payable on the relevant Conversion Payment Date)); or
- (iii) in the case of any Make Whole Amount to be determined pursuant to limb (a) of the definition of “Bondholder Early Redemption Amount”, the sum of the present values (as at the Fundamental Change Event Put Date) of all payments of interest due to be made on such Bond from (but excluding) the Fundamental Change Event Put Date to (and including) the Maturity Date (excluding accrued but unpaid interest to (but excluding) the Fundamental Change Event Put Date (including any Deferred Interest payable on such Fundamental Change Event Put Date)); or
- (iv) in the case of any Make Whole Amount to be determined pursuant to limb (b) of the definition of “Bondholder Early Redemption Amount”, the sum of the present values (as at the date on which the Bonds have become due and payable pursuant to these Conditions) of all payments of interest due to be made on such Bond from (but excluding) the date on which the Bonds have become due and payable pursuant to these Conditions to (and including) the Maturity Date (excluding accrued but unpaid interest to (but excluding) the date on which the Bonds have become due and payable pursuant to these Conditions (including any Deferred Interest payable on the date on which the Bonds have become due and payable)),

in each case calculated using a discount rate of 2.0 per cent per annum, and calculated on a quarterly compounding basis,

provided that, in calculating the sum of the present values (as at the relevant date) of any relevant payment of interest as provided above:

- (a) if a Cash Payment Notice shall have been given at least 14 days' prior to the date of the Issuer Optional Redemption Notice (in the case of (i) above), or Conversion Date (in the case of (ii) above), or the date of occurrence of the Fundamental Change Event (in the case of (iii) above) or the date of occurrence of the Event of Default (in the case of (iv) above), then for the purposes of calculating the sum of the present values of any payment of interest as aforesaid the Rate of Interest to be assumed to apply in respect of each relevant Interest Period shall be decreased pursuant to and subject as set out in Condition 5.1(b); or
- (b) if a Cash Payment Notice shall be given after the relevant date specified in the immediately preceding sub-paragraph (a), then for the purposes of calculating the sum of the present values of any relevant payment of interest as aforesaid, such Cash Payment Notice shall be ignored, and the Rate of Interest to be assumed to apply in respect of each relevant Interest Period shall be calculated (taking into account each relevant Step-Up, as applicable) on the basis that no Cash Payment Notice shall have been delivered.

## **6. Conversion of Bonds**

### **6.1 Conversion Period and Conversion Price**

Unless previously redeemed and as otherwise provided in these Conditions, each Bond shall entitle the holder to convert each principal amount of such Bond which is outstanding into new Shares credited as fully paid (a "**Conversion Right**").

The number of Shares to be issued to or to the order of a Bondholder on exercise of a Conversion Right shall be equal to the Reference Shares in respect of such exercise, subject to Condition 6.4.

The Conversion Price per Share is initially US\$0.2001 (20.01 United States Cents) (the "**Initial Conversion Price**"). The Conversion Price is subject to adjustment in the circumstances described in Condition 6.3 and Condition 6.5. The expression "**Conversion Price**" shall be construed accordingly.

Subject to and as provided in these Conditions, the Conversion Right in respect of a Bond may be exercised, at the option of the holder thereof, at any time subject to any applicable fiscal or other laws or regulations and as hereinafter provided from (and including) the Issue Date to (and including) the date falling three Notice Business Days prior to the Maturity Date or, if such Bond is to be redeemed pursuant to Condition 7.2 or 7.3 prior to the Maturity Date, then up to (and including) the date falling three Notice Business Days before the date fixed for redemption thereof pursuant to Condition 7.2 or 7.3, as the case may be, unless there shall be a default by the Issuer in making payment in respect of such Bond on any such date fixed for redemption, in which event the Conversion Right shall extend up to (and including) the date on which the full amount of such payment becomes available for payment and notice of such availability has been given to Bondholders or, if earlier, the Maturity Date; provided that, in each case, if such final date for the exercise of Conversion Rights is not a Notice Business Day, then the period for exercise of Conversion Rights by Bondholders shall end on (and including) the immediately preceding Notice Business Day.

The period during which Conversion Rights may (subject as provided below) be exercised by a Bondholder is referred to as the "**Conversion Period**".

Fractions of Shares will not be issued or delivered on exercise of Conversion Rights or pursuant to Condition 6.4 and no cash payment or other adjustment will be made in lieu thereof. However, if the Conversion Right in respect of more than one Bond is exercised pursuant to any one Conversion Notice, the number of such Shares to be issued and delivered in respect thereof shall, in accordance with the definition of “Reference Shares”, be calculated by the Calculation Agent on the basis of the aggregate principal amount of such Bonds being so converted and rounded down to the nearest whole number of Shares.

Conversion Rights may not be exercised (i) following the giving of notice by the holder of a Bond then outstanding pursuant to Condition 10; (ii) in respect of a Bond in respect of which the relevant holder has exercised its right to require the Issuer to redeem pursuant to Condition 7.5; or (iii) (except following receipt of any notice requiring the redemption of the Bonds pursuant to Condition 7.4) in the period from the Record Date falling two London business days immediately preceding an Interest Payment Date.

The Issuer will procure that Shares to be issued on exercise of Conversion Rights will be issued to, or to the order of, the holder of the Bonds in accordance with the Payment Details in accordance with the provisions of Condition 6.10. Such Shares (other than Additional Shares) will be deemed to be issued as of the relevant Conversion Date. Any Additional Shares to be issued pursuant to Condition 6.4 will be deemed to be issued as of the relevant Reference Date.

## 6.2 Conversion Payments on Exercise of Conversion Rights

In respect of any exercise of Conversion Rights and subject as provided in Condition 9.9, in addition to the issuance of Reference Shares as provided in Condition 6.1, the Issuer shall pay to the relevant Bondholder an amount in US Dollar per Bond (as determined by the Calculation Agent) equal to the sum of (a) the Redemption Premium, and (b) the relevant Make Whole Amount and (c) all accrued but unpaid interest to (but excluding) the Conversion Date (including any Deferred Interest payable on the Conversion Payment Date), in each case in respect of the relevant Principal Amount of Bonds which is the subject of such conversion (such aggregate amount, a “**Conversion Payment**” in respect of such exercise of Conversion Rights).

If a Cash Payment Notice shall have been delivered on or prior to the relevant Conversion Date, then the Conversion Payment shall be paid in cash no later than the relevant Scheduled Conversion Payment Date (the date on which such payment is actually made, the “**Conversion Payment Date**” in respect of the relevant exercise of Conversion Rights).

Subject to the following paragraph, if a Cash Payment Notice has not been delivered on or prior to the relevant Conversion Date, then payment of the Conversion Payment shall be deferred (a “**Conversion Payment Deferral**”) and, subject to the relevant Bondholder’s right to exercise its Share Settlement Option as provided under Condition 9.9, shall become payable in cash on the later of (A) the relevant Scheduled Conversion Payment Date and (B) the earlier of: (i) the Maturity Date, (ii) any relevant Fundamental Change Event Put Date, if applicable, (iii) any Tax Redemption Date, if applicable, (iv) the Issuer Optional Redemption Date, if applicable, (v) the Interest Payment Date immediately following the relevant date on which the Cash Payment Notice is given, if applicable and (vi) the date on which an Acceleration Notice is delivered to the Issuer by any Bondholder, if applicable.

If the Conversion Date in relation to any exercise of Conversion Rights falls on or after the date the Issuer has given an Issuer Optional Redemption Notice or a Tax Redemption Notice, then the relevant Conversion Payment shall be paid in cash (for the avoidance of doubt, irrespective of whether or not a Cash Payment Notice has been delivered).

If a Conversion Payment is deferred in accordance with the provisions of this Condition 6.2, upon each such occurrence the Issuer shall deliver to the relevant Bondholder a conversion payment letter executed by it and in substantially in the form set out in schedule 5 (*Form of Conversion Payment Letter*) to the Bond Instrument (a “**Conversion Payment Letter**”) by no

later than three Notice Business Days following the relevant Conversion Date of the Bonds. Upon giving a Conversion Payment Letter, the Issuer shall give notice thereof (including the details contained therein) to each Bondholder in accordance with Condition 16.

### 6.3 Adjustment of Conversion Price

Subject to the provisions of this Condition 6.3, upon the occurrence of any of the events described below, the Conversion Price shall be adjusted by the Calculation Agent as follows:

(a) Consolidation, reclassification, redesignation or subdivision

If and whenever there shall be a consolidation, reclassification, redesignation or subdivision affecting the number of Shares in issue, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A}{B}$$

where:

- A is the aggregate number of Shares in issue immediately before such consolidation, reclassification, redesignation or subdivision, as the case may be; and
- B is the aggregate number of Shares in issue immediately after, and as a result of, such consolidation, reclassification, redesignation or subdivision, as the case may be.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this paragraph (a), the date on which the consolidation, reclassification, redesignation or sub-division, as the case may be, takes effect.

(b) Capitalisation of profits or reserves

If and whenever the Issuer shall issue any Shares credited as fully paid to Shareholders by way of capitalisation of profits or reserves, including any share premium account or capital redemption reserve (other than an issue of Shares constituting a Scrip Dividend) the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A}{B}$$

where:

- A is the aggregate number of Shares in issue immediately before such issue; and
- B is the aggregate number of Shares in issue immediately after such issue.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this paragraph (b), the date of issue of such Shares.

(c) Dividends

- (i) If and whenever the Issuer shall declare, announce, make or pay any Dividend to Shareholders, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A - B}{A}$$

where:

- A is the Current Market Price of one Share on the Ex-Date in respect of such Dividend; and
- B is the portion of the Fair Market Value of the aggregate Dividend attributable to one Share, with such portion being determined by dividing the Fair Market Value of the aggregate Dividend by the number of Shares entitled to receive the relevant Dividend (or, in the case of a purchase, redemption or buy back of Shares or any depositary or other receipts or certificates representing Shares by or on behalf of the Issuer or any Subsidiary of the Issuer, by the number of Shares in issue immediately following such purchase, redemption or buy back, and treating as not being in issue any Shares, or any Shares represented by depositary or other receipts or certificates, purchased, redeemed or bought back).

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this paragraph (c)(i), the later of (A) the Ex-Date in respect of such Dividend and (B) the first date upon which the Fair Market Value of the relevant Dividend is capable of being determined as provided herein.

- (ii) For the purposes of the above, Fair Market Value shall (subject as provided in the definition of “Dividend” and in the definition of “Fair Market Value”) be determined as at the Ex-Date in respect of the relevant Dividend.

(d) Rights issues

If and whenever the Issuer or any Subsidiary of the Issuer or (at the direction or request or pursuant to any arrangements with the Issuer or any Subsidiary of the Issuer) any other company, person or entity shall issue any Shares to Shareholders as a class by way of rights, or shall issue or grant to Shareholders as a class by way of rights, any options, warrants or other rights to subscribe for or purchase or otherwise acquire any Shares, or any other Securities which by their terms of issue carry (directly or indirectly) rights of conversion into, or exchange or subscription for, or the right to otherwise acquire, any Shares (or shall grant any such rights in respect of existing Securities so issued), in each case at a consideration receivable per Share (based, where appropriate, on such number of Shares as is determined pursuant to the definition of “C” and the proviso below) which is less than 95 per cent. of the Current Market Price per Share on the Ex-Date in respect of the relevant issue or grant, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A+B}{A+C}$$

where:

- A is the number of Shares in issue on such Ex-Date;
- B is the number of Shares which the aggregate consideration (if any) receivable for the Shares issued by way of rights, or for the Securities issued by way of rights and upon exercise of rights of conversion into, or exchange or subscription for, or the right to otherwise acquire, Shares, or for the options or warrants or other rights issued by way of rights and for the total number of Shares deliverable on the exercise thereof, would purchase at such Current Market Price per Share on the Ex-Date; and
- C is the number of Shares to be issued or, as the case may be, the maximum number of Shares which may be issued upon exercise of such options, warrants or rights calculated as at the date of issue of such options, warrants or rights or upon conversion or exchange or exercise of rights of subscription or purchase or other rights of acquisition in respect thereof at the initial conversion, exchange, subscription, purchase or acquisition price or rate;

provided that if on such Ex-Date such number of Shares is to be determined by reference to the application of a formula or other variable feature or the occurrence of any event at some subsequent time, then for the purposes of this paragraph (d), “C” shall be determined by the application of such formula or variable feature or as if the relevant event occurs or had occurred as at such Ex-Date and as if such conversion, exchange, subscription, purchase or acquisition had taken place on such Ex-Date.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this paragraph (d), the later of (i) the Ex-Date in respect of the relevant issue or grant and (ii) the first date upon which the adjusted Conversion Price is capable of being determined in accordance with this paragraph (d).

(e) Issue of Securities to Shareholders

If and whenever the Issuer or any Subsidiary of the Issuer or (at the direction or request or pursuant to any arrangements with the Issuer or any Subsidiary of the Issuer) any other company, person or entity shall (other than in the circumstances the subject of paragraph (d) above and other than constituting a Scrip Dividend) issue any Securities to Shareholders as a class by way of rights or grant to Shareholders as a class by way of rights any options, warrants or other rights to subscribe for or purchase or otherwise acquire any Securities, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A - B}{A}$$

where:

- A is the Current Market Price of one Share on the Ex-Date in respect of the relevant issue or grant; and

B is the Fair Market Value on such Ex-Date of the portion of the rights attributable to one Share.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this paragraph (e), the later of (i) the Ex-Date in respect of the relevant issue or grant and (ii) the first date upon which the adjusted Conversion Price is capable of being determined in accordance with this paragraph (e).

(f) Issue of Shares at below Current Market Price

If and whenever the Issuer shall issue (otherwise than as mentioned in paragraph (d) above) wholly for cash or for no consideration any Shares (other than Shares issued on conversion of the Bonds (which term shall for this purpose include any Further Bonds) or on the exercise of any rights of conversion into, or exchange or subscription for or purchase of, or rights to otherwise acquire, Shares and other than constituting a Scrip Dividend) or if and whenever the Issuer or any Subsidiary of the Issuer or (at the direction or request or pursuant to any arrangements with the Issuer or any Subsidiary of the Issuer) any other company, person or entity shall issue or grant (otherwise than as mentioned in paragraph (d) above) wholly for cash or for no consideration any options, warrants or other rights to subscribe for or purchase or otherwise acquire any Shares (other than the Bonds, which term shall for this purpose include any Further Bonds), in each case at consideration receivable per Share (based, where appropriate, on such number of Shares as is determined pursuant to the definition of “C” and the proviso below) which is less than 95 per cent. of the Current Market Price per Share on the date of first public announcement of the terms of such issue or grant, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A + B}{A + C}$$

where:

- A is the number of Shares in issue immediately before the date of first public announcement of the terms of such issue of Shares or issue or grant of options, warrants or other rights as provided above;
- B is the number of Shares which the aggregate consideration (if any) receivable for the issue of such Shares or, as the case may be, for the Shares to be issued or otherwise made available upon the exercise of any such options, warrants or rights, would purchase at such Current Market Price per Share on the date of first public announcement of the terms of such issue or grant; and
- C is the number of Shares to be issued pursuant to such issue of such Shares or, as the case may be, the maximum number of Shares which may be issued upon exercise of such options, warrants or rights calculated as at the date of issue of such options, warrants or rights;

provided that if on the date of first public announcement of the terms of such issue or grant (as used in this paragraph (f), the “**Specified Date**”) such number of Shares is to be determined by reference to the application of a formula or other variable feature or the occurrence of any event at some subsequent time, then for the purposes of this paragraph (f), “C” shall be determined by the application of such formula or variable feature or as if the relevant event occurs or had occurred as at the Specified Date and as if such conversion, exchange, subscription, purchase, acquisition had taken place on the Specified Date.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this paragraph (f), the later of (i) the date of issue of such Shares or, as the case may be, the issue or grant of such options, warrants or rights and (ii) the first date upon which the adjusted Conversion Price is capable of being determined in accordance with this paragraph (f).

(g) Other issues

If and whenever the Issuer or any Subsidiary of the Issuer or (at the direction or request of or pursuant to any arrangements with the Issuer or any Subsidiary of the Issuer) any other company, person or entity shall (otherwise than as mentioned in paragraphs (d), (e) or (f) above) issue wholly for cash or for no consideration any Securities (other than the Bonds which term shall for this purpose exclude any Further Bonds and other than constituting a Scrip Dividend) which by their terms of issue carry (directly or indirectly) rights of conversion into, or exchange or subscription for, purchase of, or rights to otherwise acquire, Shares (or shall grant any such rights in respect of existing Securities so issued) or Securities which by their terms might be reclassified or redesignated as Shares, and the consideration per Share (based, where appropriate, on such number of Shares as is determined pursuant to the definition of “C” and the proviso below) receivable upon conversion, exchange, subscription, purchase, acquisition, reclassification or redesignation is less than 95 per cent. of the Current Market Price per Share on the date of first public announcement of the terms of the issue of such Securities (or the terms of such grant), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A + B}{A + C}$$

where:

- A is the number of Shares in issue immediately before the date of first public announcement of the terms of the issue of such Securities (or the terms of such grant);
- B is the number of Shares which the aggregate consideration (if any) receivable for the Shares to be issued or otherwise made available upon conversion or exchange or upon exercise of the right of subscription, purchase or acquisition attached to such Securities or, as the case may be, for the Shares to be issued or to arise from any such reclassification or redesignation would purchase at such Current Market Price per Share on the date of first public announcement of the terms of the issue of such Securities (or the terms of such grant); and
- C is the maximum number of Shares to be issued or otherwise made available upon conversion or exchange of such Securities or upon the exercise of such right of subscription, purchase or acquisition attached thereto at the initial conversion, exchange, subscription, purchase or acquisition price or rate or, as the case may be, the maximum number of Shares which may be issued or arise from any such reclassification or redesignation;

provided that if on the date of first public announcement of the terms of the issue of such Securities (or the terms of such grant) (as used in this paragraph, the “**Specified Date**”) such number of Shares is to be determined by reference to the application of a formula or other variable feature or the occurrence of any event at some subsequent time (which may be when such Securities are converted or exchanged or rights of

subscription, purchase or acquisition are exercised or, as the case may be, such Securities are reclassified or redesignated or at such other time as may be provided), then for the purposes of this paragraph (g), “C” shall be determined by the application of such formula or variable feature or as if the relevant event occurs or had occurred as at the Specified Date and as if such conversion, exchange, subscription, purchase or acquisition, reclassification or, as the case may be, redesignation had taken place on the Specified Date.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this paragraph (g), the later of (i) the date of issue of such Securities or, as the case may be, the grant of such rights and (ii) the first date upon which the adjusted Conversion Price is capable of being determined in accordance with this paragraph (g).

(h) Modification of rights

If and whenever there shall be any modification of the rights of conversion, exchange, subscription, purchase or acquisition attaching to any Securities (other than the Bonds, which term shall for this purpose include any Further Bonds) which by their terms of issue carry (directly or indirectly) rights of conversion into, or exchange or subscription for, or the right to otherwise acquire, any Shares (other than in accordance with the terms (including terms as to adjustment) applicable to such Securities upon issue) so that following such modification the consideration per Share (based, where appropriate, on such number of Shares as is determined pursuant to the definition of “C” and the proviso below) receivable upon conversion, exchange, subscription, purchase or acquisition has been reduced and is less than 95 per cent. of the Current Market Price per Share on the date of first public announcement of the terms for such modification, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A+B}{A+C}$$

where:

- A is the number of Shares in issue immediately before the date of first public announcement of the terms for such modification;
- B is the number of Shares which the aggregate consideration (if any) receivable for the Shares to be issued or otherwise made available upon conversion or exchange or upon exercise of the right of subscription, purchase or acquisition attached to the Securities so modified would purchase at such Current Market Price per Share on the date of first public announcement of the terms for such modification or, if lower, the existing conversion, exchange, subscription, purchase or acquisition price or rate of such Securities; and
- C is the maximum number of Shares which may be issued or otherwise made available upon conversion or exchange of such Securities or upon the exercise of such rights of subscription, purchase or acquisition attached thereto at the modified conversion, exchange, subscription, purchase or acquisition price or rate but giving credit in such manner as the Calculation Agent shall consider appropriate for any previous adjustment under this paragraph (h) or paragraph (g) above;

provided that if on the date of first public announcement of the terms of such modification (as used in this paragraph (h), the “**Specified Date**”) such number of

Shares is to be determined by reference to the application of a formula or other variable feature or the occurrence of any event at some subsequent time (which may be when such Securities are converted or exchanged or rights of subscription, purchase or acquisition are exercised or at such other time as may be provided), then for the purposes of this paragraph (h), “C” shall be determined by the application of such formula or variable feature or as if the relevant event occurs or had occurred as at the Specified Date and as if such conversion, exchange, subscription, purchase or acquisition had taken place on the Specified Date.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this paragraph (h), the later of (i) the date of modification of the rights of conversion, exchange, subscription, purchase or acquisition attaching to such Securities and (ii) the first date upon which the adjusted Conversion Price is capable of being determined in accordance with this paragraph (h).

(i) Certain arrangements

If and whenever the Issuer or any Subsidiary of the Issuer or (at the direction or request of or pursuant to any arrangements with the Issuer or any Subsidiary of the Issuer) any other company, person or entity shall offer any Shares or such other Securities in connection with which Shareholders as a class are entitled to participate in arrangements whereby such Shares or Securities may be acquired by them (except where the Conversion Price falls to be adjusted under paragraphs (b), (c), (d), (e), (f), (g), (j), or (g) above or (j) below or, where applicable, would fall to be so adjusted if the relevant issue or grant was at less than 95 per cent. of the Current Market Price per Share on the relevant day), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A - B}{A}$$

where:

- A is the Current Market Price of one Share on the Ex-Date in respect of the relevant offer; and
- B is the Fair Market Value on such Ex-Date of the portion of the relevant offer attributable to one Share.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this paragraph (i), the later of (A) the Ex-Date in respect of the relevant offer and (B) the first date upon which the adjusted Conversion Price is capable of being determined in accordance with this paragraph (i).

(j) Change of Control

If a Change of Control shall occur, then, upon any exercise of Conversion Rights where the Conversion Date falls during the Fundamental Change Event Period in respect of such Change of Control, the Conversion Price solely for the purpose of such exercise (the “**Change of Control Conversion Price**”) shall be determined as set out below:

$$COCCP = \frac{OCP}{1 + \left( CP \times \frac{c}{t} \right)}$$

where:

COCCP = the Change of Control Conversion Price

OCP = the Conversion Price in effect on the relevant Conversion Date

CP = 0.25

c = the number of days from (and including) the date on which the Change of Control occurs to (but excluding) the Maturity Date

t = the number of days from (and including) the Issue Date to (but excluding) the Maturity Date

(k) Other adjustments

Subject to Condition 6.7, if either the Issuer (following consultation with the Calculation Agent) or the Majority Bondholders (each acting reasonably) determines that an adjustment (for the purpose of compensating for dilution) should be made to the Conversion Price (or that a determination should be made as to whether an adjustment should be made) as a result of one or more circumstances not referred to above in this Condition 6.3 (except for events specifically excluded from the operation of paragraphs (a) to (j) above), the Issuer shall, at its own expense and acting reasonably, request an Independent Adviser to determine, in consultation with the Calculation Agent, if different as soon as practicable what adjustment (if any) to the Conversion Price is fair and reasonable to take account thereof and the date on which such adjustment (if any) should take effect and upon such determination such adjustment (if any) shall be made and shall take effect in accordance with such determination, provided that an adjustment shall only be made pursuant to this paragraph (k) if such Independent Adviser is so requested to make such a determination not more than 21 days after the date on which the relevant circumstances arises (or, if later, 21 days after the date on which the relevant circumstances are made public or otherwise are made known to the Bondholders) and if the adjustment would result in a reduction to the Conversion Price.

(l) Modifications

Notwithstanding the foregoing provisions:

(i) where the events or circumstances giving rise to any adjustment pursuant to this Condition 6.3 have already resulted or will result in an adjustment to Conversion Price or where the events or circumstances giving rise to any adjustment arise by virtue of any other events or circumstances which have already given or will give rise to an adjustment to the Conversion Price or where more than one event which gives rise to an adjustment to the Conversion Price occurs within such a short period of time that, in the opinion of the Issuer, acting reasonably and following consultation with the Calculation Agent, a modification to the operation of the adjustment provisions is required to give the intended result, such modification shall be made to the operation of the adjustment provisions as may be determined by an Independent Adviser to be in its opinion appropriate to give the intended result;

(ii) such modification shall be made to the operation of these Conditions as may be determined by an Independent Adviser, in consultation with the Calculation Agent (if different), to be in its opinion appropriate (A) to ensure that an

adjustment to the Conversion Price or the economic effect thereof shall not be taken into account more than once and (B) to ensure that the economic effect of a Dividend is not taken into account more than once; and

(iii) other than pursuant to Condition 6.3(a) or pursuant to a NewCo Scheme Modification, no adjustment shall be made that would result in an increase to the Conversion Price.

(m) Calculation of consideration

For the purpose of any calculation of the consideration receivable or price pursuant to paragraphs (d), (f), (g) and (h) above, the following provisions shall apply:

(i) the aggregate consideration receivable or price for Shares issued for cash shall be the amount of such cash;

(ii) (x) the aggregate consideration receivable or price for Shares to be issued or otherwise made available upon the conversion or exchange of any Securities shall be deemed to be the consideration or price received or receivable for any such Securities (whether on one or more occasions) and (y) the aggregate consideration receivable or price for Shares to be issued or otherwise made available upon the exercise of rights of subscription attached to any Securities or upon the exercise of any options, warrants or rights shall be deemed to be that part (which may be the whole) of the consideration or price received or receivable for such Securities or, as the case may be, for such options, warrants or rights which are attributed by the Issuer to such rights of subscription or, as the case may be, such options, warrants or rights or, if no part of such consideration or price is so attributed, the Fair Market Value of such rights of subscription or, as the case may be, such options, warrants or rights as at the relevant Ex-Date referred to in paragraph (d) above or as at the relevant date of first public announcement referred to in paragraphs (f), (g) and (h) above, as the case may be, plus in the case of each of (x) and (y) above in this paragraph, the additional minimum consideration receivable or price (if any) upon the conversion or exchange of such Securities, or upon the exercise of such rights of subscription attached thereto or, as the case may be, upon exercise of such options, warrants or rights and (z) the consideration receivable or price per Share upon the conversion or exchange of, or upon the exercise of such rights of subscription attached to, such Securities or, as the case may be, upon the exercise of such options, warrants or rights shall be the aggregate consideration or price referred to in (x) or (y) above in this paragraph (as the case may be) divided by the number of Shares to be issued upon such conversion or exchange or exercise at the initial conversion, exchange or subscription price or rate, all as determined by the Calculation Agent;

(iii) if the consideration or price determined pursuant to (i) or (ii) above (or any component thereof) shall be expressed in a currency other than the Relevant Currency (other than in circumstances where such consideration is also expressed in the Relevant Currency, in which case such consideration shall be treated as expressed in the Relevant Currency in an amount equal to the amount of such consideration when so expressed in the Relevant Currency), it shall be

converted by the Calculation Agent into the Relevant Currency at the Prevailing Rate on the relevant Ex-Date (for the purposes of paragraph (d) above) or the relevant date of first public announcement (for the purposes of paragraph (f), (g) and (h) above, as the case may be);

- (iv) in determining the consideration or price pursuant to the above, no deduction shall be made for any commissions or fees (howsoever described) or any expenses paid or incurred for any underwriting, placing or management of the issue of the relevant Shares or such other Securities or options, warrants or rights, or otherwise in connection therewith;
- (v) the consideration or price shall be determined as provided above on the basis of the consideration or price received, receivable, paid or payable, regardless of whether all or part thereof is received, receivable, paid or payable by or to the Issuer or another entity;
- (vi) if as part of the same transaction, Shares shall be issued or issuable for a consideration receivable in more than one or in different currencies then the consideration receivable per Share shall be determined by dividing the aggregate consideration (determined as aforesaid and converted, if and to the extent not in the Relevant Currency, into the Relevant Currency as aforesaid) by the aggregate number of Shares so issued; and
- (vii) references in these Conditions to “cash” shall be construed as cash consideration within the meaning of Section 583(3) of the Companies Act.

#### **6.4 Retroactive Adjustments**

If a Retroactive Adjustment occurs in relation to any exercise of Conversion Rights, the Issuer shall procure that there shall be issued and delivered to, or to the order of, the relevant Bondholder in accordance with the Payment Details, such additional number of Shares (if any) (the “**Additional Shares**”) as, together with the Shares issued and delivered on the relevant exercise of Conversion Rights, is equal to the number of Shares which would have been required to be issued and delivered on such exercise if the relevant adjustment to the Conversion Price had been made and become effective immediately prior to the relevant Conversion Date, all as determined by the Calculation Agent, provided that if in the case of Conditions 6.3(b), 6.3(c), 6.3(d), 6.3(e) or 6.3(i) the relevant Bondholder shall be entitled to receive the relevant Shares, Dividends or such other Securities in respect of the Reference Shares to be issued and delivered to it, then the relevant Bondholder shall not be entitled to receive Additional Shares in relation thereto.

#### **6.5 Conversion Price Reset**

- (a) Unless, prior to the date falling five months after the Issue Date (the “**First Reset Date**”):
  - (i) the Refinancing Conditions have been completed; and
  - (ii) the Cash Payment Notice has been delivered by the Issuer,

the Conversion Price will be adjusted by the Calculation Agent to be equal to the Floor Price in effect on such First Reset Date.

- (b) If there shall have been no adjustment on the First Reset Date pursuant to (a) above in this Condition 6.5, on the date falling 12 months after the Issue Date (the “**Second Reset Date**”), the Conversion Price will be adjusted by the Calculation Agent to be equal to the Floor Price in effect on such Second Reset Date.

“**Floor Price**” on any date means, initially US\$0.1583 (15.83 United States Cents), as shall from time to time be adjusted *pro rata* for any adjustment made to the Conversion Price (and with effect from the date on which such adjustment becomes effective) pursuant to Condition 6.3 (but, for the avoidance of doubt, not adjusted for any adjustment made to the Conversion Price pursuant to this Condition 6.5 and ignoring for these purposes Condition 6.3(j)), by multiplying the Floor Price in effect immediately prior to such adjustment by a fraction, the numerator of which is the Conversion Price so adjusted and the denominator of which is the Conversion Price in effect immediately prior to such adjustment becoming effective.

Any adjustment to the Conversion Price pursuant to this Condition 6.5 shall become effective as of the First Reset Date or the Second Reset Date, as the case may be (or, in each case, if later, the first date on which such adjustment is capable of being determined in accordance with these Conditions).

## **6.6 Decision and Determination of the Calculation Agent or an Independent Adviser**

Adjustments to the Conversion Price shall be determined and calculated by the Calculation Agent upon request from the Issuer and/or, to the extent so specified in the Conditions and upon request from the Issuer, by an Independent Adviser.

Adjustments to the Conversion Price calculated by the Calculation Agent or, where applicable, an Independent Adviser and any other determinations made by the Calculation Agent or, where applicable, an Independent Adviser, or an opinion of an Independent Adviser, pursuant to these Conditions shall in each case be made in good faith and shall be final and binding (in the absence of manifest error) on the Issuer, the Bondholders and the Calculation Agent (in the case of a determination by an Independent Adviser).

The Calculation Agent may consult, at the expense of the Issuer, on any matter (including, but not limited to, any legal matter), any legal or other professional adviser and it shall be able to rely upon, and it shall not be liable and shall incur no liability as against the Bondholders in respect of anything done, or omitted to be done, relating to that matter in good faith in accordance with that adviser’s opinion.

The Calculation Agent shall act solely upon the request from, and exclusively as agent of, the Issuer and in accordance with these Conditions. Neither the Calculation Agent (acting in such capacity) nor any Independent Adviser appointed in connection with the Bonds (acting in such capacity) will thereby assume any obligations towards or relationship of agency or trust and shall not be liable and shall incur no liability in respect of anything done, or omitted to be done in good faith, in its capacity as Calculation Agent as against the Bondholders.

If following consultation between the Issuer and the Calculation Agent any doubt shall arise as to whether an adjustment falls to be made to the Conversion Price or as to the appropriate adjustment to the Conversion Price, following consultation between the Issuer and an Independent Adviser, a written opinion of such Independent Adviser in respect thereof shall be conclusive and binding on the Issuer, the Bondholders and the Calculation Agent (if different), save in the case of manifest error.

The Issuer shall promptly notify Bondholders in accordance with Condition 16 of each determination, calculation or adjustment performed by the Calculation Agent and/or Independent Adviser pursuant to these Conditions.

## **6.7 No Adjustments for Issue of the Warrants, Certain Other Instruments and Specified Issuances of Shares, Share or Option Scheme or Dividend Reinvestment Plans**

Notwithstanding anything to the contrary in these Conditions, no adjustment will be made to the Conversion Price:

- (a) in respect of the issue of the Warrants or any Shares or other Relevant Securities issued and allotted pursuant to the exercise of such Warrants;
- (b) in respect of the issue of the 2024 Bonds (including any “Further Bonds” as defined in the terms and condition of the 2024 Bonds) or any Shares or other Relevant Securities issued and allotted pursuant to the conversion of such 2024 Bonds or upon any Share Settlement Option;
- (c) in respect of the issue of any warrants to subscribe for or purchase or otherwise acquire any Shares issued to (i) subscribers of Further Bonds in relation to the offering and/or issuance of such Further Bonds and/or (ii) subscribers of “Further Bonds” as defined in the terms and condition of the 2024 Bonds in relation to the offering and/or issuance of such bonds;
- (d) in respect of the issue of any Shares pursuant to the exercise of 31,402,200 warrants and 19,136,644 stock options issued by the Issuer and outstanding as at the Issue Date (but ignoring any amendment or variation to such warrants or stock options after 22 July 2022);
- (e) where Shares or other Relevant Securities are issued, offered, exercised, allotted or granted pursuant to any warrants or warrant agreements to subscribe for or purchase or otherwise acquire any Shares entered into by any Subsidiary of the Issuer, prior to the Issue Date or on or after the Issue Date, in favour of any financing party under the Summit Credit Agreement and entered into in relation to the Summit Credit Agreement;
- (f) in respect of the issue of any Shares to the Issuer’s and/or any member of the Group’s professional advisors and/or brokers in satisfaction of the fees and commissions payable to such advisors or brokers retained by any of them in connection with the offering and subscription of the Bonds and Warrants and/or in connection with the Company’s Proposed Acquisition; or
- (g) where Shares or other Relevant Securities (including, but not limited to, rights, warrants and options) are issued, offered, exercised, allotted, purchased, appropriated, modified or granted to any employee share schemes or benefits or incentive arrangements existing at 22 July 2022 or entered into in the ordinary course of business.

“**Relevant Securities**” shall include any participation certificates and any depositary or other receipt, instrument, rights or entitlement representing Shares.

## **6.8 Rounding Down and Notice of Adjustment to the Conversion Price and Floor Price**

On any adjustment of the Conversion Price or Floor Price, the resultant Conversion Price or Floor Price, as the case may be, if not an integral multiple of US\$0.0001, shall be rounded down to the nearest whole multiple of US\$0.0001.

Notice of any adjustments to the Conversion Price or Floor Price, as the case may be, shall be given by the Issuer to Bondholders in accordance with Condition 16 promptly after the determination thereof.

The Conversion Price shall not in any event be reduced so that on conversion of the Bonds, Shares would fall to be issued in circumstances not permitted by applicable laws or regulations.

The Issuer undertakes that it shall not take any action, and shall procure that no action is taken by its Subsidiaries, that would otherwise be reasonably expected (as at the time such decision is taken) to result in an adjustment to the Conversion Price or the Floor Price to below any minimum level permitted by applicable laws or regulations or that would otherwise be reasonably expected (as at the time such decision is taken) to result in Shares being required to be issued in circumstances not permitted by applicable laws or regulations.

## **6.9 Fundamental Change Event**

Within 14 days following the occurrence of a Fundamental Change Event, the Issuer shall give notice thereof to Bondholders in accordance with Condition 16 (a “**Fundamental Change Event Notice**”). The Fundamental Change Event Notice shall contain a statement informing Bondholders of (i) their entitlement to exercise their Conversion Rights as provided in these Conditions and (ii) their entitlement to exercise their rights to require redemption of their Bonds pursuant to Condition 7.5.

The Fundamental Change Event Notice shall also specify:

- (a) all information material to Bondholders concerning the Fundamental Change Event;
- (b) the Conversion Price immediately prior to the occurrence of the Fundamental Change Event and, in the case of a Change of Control, the Change of Control Conversion Price applicable pursuant to Condition 6.3(j) on the basis of the Conversion Price in effect immediately prior to the occurrence of the Change of Control;
- (c) the Closing Price of the Shares as at the latest practicable date prior to the publication of the Fundamental Change Event Notice;
- (d) the Fundamental Change Event Period; and
- (e) the Fundamental Change Event Put Date.

## **6.10 Procedure for exercise of Conversion Rights**

Conversion Rights may be exercised by a Bondholder (provided that the relevant Conversion Date falls during the Conversion Period) by delivering the relevant Bond Certificate to the Issuer accompanied by a Conversion Notice.

If such delivery is made after 5.00p.m. London time or on a day which is not a Notice Business Day, such delivery shall be deemed for all purposes of these Conditions to have been made on the next following Notice Business Day.

The conversion date in respect of a Bond (the “**Conversion Date**”) shall be the Notice Business Day immediately following the date of delivery (or deemed delivery) of the relevant Conversion Notice and Bond Certificate as provided in this Condition 6.10 and shall be deemed to be the date on which the Conversion Right is exercised in respect of such Bond.

Conversion Rights may only be exercised in respect of the whole of a Bond.

A Conversion Notice, once delivered, shall be irrevocable.

The Issuer shall, promptly upon receipt of any Conversion Notice, give notice to Bondholders in accordance with Condition 16 of (i) the aggregate principal amount of the Bonds to be so converted and (ii) the relevant Conversion Date and Conversion Price applicable to such conversion.

The Issuer shall pay all capital, stamp, issue and registration and transfer taxes and duties payable in Canada or in the United Kingdom or in any other jurisdiction in which the Issuer may be domiciled or resident or to whose taxing jurisdiction it may be generally subject (“**Specified Taxes**”), in respect of the allotment and issue of any Shares in respect of the exercise of such Conversion Right (including any Additional Shares). If the Issuer fails to pay any Specified Taxes, the relevant Bondholder shall be entitled to tender and pay the same and the Issuer, as a separate and independent stipulation, covenants to reimburse and indemnify each Bondholder in respect of any payment thereof and any interest and penalties payable and cost incurred in respect thereof.

A Bondholder exercising Conversion Rights must pay directly to the relevant authorities any capital, stamp, issue, registration and transfer taxes and duties arising on the exercise of Conversion Rights (other than any Specified Taxes). A Bondholder must also pay all, if any, taxes imposed on it and arising by reference to any disposal or deemed disposal by it of a Bond or interest therein in connection with the exercise of Conversion Rights by it. Any such capital, stamp, issue, registration or transfer taxes or duties or other taxes payable by a Bondholder are referred to as “**Bondholder Taxes**”.

For the avoidance of doubt, the Calculation Agent shall not be responsible for determining whether any Specified Taxes or Bondholder Taxes are payable or the amount thereof and shall not be responsible or liable for any failure by the Issuer to pay such Specified Taxes or by a Bondholder to pay such Bondholder Taxes.

Shares to be issued on exercise of Conversion Rights (including any Additional Shares) (other than Deliverable Shares or Additional Deliverable Shares) will be issued and delivered in uncertificated form through the dematerialised securities trading system operated by Euroclear UK & Ireland Limited, known as **CREST**, unless, at the time of issue, the Shares are not a participating security in CREST, in which case the Shares will be issued and delivered in certificated form. Where Shares (other than Deliverable Shares or Additional Deliverable Shares) are to be issued and delivered through CREST, they will be delivered to the account specified by the relevant Bondholder in the relevant Payment Details by not later than four Notice Business Days following the relevant Conversion Date (or, in the case of any Additional Shares, not later than four Notice Business Days following the relevant Reference Date). Where Shares are to be issued and delivered in certificated form, a certificate in respect thereof will be dispatched by mail free of charge (but uninsured and at the risk of the recipient) to the relevant Bondholder or as it may direct in the relevant Payment Details within 28 days following the relevant Conversion Date or, as the case may be, the Reference Date.

Shares to be issued and delivered on exercise of Conversion Rights (including any Additional Shares) (other than Deliverable Shares or Additional Deliverable Shares) will not be available for issue (i) to, or to a nominee or agent for, Euroclear Bank SA/NV or Clearstream Banking S.A. or any other person providing a clearance service within the meaning of Section 96 of the Finance Act 1986 of the United Kingdom (“**FA 1986**”) or (ii) to a person, or nominee or agent for a person, whose business is or includes issuing depositary receipts within the meaning of Section 93 of FA 1986, in each case, at any time prior to the “abolition day” as defined in Section 111(1) of the United Kingdom Finance Act 1990.

Notwithstanding any other provisions of these Conditions, a Bondholder exercising Conversion Rights following a Change of Control Conversion Right Amendment as described in Condition 11(b)(vii) will be deemed, for the purposes of these Conditions, to have received the Shares to be issued and delivered arising on conversion of its Bonds in the manner provided in these Conditions, and have exchanged such Shares for the consideration that it would have received therefor if it had exercised its Conversion Right in respect of such Bonds at the time of the occurrence of the relevant Change of Control.

## **6.11 Ranking and entitlement in respect of Shares**

Shares (including any Additional Shares) issued and delivered on exercise of Conversion Rights will be fully paid and will be fully fungible (interchangeable) with and will in all respects rank *pari passu* with the fully paid Shares in issue on the relevant Conversion Date or, in the case of Additional Ordinary Shares, on the relevant Reference Date, and the relevant holder shall be entitled to all rights, distribution or payments the record date or other due date for the establishment of entitlement for which falls on or after the relevant Conversion Date, or as the case may be, the relevant Reference Date, except in any such case for any right excluded by mandatory provisions of applicable law or as otherwise may be provided in these Conditions. Such Shares or, as the case may be, Additional Shares will not rank for (or, as the case may be, the relevant holder shall not be entitled to receive) any rights, distributions or payments the record date or other due date for the establishment of entitlement for which falls prior to the relevant Conversion Date or, as the case may be, the relevant Reference Date.

#### **6.12 Purchase or Redemption of Shares**

The Issuer or any Subsidiary of the Issuer may exercise such rights as they may from time to time enjoy to purchase or redeem or buy back any shares of the Issuer (including Shares) or any depositary or other receipts or certificates representing the same without the consent of the Bondholders.

#### **6.13 No Duty to Monitor**

The Calculation Agent shall not be under any duty to monitor whether any event or circumstance has happened or exists or may happen or exist and which requires or may require an adjustment to be made to the Conversion Price or be responsible or liable to any person for any loss arising from any failure by any of them to do so. The Calculation Agent shall also not be responsible or liable to any person (other than in the case of the Calculation Agent, to the Issuer strictly in accordance with the relevant provisions of the Calculation Agency Agreement) for any determination as to whether or not an adjustment to the Conversion Price is required or should be made or for any determination or calculation of any such adjustment.

#### **6.14 Consolidation, Amalgamation or Merger**

Without prejudice to Condition 6.3(j), in the case of any consolidation, amalgamation or merger of the Issuer with any other corporation (other than constituting a Change of Control or a consolidation, amalgamation or merger in which the Issuer is the continuing corporation) (a “**Successor in Business**”), the Issuer will forthwith give notice thereof to Bondholders in accordance with Condition 16 of such event and will take such steps as shall be required, subject to applicable law and as provided in Condition 15 (and including the execution of a deed supplemental to or amending the Bond Instrument):

- (a) to ensure that the Successor in Business is substituted in place of the Issuer as the principal debtor under the Bonds and the Bond Instrument;
- (b) to ensure that each Bond then outstanding will (during the period in which Conversion Rights may be exercised) be convertible into equity share capital (or similar) of the Successor in Business, on such basis and with a Conversion Price (subject to adjustment as provided in these Conditions) economically equivalent to the Conversion Price existing immediately prior to the implementation of such consolidation, amalgamation or merger, as determined by an Independent Adviser (each a “**Conversion Right Transfer**”); and
- (c) to ensure that the Bond Documents (as so amended or supplemented if applicable) and the Conditions provide at least the same or equivalent powers, protections, rights and benefits to the Bondholders following the implementation of such consolidation,

amalgamation or merger as they provided to the Bondholders prior to the implementation of such consolidation, amalgamation or merger, *mutatis mutandis*.

The satisfaction of the requirements set out above in this Condition 6.14 by the Issuer is herein referred to as a “**Permitted Cessation of Business**”. Notwithstanding any other provision of these Conditions, a Permitted Cessation of Business shall not result in a breach of undertaking, constitute an Event of Default or otherwise result in any breach of any provision of these Conditions or the Bond Instrument. Following the occurrence of a Permitted Cessation of Business, references in these Conditions and the Bond Documents to the “Issuer” will be construed as references to the relevant Successor in Business (but without prejudice to the provisions of the Calculation Agency Agreement).

At the request of the Issuer, but subject to the Issuer’s compliance with the provisions of this Condition 6.14, the Bondholders shall (at the expense of the Issuer, including payment by the Issuer of any incurred fees of Bondholders’ legal counsel in relation to such Conversion Right Transfer) concur with the Issuer in effecting any substitution under subparagraph (a) above and Conversion Right Transfer (including, *inter alia*, the execution of a deed supplemental to or amending the Bond Instrument), provided that the Bondholders shall not be obliged so to concur if in the opinion of the Bondholders doing so would impose more onerous obligations upon any of them or expose any of them to any additional duties, responsibilities or liabilities in any way.

If, following consultation with the Calculation Agent, any doubt shall arise (or upon the request to the Issuer of the Majority Bondholders) as to how determinations, calculations or adjustments which are specifically required to be performed by the Calculation Agent in these Conditions should be performed following any such consolidation, amalgamation or merger, a written opinion of an Independent Adviser in respect thereof shall be conclusive and binding on the Successor in Business, the Issuer, the Bondholders, the Calculation Agent and all other parties, save in the case of manifest error.

The above provisions of this Condition 6.14 will apply, *mutatis mutandis*, to any subsequent consolidations, amalgamation or mergers.

## **7. Redemption and Purchase**

### **7.1 Redemption at Maturity**

Each Bond outstanding (except for any Bond in respect of which Conversion Rights have been exercised) will be redeemed in cash by payment of the Maturity Redemption Amount on the Maturity Date.

### **7.2 Redemption for Taxation Reasons**

At any time the Issuer may, having given not less than 45 nor more than 60 days’ notice (a “**Tax Redemption Notice**”) to the Bondholders in accordance with Condition 7.4, redeem (subject to the second following paragraph) in cash all but not some of the Bonds for the time being outstanding on the date (the “**Tax Redemption Date**”) specified in the Tax Redemption Notice at 114 per cent. of their Principal Amount, together with accrued but unpaid interest to (but excluding) the Tax Redemption Date (including any Deferred Interest payable on such Tax Redemption Date), if:

- (a) the Issuer has or will become obliged to pay additional amounts on the Bonds pursuant to Condition 8 as a result of any change in, or amendment to, the laws or regulations in the Relevant Jurisdiction or any political subdivision or any authority thereof or therein having power to tax, or any change in the general application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date, and

- (b) such obligation cannot be avoided by the Issuer, taking reasonable measures available to it,

provided that no Tax Redemption Notice shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Bonds then due.

Prior to the publication of any Tax Redemption Notice, the Issuer shall deliver to the Bondholders (i) a certificate signed by an Authorised Signatory of the Issuer stating that the obligation referred to in (a) above cannot be avoided by the Issuer taking reasonable measures available to it and (ii) an opinion of independent legal or tax advisers of recognised international standing (which may be addressed to the Issuer) to the effect that such change or amendment has occurred and that the Issuer has or will be obliged to pay such additional amounts as a result thereof (irrespective of whether such amendment or change is then effective). The Bondholders shall be entitled to accept such certificate and opinion (without any liability for so doing) as sufficient evidence of the matters set out in (a) and (b) above, in which event such certificate and opinion shall be conclusive and binding on the Bondholders.

If the Issuer gives a Tax Redemption Notice, each Bondholder will have the right to elect that its Bonds shall not be redeemed pursuant to such Tax Redemption Notice and that the provisions of Condition 8 requiring the Issuer to pay additional amounts shall not apply in respect of any payment to be made on such Bonds which falls due after the relevant Tax Redemption Date, whereupon no additional amounts shall be payable in respect thereof pursuant to Condition 8 and payment of all amounts on such Bonds shall be made subject to the deduction or withholding of any taxation imposed by the Relevant Jurisdiction required to be withheld or deducted. To exercise such right, the holder of the relevant Bond must give notice to the Issuer on or before the day falling 10 days prior to the Tax Redemption Date. If such delivery is made after the end of normal business hours or on a day which is not a business day in the place of the specified office of the Issuer, such delivery shall be deemed for all purposes of these Conditions to have been made on the next following such business day.

### **7.3 Redemption at the Option of the Issuer**

Subject to the right of each Bondholder to exercise its Conversion Rights (including within the Fundamental Change Event Period), on giving not less than 30 days nor more than 45 days' notice (an "**Issuer Optional Redemption Notice**") to Bondholders, the Issuer may redeem in cash all but not some only of the Bonds on the date (the "**Issuer Optional Redemption Date**") specified in such Issuer Optional Redemption Notice by payment of the Issuer Call Early Redemption Amount in respect of each Bond outstanding, at any time on or after the date falling six months after the Issue Date, if the Parity Value on at least 20 dealing days in any period of 30 consecutive dealing days ending not earlier than 7 dealing days prior to the giving of the relevant Issuer Optional Redemption Notice, in respect of a Bond in the Principal Amount of US\$200,000 shall have exceeded US\$260,000 as verified by the Calculation Agent upon request in writing by the Issuer. The Issuer shall not be able to exercise its right under this Condition 7.3 at any time prior to the date falling six months after the Issue Date.

### **7.4 Issuer Optional Redemption Notice and Tax Redemption Notice**

The Issuer shall not give an Issuer Optional Redemption Notice or a Tax Redemption Notice at any time during a Fundamental Change Event Period or an Offer Period or which specifies a date for redemption falling in a Fundamental Change Event Period or an Offer Period or the period of 21 days following the end of a Fundamental Change Event Period or an Offer Period (whether or not the relevant notice was given prior to or during such Fundamental Change Event Period or Offer Period), and any such notice shall be invalid and of no effect (whether or not given prior to the Fundamental Change Event Period or Offer Period) and the relevant redemption shall not be made.

Any Issuer Optional Redemption Notice shall be irrevocable. Any such notice shall specify (i) the Issuer Optional Redemption Date, which shall be a London business day, (ii) the Conversion Price, the aggregate principal amount of the Bonds outstanding and the Closing Price of the Shares, in each case as at the latest practicable date prior to the publication of the Issuer Optional Redemption Notice and (iii) the last day on which Conversion Rights may be exercised by Bondholders.

#### **7.5 Redemption at the Option of Bondholders**

Following the occurrence of a Fundamental Change Event, each Bondholder will have the right to require the Issuer to redeem in cash any of its Bonds on the Fundamental Change Event Put Date at the relevant Bondholder Early Redemption Amount.

To exercise such right, the holder of the relevant Bond must give notice thereof to the Issuer and deliver the relevant Bond Certificate to the Issuer at any time during the Fundamental Change Event Period.

The “**Fundamental Change Event Put Date**” shall be the fifth London business day after the expiry of the relevant Fundamental Change Event Period.

Payment in respect of any such Bond shall be made in accordance with Condition 8.

Any notice given by a Bondholder to exercise its put right pursuant to this Condition 7.5, once delivered, shall be irrevocable and the Issuer shall redeem all Bonds the subject of such notices delivered as aforesaid on the Fundamental Change Event Put Date.

#### **7.6 Purchase**

Subject to the requirements (if any) of any stock exchange on which the Bonds may be admitted to listing and trading at the relevant time and subject to compliance with applicable laws and regulations, the Issuer or any Subsidiary of the Issuer may at any time purchase any Bonds in the open market or otherwise at any price, provided that in respect of each such purchase the Issuer (or any Subsidiary of the Issuer, as the case may be) shall also offer to each other Bondholder to purchase Bonds from it on the same terms (or the same terms in all material respects) on a pro-rata basis proportionate with each Bondholder’s respective holding of Bonds (rounded down to the nearest Principal Amount of a Bond). Bonds purchased by the Issuer or any of its Subsidiaries shall be cancelled and may not be reissued or re-sold.

#### **7.7 Cancellation**

All Bonds which are redeemed or in respect of which Conversion Rights are exercised will be cancelled and may not be reissued or resold (for the avoidance of doubt, without prejudice to any Conversion Payment which shall remain unpaid and be deferred pursuant to Condition 6.2, and any interest thereon pursuant to Condition 5.2 and the obligations of the Issuer in respect of any Share Settlement pursuant to Condition 9.9).

#### **7.8 Multiple Notices**

If more than one notice of redemption is given pursuant to this Condition 7, the first of such notices to be given shall prevail, save that a notice given pursuant to Condition 7.5 shall prevail over a notice given pursuant to Conditions 7.2 and 7.3 in circumstances where the Fundamental Change Event Put Date falls prior to the Optional Redemption Date or Tax Redemption Date, as the case may be.

#### **7.9 No Other Redemption**

Other than as provided in Conditions 7.2 and 7.3, the Bonds may only be redeemed at the option of the Issuer prior to the Maturity Date in accordance with Condition 7.4, and may only be redeemed by Bondholders prior to the Maturity Date in accordance with Condition 7.5.

## **8. Taxation**

All payments made (or deemed to be made) by or on behalf of the Issuer in respect of the Bonds (including, for the avoidance of doubt, the issuance of any Shares in connection with an exercise of Conversion Rights) will be made free and clear of, and be made without deduction or withholding for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, or levied, collected, withheld or assessed by, or on behalf of, the United Kingdom, Canada or any political subdivision or any authority thereof or therein having power to tax (or any other jurisdiction in which the Issuer may be domiciled or resident or to whose taxing jurisdiction it may be generally subject) (“Relevant Jurisdiction”), unless deduction or withholding of such taxes, duties, assessments or governmental charges is required to be made by law. In that event, the Issuer will pay such additional amounts as will result in the receipt by the Bondholders of such amounts as would have been received by them if no such withholding or deduction had been required, except that no such additional amount shall be payable in relation to any payment in respect of any Bond:

- (a) presented for payment by or on behalf of a holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Bond by reason of that holder having some connection with the Relevant Jurisdiction other than the mere holding of the Bond; or
- (b) where (in the case of a payment of principal, premium or interest on redemption) the relevant Bond is surrendered for payment more than 30 days after the Relevant Date except to the extent that the holder of it would have been entitled to such additional amounts on surrendering such Bond for payment on the last day of such period of 30 days; or
- (c) where a Bondholder has exercised its right to elect that its Bonds shall not be redeemed pursuant to any Tax Redemption Notice in accordance with Condition 7.2.

References in these Conditions to principal and/or interest and/or any other amounts payable in respect of the Bonds shall be deemed also to refer to any additional amounts which may be payable under this Condition or any undertaking or covenant given in addition thereto or in substitution therefor pursuant to the Bond Instrument.

The requirement to pay additional amounts under this Condition 8 shall not apply in respect of any payments which fall due after the relevant Tax Redemption Date in respect of any Bonds which are the subject of a Bondholder election pursuant to Condition 7.2.

If the Issuer becomes subject at any time to any taxing jurisdiction other than a Relevant Jurisdiction, references in this Condition 8 to “Relevant Jurisdiction” shall be construed as references to Canada and/or such other jurisdiction or, in each case, any political subdivision or any authority thereof or therein having power to tax.

## **9. Payments**

### **9.1 Principal**

Payment of principal and interest in respect of the Bonds and delivery of any Shares pursuant to these Conditions will be made to, or to the order of, and in accordance with the Payment

Details provided by, the persons shown in the Register (as defined in the Bond Instrument) at the close of business on the Record Date.

## **9.2 Other amounts**

Payments of all amounts other than as provided in Condition 9.1 will be made as provided in these Conditions.

## **9.3 Record Date**

“**Record Date**” means the second London business day before the due date for the relevant payment.

## **9.4 Payments**

- (a) Each payment in respect of Bonds pursuant to Conditions 9.1 and 9.2 will, with respect to each relevant Bondholder, be made by transfer to a US Dollar account in accordance with the relevant Payment Details.
- (b) All payments in respect of the Bonds are subject in all cases to any applicable fiscal or other laws and regulations in the place of payment.
- (c) The Issuer shall initiate, or shall procure the initiation of, payment instructions for value as of the due date, or, if the due date is not a London business day and New York business day, for value the next succeeding London and New York business day.

## **9.5 Delay in payment**

- (a) Bondholders will not be entitled to any interest or other payment for any delay after the due date in receiving the cash amount due to be paid or, as the case may be, the Shares due to be delivered:
  - (i) as a result of the due date not being a business day in London, New York or in the city in which the recipient account is based; or
  - (ii) as a result of the relevant Bondholder failing to provide fulsome and correct Payment Details.
- (b) If any date for payment in respect of any Bond is not a London and New York business day, the holder shall not be entitled to payment until the next following London and New York business day nor to any interest or other sum in respect of such postponed payment.

## **9.6 Calculation Agent**

Pursuant and subject to the Calculation Agency Agreement, at any time the Issuer may vary or terminate the appointment of the Calculation Agent and appoint another Calculation Agent and the Calculation Agent may resign, provided that, unless the Issuer and the Calculation Agent agree otherwise, any such termination or resignation (other than a resignation following default of the Issuer’s payment obligations to the Calculation Agent, pursuant to clause 8.4 of the Calculation Agency Agreement) shall only take effect upon the appointment by the Issuer of a successor calculation agent and on the expiry of the relevant notice.

Notwithstanding and without prejudice to anything in the Calculation Agency Agreement (and without affecting the rights or obligations of the Issuer and the Calculation Agent thereunder), the Issuer hereby separately undertakes to the Bondholders that it shall not vary or terminate

the appointment of the Calculation Agent and/or appoint another Calculation Agent except with the prior approval of the holders of at least 75 per cent. in principal amount of the Bonds outstanding.

#### **9.7 No charges**

Neither the Issuer nor any person or agent acting on its behalf shall make or impose on a Bondholder any charge or commission in relation to any payment, transfer or conversion in respect of the Bonds including any issue and delivery of Shares pursuant to the exercise of any Share Settlement Option.

#### **9.8 Fractions**

When making payments to Bondholders, if the relevant payment is not of an amount which is a whole multiple of the smallest unit of the relevant currency in which such payment is to be made, such payment will be rounded down to the nearest unit.

#### **9.9 Share Settlement Option in respect of Conversion Payment**

##### **(a) Share Settlement Option**

Provided that a Cash Payment Notice has not been delivered on or prior to the relevant Share Settlement Notice Date (as defined below), at any time from and including the day falling 45 days after the relevant Conversion Date, and subject to and in accordance with the provisions of this Condition 9.9, the relevant Bondholder may (in its discretion) give written notice to the Issuer in respect of a Conversion Payment to which a Conversion Payment Deferral applies (a “**Share Settlement Notice**” in respect of such Conversion Payment, and the date on which this notice is so given, the “**Share Settlement Notice Date**” in respect of such Conversion Payment) that it elects to require (subject to Condition 9.9(b)) the Issuer to satisfy its obligation to pay the Conversion Payment in relation to such Conversion Payment in respect of any exercise of Conversion Rights and all accrued but unpaid interest in respect of such Conversion Payment (if any) by exercising its option to require the Issuer to issue Shares to or to the order of such Bondholder in settlement and discharge of the Issuer’s liability to pay such Conversion Payment and all accrued but unpaid interest in respect of such Conversion Payment (if any) and in lieu of paying cash in respect thereof (the “**Share Settlement Option**” in respect of any Conversion Payment). A Share Settlement Option Notice may not be given on or after the date on which a Cash Payment Notice has been given. Upon the occurrence of a Share Settlement Notice Date, the Issuer shall promptly give notice thereof to the Bondholders in accordance with Condition 16, including specifying the number of Bonds in respect of which such Share Settlement Election has been exercised.

##### **(b) Provisions relating to the Share Settlement Option**

The following provisions shall apply in respect of an exercise of the Share Settlement Option (a “**Share Settlement**”):

- (i) promptly following the end of the Share Settlement Observation Period, the Issuer shall give notice to the Bondholders in accordance with Condition 16 of the number of Shares to be issued in respect of the Share Settlement;
- (ii) without prejudice to any annulment of a Share Settlement pursuant to paragraphs (iii) or (iv) below, a Share Settlement Notice shall be irrevocable;
- (iii) Share Settlement shall be subject to a Share Settlement Liquidity Event not having occurred on any day up to (and including) the relevant Share Settlement

Date (and following such occurrence of a Share Settlement Liquidity Event, the Share Settlement shall be annulled and the relevant Conversion Payment (and all accrued but unpaid interest in respect of such Conversion Payment (if any)) shall remain outstanding (and interest shall continue to accrue on such Conversion Payment at the Rate of Interest) as if the relevant Share Settlement Notice had not been delivered). Upon the occurrence of a Share Settlement Liquidity Event, the Issuer shall promptly give notice thereof to the Bondholders in accordance with Condition 16. Notwithstanding the occurrence of a Share Settlement Liquidity Event, the relevant Bondholder may elect (in its absolute discretion) to proceed with the Share Settlement by giving written notice thereof to the Issuer on or before the relevant Scheduled Share Settlement Date;

- (iv) except in the case where (A) a Cash Payment Notice is delivered on or after the relevant SSO Reference Date and (B) the relevant Bondholder elects (in its absolute discretion) to proceed with the Share Settlement by giving written notice thereof to the Issuer on or before the relevant Scheduled Share Settlement Date, a Share Settlement shall be subject to a Cash Payment Notice not having been delivered on any day up to (and including) the day prior to the relevant Share Settlement Date (and following such delivery of a Cash Payment Notice, except as aforementioned, the Share Settlement shall be annulled and the relevant Conversion Payment (and all accrued but unpaid interest in respect of such Conversion Payment (if any)) shall remain outstanding (and interest shall continue to accrue on such Conversion Payment at the Rate of Interest) as if the relevant Share Settlement Notice had not been delivered and such Conversion Payment shall be paid in cash in accordance with Condition 6.2);
- (v) if (A) a Fundamental Change Event Notice, Issuer Optional Redemption Notice or Tax Redemption Notice is given, or an Event of Default occurs, on or prior to any Share Settlement Notice Date in circumstances where the relevant Fundamental Change Event Put Date, Issuer Optional Redemption Date, Tax Redemption Date or Relevant Date falls after the relevant Share Settlement Date, or (B) a Fundamental Change Event Notice, Issuer Optional Redemption Notice or Tax Redemption Notice is given, or an Event of Default occurs, after a Share Settlement Notice Date but prior to the relevant Share Settlement Date, in each case the relevant Bondholder may (in its discretion) give written notice prior to such Share Settlement Date to the Issuer that it elects to cancel the relevant Share Settlement Notice, and the relevant Conversion Payment (and all accrued but unpaid interest in respect of such Conversion Payment (if any)) shall remain outstanding (and interest shall continue to accrue on such Conversion Payment at the Rate of Interest) as if the relevant Share Settlement Notice had not been delivered and such Conversion Payment shall be paid in cash in accordance with Condition 6.2;
- (vi) subject as provided in paragraph (vii) below, the number of Shares to be issued and delivered to the relevant Bondholder in respect of a Share Settlement (the “**Deliverable Shares**”) shall be such number of Shares (rounded down to the nearest whole number) determined by the Calculation Agent by dividing the

relevant Conversion Payment, together with all accrued but unpaid interest in respect of such Conversion Payment up to but excluding the relevant Share Settlement Date (if any), by the relevant 5-Day Lowest Market Price in respect of such Share Settlement;

- (vii) fractions of Shares will not be issued pursuant to this Condition 9.9 and no cash payment will be made in lieu thereof. However, if (A) the Share Settlement Option is exercised by the relevant Bondholder in respect of more than one Conversion Payment, (B) the relevant Share Settlement Notices are all given on the same day and (C) the Shares to be issued pursuant thereto are to be registered in the same name, the number of Shares to be issued in respect thereof shall be calculated on the basis of the aggregate of such Conversion Payments, as determined by the Calculation Agent;
- (viii) Shares (including any Additional Deliverable Shares) issued and delivered pursuant to this Condition 9.9 will be fully paid and will in all respects rank *pari passu* with the fully paid Shares in issue on the relevant SSO Reference Date or, in the case of Additional Deliverable Shares, on the relevant Reference Date and the relevant holder shall be entitled to all rights, distribution or payments the record date or other due date for the establishment of entitlement for which falls on or after such SSO Reference Date, or as the case may be, the relevant Reference Date, except in any such case for any right excluded by mandatory provisions of applicable law or as otherwise may be provided in these Conditions. Such Shares or, as the case may be, Additional Deliverable Shares will not rank for (or, as the case may be, the relevant holder shall not be entitled to receive) any rights, distributions or payments the record date or other due date for the establishment of entitlement for which falls prior to such SSO Reference Date or, as the case may be, the relevant Reference Date;
- (ix) A Bondholder must pay any taxes (including capital, stamp, issue and registration and transfer taxes or duties) arising on the issue and delivery of the relevant Deliverable Shares or Additional Deliverable Shares, other than any Specified Taxes payable in respect of the issue and delivery of the Deliverable Shares or Additional Deliverable Shares to a Bondholder pursuant to this Condition 9.9, which shall be paid by the Issuer. Such Bondholder must pay all, if any, taxes arising by reference to any disposal or deemed disposal of a Bond or interest therein by it in connection with such Share Settlement;
- (x) Deliverable Shares (including Additional Deliverable Shares) will be issued and delivered in uncertificated form through the dematerialised securities trading system operated by Euroclear UK & Ireland Limited, known as CREST, unless at the relevant time the Shares are not a participating security in CREST, in which case the Deliverable Shares will be issued and delivered in certificated form. Where Deliverable Shares are to be issued and delivered through CREST, they will be delivered to the account specified by the relevant Bondholder in the Payment Details by not later than the relevant Scheduled Share Settlement Date (or, if applicable, Adjusted Scheduled Share Settlement Date). Where Deliverable Shares are to be issued and delivered in certificated form, a certificate in respect thereof will be dispatched by mail free of charge

to the relevant Bondholder in accordance with its Payment Details or as it may otherwise direct by not later than the relevant Scheduled Share Settlement Date (or, if applicable, Adjusted Scheduled Share Settlement Date).

Deliverable Shares (including Additional Deliverable Shares) will not be available for issue (A) to, or to a nominee or agent for, Euroclear Bank SA/NV or Clearstream Banking S.A. or any other person providing a clearance service within the meaning of Section 96 of the FA 1986 or (B) to a person, or nominee or agent for a person, whose business is or includes issuing depositary receipts within the meaning of Section 93 of FA 1986, in each case, at any time prior to the “abolition day” as defined in Section 111(1) of the United Kingdom Finance Act 1990; and

- (xi) If the relevant SSO Reference Date shall be (A) after the Adjustment Reference Date in respect of any adjustment to the Conversion Price pursuant to Condition 6.3(a) to (h); and (B) before the relevant adjustment becomes effective under Condition 6.3 (such adjustment, a “**Share Settlement Retroactive Adjustment**”), then the Issuer shall procure that there shall be issued and delivered to the relevant Bondholder, in accordance with the Payment Details, such additional number of Shares (if any) (the “**Additional Deliverable Shares**”) as, together with the Shares issued and delivered in lieu of paying cash in respect of the relevant Conversion Payment Amount, is equal to the number of Shares which would have been so required to be issued and delivered in respect of such amount if the relevant adjustment to the Conversion Price had been made and become effective immediately prior to such SSO Reference Date, all as determined by the Calculation Agent, provided that if in the case of Conditions 6.3(b), 6.3(c), 6.3(d), 6.3(e) or 6.3(i) the relevant Bondholder shall be entitled to receive the relevant Shares, Dividends or other Securities in respect of the Shares to be issued and delivered to it, then no such Share Settlement Retroactive Adjustment shall be made in relation to the relevant event and the relevant Bondholder shall not be entitled to receive Additional Deliverable Shares in relation thereto.

- (c) Certain definitions

For the purposes of these Conditions:

“**Offer Period**” means (i) any period commencing on the date of first public announcement of an offer or tender (howsoever described) by any person or persons in respect of all or a majority of the issued and outstanding Shares and ending on the date that offer or tender ceases to be open for acceptance or, if earlier, on which that offer or tender lapses or terminates or is withdrawn or (ii) any period commencing on the date of first public announcement of a Scheme of Arrangement relating to the acquisition of all or a majority of the issued and outstanding Shares and ending on the date such Scheme of Arrangement is or becomes effective or, if earlier, the date such Scheme of Arrangement is cancelled or terminated or (iii) the period during which the Issuer is stated as being in an offer period by any applicable regulatory body having jurisdiction over the Issuer.

“**Share Settlement Date**” means, in respect of any exercise of a Share Settlement Option, the actual date of delivery of the Deliverable Shares (other than Additional Deliverable Shares).

“**Scheduled Share Settlement Date**” means, in respect of any exercise of a Share Settlement Option, (i) in respect of Deliverable Shares (other than Additional Deliverable Shares) to be issued and delivered (x) through CREST, the date falling four Notice Business Days after the relevant SSO Reference Date, or (y) in certificated form, the date falling 28 days after the relevant SSO Reference Date and (ii) in respect of Additional Deliverable Shares to be issued and delivered (x) through CREST, the date falling four Notice Business Days after the relevant Reference Date, or (y) in certificated form, the date falling 28 days after the relevant Reference Date.

“**Adjusted Scheduled Share Settlement Date**” means, in respect of any exercise of a Share Settlement Option in respect of which the relevant Bondholder makes an election as referred to in the proviso to the definition of “Share Settlement Liquidity Event”, or, as the case may be, Condition 9.9(b)(iv), (i) in respect of Deliverable Shares (other than Additional Deliverable Shares) to be issued and delivered (x) through CREST, the date falling four Notice Business Days after the relevant Scheduled Share Settlement Date, or (y) in certificated form, the date falling 28 days after the relevant Scheduled Share Settlement Date, and (ii) in respect of Additional Deliverable Shares to be issued and delivered (x) through CREST, the date falling four Notice Business Days after the relevant Scheduled Share Settlement Date, or (y) in certificated form, the date falling 28 days after the relevant Scheduled Share Settlement Date.

In respect of any exercise of the Share Settlement Option, subject to the proviso below, a “**Share Settlement Liquidity Event**” shall have occurred on any date if one or more of the following conditions is met:

- (i) the Shares are not listed and admitted to trading on the London Stock Exchange as at such date, or are suspended from trading on such market (provided that trading of the Shares shall not be considered to be suspended on any day on which a general suspension of trading on such market has occurred) on such date;
- (ii) an Event of Default or Potential Event of Default shall have occurred and be continuing as at such date;
- (iii) a Free Float Event shall have occurred and be continuing as at such date; or
- (iv) an Offer Period (as defined below) shall be continuing as at such date,

provided that if the relevant Bondholder elects (in its sole discretion) to disregard such Share Settlement Liquidity Event by giving written notice thereof to the Issuer on or before the relevant Scheduled Share Settlement Date, it shall be deemed that no such Share Settlement Liquidity Event shall have occurred in respect of such exercise.

“**5-Day Lowest Market Price**” means, in respect of any exercise of Conversion Rights, the lowest of the daily Volume Weighted Average Price of a Share (translated into US Dollar at the Prevailing Rate) on each of the five consecutive dealing days immediately following the relevant Share Settlement Notice Date (the “**Share Settlement Observation Period**” in respect of such exercise of a Share Settlement Option, and the

last dealing day of such Share Settlement Observation Period, the “**SSO Reference Date**” in respect of such exercise), provided that:

- (i) if any such dealing day falls on or after the Applicable Adjustment Reference Date in respect of any adjustment required to be made to the Conversion Price pursuant to these Conditions (other than, for the avoidance of doubt, an adjustment pursuant to Condition 6.5) and such adjustment is not yet in effect on the relevant SSO Reference Date, the Volume Weighted Average Price on such dealing day shall be divided by the adjustment factor (as determined pursuant to these Conditions) applied to the Conversion Price in respect of such adjustment;
- (ii) if any such dealing day falls before the Applicable Adjustment Reference Date in respect of any adjustment required to be made to the Conversion Price pursuant to these Conditions (other than, for the avoidance of doubt, an adjustment pursuant to Condition 6.5) and such adjustment is in effect on the relevant SSO Reference Date, the Volume Weighted Average Price on such dealing day shall be multiplied by the adjustment factor (as determined pursuant to these Conditions) applied to the Conversion Price in respect of such adjustment; and
- (iii) if any doubt shall arise as to the calculation of the 5-Day Lowest Market Price or if the 5-Day Lowest Market Price cannot be determined as provided above, the 5-Day Lowest Market Price shall be equal to such price as is determined in such other manner as an Independent Adviser shall consider to be appropriate to give the intended result.

## 10. Events of Default

If any of the following events (each an “**Event of Default**”) occurs and is continuing, a holder of a Bond then outstanding may give notice (an “**Acceleration Notice**”) in writing to the Issuer that such Bond is, and upon such notice such Bond shall accordingly immediately become, without further action or formality, due and repayable at the Relevant Amount:

- (a) the Issuer fails to pay when due any of the principal of the Bonds, any interest or any other amounts with respect to the Bonds (on a Conversion Payment Date, on an Interest Payment Date, at maturity, upon redemption or otherwise) and such failure continues for a period of three business days in each of Calgary, Canada, New York, USA and London, England;
- (b) the Issuer fails to issue and deliver Shares following any exercise of Conversion Rights or Share Settlement Option in accordance with these Conditions and such failure continues for a period of three business days in each of Calgary, Canada, New York, USA and London, England;
- (c) the Issuer or any Guarantor does not perform or comply with any one or more of its other obligations in the Bonds or the Bond Documents or if any event occurs or any action is taken or failed to be taken which is (or but for the provisions of any applicable law would be) a breach of any such obligation, and which default or breach is incapable of remedy or is not remedied within 30 days after notice of such default or breach shall have been received by the Issuer from any Bondholder requiring the same to be remedied;

- (d) the validity of the Bonds or any Bond Document is contested by the Issuer or any Guarantor, the Issuer or any Guarantor shall deny any of its obligations under the Bonds or any Bond Document or it is or will become unlawful for the Issuer or any Guarantor to perform or comply with any one or more of its obligations under any of the Bonds or the Bond Documents;
- (e)
  - (i) any other present or future Financial Indebtedness of the Issuer or any of its Material Subsidiaries becomes due and payable prior to its stated maturity by reason of any event of default or the like (howsoever described), or
  - (i) any such Financial Indebtedness is not paid when due or, as the case may be, within any originally applicable grace period and such failure continues for a period of three business days in each of Calgary, Canada, New York, USA and London, England, or
  - (ii) the Issuer or any of its Material Subsidiaries fails to pay when due any amount payable by it under any present or future Financial Indebtedness Guarantee and such failure continues for a period of three business days in each of Calgary, Canada, New York, USA and London, England,

provided that the aggregate amount of the relevant Financial Indebtedness and/or Financial Indebtedness Guarantee in respect of which one or more of the events mentioned above in this Condition 10(e) have occurred equals or exceeds US\$2 million (or its equivalent in any other currency or currencies);

- (f) the aggregate amount of unsatisfied judgments, decrees or orders of courts or other appropriate law-enforcement bodies (from which no further appeal or judicial review is permissible under applicable law) for the payment of money against the Issuer or any of its Material Subsidiaries exceeds US\$2 million (or its equivalent in any other currency or currencies) and there is a period of 60 days following the entry thereof (or, if later, the date therein specified for payment) during which all such judgments, decrees or orders are not discharged, waived or the execution thereof stayed;
- (g) a distress, attachment, execution or other legal process is levied, enforced or sued out on or against the property, assets or revenues of the Issuer or any of its Material Subsidiaries with a value, individually or in the aggregate, in excess of US\$2 million or its equivalent and is not discharged within 60 days;
- (h) any mortgage, charge, pledge, lien or other encumbrance, present or future, created or assumed by the Issuer or any of its Material Subsidiaries, over assets with a value, individually or in the aggregate, in excess of US\$2 million or its equivalent, becomes enforceable and any step is taken to enforce it (including the taking of possession or the appointment of a receiver, administrative receiver, administrator, manager or other similar person) and is not discharged within 60 days;
- (i) the Issuer or any Material Subsidiary ceases, or threatens to cease, to carry on all or a substantial part of its business;
- (j) the Issuer or any of its Material Subsidiaries is (or is deemed by law or a court to be) insolvent or bankrupt or unable to pay its debts, stops, suspends or threatens to stop or suspend payment of all or a material part of (or a material part of a particular type of) its debts, proposes or makes a general assignment or an arrangement or composition

with or for the benefit of the relevant creditors in respect of any of such debts or a moratorium is agreed or declared or comes into effect in respect of or affecting all or any part of (or of a particular type of) the debts of the Issuer or any of its Material Subsidiaries, except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation (i) on terms approved by the Majority Bondholders, or (ii) in the case of a Material Subsidiary, whereby the undertaking and assets of the Material Subsidiary are transferred to or otherwise vested in the Issuer or another of its Subsidiaries; or

- (k) an administrator is appointed, an order is made or an effective resolution passed for the winding-up or dissolution or administration of the Issuer or any of its Material Subsidiaries (and such order is not discharged within 30 days), or the Issuer ceases or threatens to cease to carry on all or a substantial part of its business or operations, except (i) for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation (A) on terms approved by the Majority Bondholders, or (B) in the case of a Material Subsidiary, whereby the undertaking and assets of the Material Subsidiary are transferred to or otherwise vested in the Issuer or another of its Subsidiaries or (ii) in relation to any solvent winding-up or dissolution as part of a NewCo Scheme permitted by the Conditions (and in accordance with Condition 11(g) and Condition 15).

For the purposes of this Condition 10, “**Relevant Amount**” means, in respect of the principal amount of each Bond which is outstanding, the relevant Bondholder Early Redemption Amount, save that if the relevant Event of Default occurs as a result of or in connection with a failure by the Issuer to comply with any of its obligations in relation to the exercise of Conversion Rights or Share Settlement Option (except in *de minimis* respects), it means an amount in cash per Bond equal to the higher of:

- (l) the sum of (i) the Volume Weighted Average Price (translated if necessary into US Dollar at the Prevailing Rate) on the date of such declaration of the relevant Event of Default of the aggregate number of Shares and (ii) the Fair Market Value (translated if necessary into US Dollar at the Prevailing Rate) on the date of such declaration of the relevant Event of Default of any other amounts (including any Conversion Payment (disregarding for this purpose Condition 9.9)) in each case which would have been deliverable and/or payable had Conversion Rights been exercised in respect of such Bond and assuming for this purpose that the relevant Conversion Date is the date of such declaration of the relevant Event of Default; and
- (m) the relevant Bondholder Early Redemption Amount.

Following an Event of Default and a Bondholder having given notice to the Issuer as provided above in this Condition 10 that a Bond or Bonds are due and payable, references in these Conditions and the Bond Instrument to the principal amount of a Bond shall, in relation to such Bond or Bonds, unless the context otherwise requires, include the Relevant Amount.

## 11. Undertakings

Unless any of the following is contemplated, required and/or expressly permitted pursuant to any of the Bond Documents, the Issuer will, save with the approval of the holders of at least 75 per cent. in principal amount of the Bonds outstanding:

- (a) not issue or pay up any Securities, in either case by way of capitalisation of profits or reserves, other than:
- (i) pursuant to a Scheme of Arrangement involving a reduction and cancellation of Shares and the issue to Shareholders of an equal number of Shares by way of capitalisation of profits or reserves; or
  - (ii) pursuant to or in connection with a Newco Scheme; or
  - (iii) by the issue of fully paid Shares or other Securities to Shareholders and other holders of shares in the capital of the Issuer which by their terms entitle the holders thereof to receive Shares or other Securities on a capitalisation of profits or reserves; or
  - (iv) by the issue of fully paid Shares, issued wholly, ignoring fractional entitlements, in lieu of the whole or part of a Dividend in cash; or
  - (v) by the issue of Shares or any equity share capital to, or for the benefit of, employees or former employees, director or executive holding or formerly holding executive office (including directors holding or formerly holding executive office or non-executive office, consultants or former consultants or the personal service company of any such person) or their spouses or relatives, in each case of the Issuer or any of its Subsidiaries or any associated company or to a trustee or nominee to be held for the benefit of any such person, in any such case pursuant to an employee, contractor, director or executive share or option or incentive scheme whether for all employees, contractors, directors or executives or any one or more of them,
- ((i) to (v) above each being a “**Permitted Issue**”), unless, in any such case, the same constitutes a Dividend or otherwise falls to be taken into account for a determination as to whether an adjustment is to be made to the Conversion Price pursuant to Condition 6.3, regardless of whether in fact an adjustment falls to be made in respect of the relevant event (or would, but for the provisions of Condition 6.8 relating to roundings and minimum adjustments or the carry forward of adjustments, give rise to an adjustment to the Conversion Price);
- (b) not modify the rights attaching to the Shares with respect to voting, dividends or liquidation nor issue any other class of equity share capital carrying any rights which are more favourable than the rights attaching to the Shares but so that nothing in this Condition 11(b) shall prevent:
- (i) any consolidation, reclassification, redesignation or subdivision of the Shares; or
  - (ii) any modification of such rights which is not, in the opinion of an Independent Adviser, materially prejudicial to the interests of the holders of the Bonds; or
  - (iii) any issue of equity share capital where the issue of such equity share capital results, or would, but for the provisions of Condition 6.8 relating to roundings and minimum adjustments or the carry forward of adjustments or Condition 6.3(1) or, where comprising Shares, the fact that the consideration per Share receivable therefor is at least 95 per cent. of the Current Market Price per Share

at the relevant time for determination thereof pursuant to the relevant provisions of Condition 6.3, otherwise result, in an adjustment to the Conversion Price; or

- (iv) without prejudice to any rule of law or legislation (including regulations made under Sections 783, 784(3), 785 and 788 of the Companies Act or any other provision of that or any other legislation), the conversion of Shares into, or the issue of any Shares in, uncertificated form (or the conversion of Shares in uncertificated form to certificated form) or the amendment of the Articles of Association of the Issuer to enable title to securities (including Shares) to be evidenced and transferred without a written instrument or any other alteration to the Articles of Association of the Issuer made in connection with the matters described in this Condition 11(b) or which is supplemental or incidental to any of the foregoing (including any amendment made to enable or facilitate procedures relating to such matters and any amendment dealing with the rights and obligations of holders of Securities, including Shares, dealt with under such procedures); or
  - (v) any issue of equity share capital or modification of rights attaching to the Shares, where prior thereto the Issuer shall have instructed an Independent Adviser to determine what (if any) adjustments should be made to the Conversion Price as being fair and reasonable to take account thereof and such Independent Adviser shall have determined either that no adjustment is required or that an adjustment resulting in a decrease in the Conversion Price is required and, if so, the new Conversion Price as a result thereof and the basis upon which such adjustment is to be made and, in any such case, the date on which the adjustment shall take effect (and so that the adjustment shall be made and shall take effect accordingly); or
  - (vi) any alteration to the Articles of Association made in connection with the matters described in this Condition 11 or which is supplemental or incidental to any of the foregoing (including any amendment made to enable or facilitate procedures relating to such matters and any amendment dealing with the rights and obligations of holders of Securities, including Shares, dealt with under such procedures); or
  - (vii) any amendment of the Articles of Association of the Issuer following or in connection with a Change of Control to ensure that any Bondholder exercising Conversion Rights where the Conversion Date falls on or after the occurrence of a Change of Control will receive, in whatever manner, the same consideration for the Shares arising on such exercise as it would have received in respect of any Shares had such Shares been entitled to participate in the relevant Scheme of Arrangement or to have been submitted into, and accepted pursuant to, the relevant offer or tender (a “**Change of Control Conversion Right Amendment**”); or
  - (viii) a Permitted Issue;
- (c) except as part of or in connection with or pursuant to any employee, contractor, director or executive share or option or incentive scheme (whether for all employees,

contractors, directors or executives or any one or more of them), procure that no Securities which were originally issued (whether issued by the Issuer or any Subsidiary of the Issuer or procured by the Issuer or any Subsidiary of the Issuer to be issued or issued by any other person pursuant to any arrangement with the Issuer or any Subsidiary of the Issuer) without rights to convert into, or exchange or subscribe for, Shares shall subsequently be granted such rights exercisable at a consideration per Share which is less than 95 per cent. of the Current Market Price per Share at the relevant time for determination thereof pursuant to the relevant provisions of Condition 6.3 unless the same gives rise (or would, but for the provisions of Condition 6.8 relating to roundings and minimum adjustments or the carry forward of adjustments or Condition 6.3(1), give rise) to an adjustment to the Conversion Price and that at no time shall there be in issue Shares of differing nominal values, save where such Shares have the same economic rights;

- (d) not make any issue, grant or distribution or take or omit to take any other action if the effect thereof would be that, on the exercise of Conversion Rights, Shares could not, under any applicable law then in effect, be legally issued as fully paid;
- (e) not reduce its issued share capital, share premium account, or any uncalled liability in respect thereof, or any non-distributable reserves, except:
  - (i) pursuant to the terms of issue of the relevant share capital; or
  - (ii) by means of a purchase or redemption of share capital of the Issuer to the extent permitted by applicable law; or
  - (iii) where the reduction does not involve any distribution of assets to Shareholders; or
  - (iv) solely in relation to a change in the currency in which the nominal value of the Shares is expressed; or
  - (v) to create distributable reserves (to which, in respect of any such creation of distributable reserves, the Bondholders will be deemed to have irrevocably given their consent (without any liability for so doing) prior to such creation of distributable reserves occurring); or
  - (vi) pursuant to a Scheme of Arrangement involving a reduction and cancellation of Shares and the issue to Shareholders of an equal number of Shares by way of capitalisation of profits or reserves; or
  - (vii) as provided in Condition 11(a)(i); or
  - (viii) pursuant to a Newco Scheme; or
  - (ix) by way of transfer to reserves as permitted under applicable law; or
  - (x) where the reduction is permitted by applicable law and the Bondholders are advised by an Independent Adviser, that in its opinion the interests of the Bondholders will not be materially prejudiced by such reduction; or
  - (xi) where the reduction is permitted by applicable law and results (or, in the case of a reduction in connection with a Change of Control, will result) in (or would,

but for the provisions of Condition 6.8 relating to roundings or the carry forward of adjustments, result in) an adjustment to the Conversion Price or is (or, in the case of a reduction in connection with a Change of Control, will be) otherwise taken into account for the purposes of determining whether such an adjustment should be made;

provided that, without prejudice to the other provisions of these Conditions, the Issuer may exercise such rights as it may from time to time be entitled pursuant to applicable law to purchase, redeem or buy back its Shares and any depositary or other receipts or certificates representing Shares without the consent of Bondholders;

- (f) if any offer is made to all (or as nearly as may be practicable all) Shareholders or all (or as nearly as may be practicable all) Shareholders other than the offeror and/or any associates of the offeror to acquire a Controlling interest in the Issuer, or if a public offer is made in respect of the Shares, or if any person proposes a scheme with regard to such acquisition (other than a Newco Scheme), give notice of such offer or scheme to the Bondholders in accordance with Condition 16 at the same time as any notice thereof is sent to the Shareholders (or as soon as practicable thereafter) that details concerning such offer or scheme may be obtained from the Issuer and, where such an offer or scheme has been recommended by the board of directors of the Issuer, or where such an offer has become or been declared unconditional in all respects or such scheme has become effective, use all reasonable endeavours to procure that a like offer or scheme is extended to Bondholders and to the holders of any Shares issued during the period of the offer or scheme arising out of the exercise of the Conversion Rights pursuant to these Conditions (which like offer or scheme to Bondholders shall entitle Bondholders to receive the same type and amount of consideration they would have received had they held the number of Shares to which such Bondholders would be entitled assuming Bondholders were to exercise their Conversion Rights in the relevant Fundamental Change Event Period), provided that, for the avoidance of doubt, this undertaking of the Issuer shall not restrict or prevent the Issuer or its board of directors from co-operating in relation to, or recommending to its shareholders the acceptance of, such a takeover bid in circumstances where (despite the Issuer using all reasonable endeavours as set out above) the bidder does not extend to the Bondholders (or any of them) an offer or proposal as set out above;
- (g) in the event of a Newco Scheme, take (or shall procure that there is taken) all necessary action to ensure that (to the satisfaction of the Bondholders) immediately after completion of the Scheme of Arrangement:
  - (i) at the Issuer's option, either (a) Newco is substituted under the Bonds and the Bond Documents as principal obligor in place of the Issuer (with the Issuer providing a guarantee) subject to and as provided in Condition 15; or (b) Newco becomes a guarantor under the Bonds and the Bond Documents, in each case on terms satisfactory to the Bondholders;
  - (ii) such amendments are made to these Conditions and the Bond Documents as are necessary, in the opinion of the Bondholders, to ensure that the Bonds may be converted into or exchanged for cash and/or ordinary shares or units or the equivalent in Newco (or depositary or other receipts or certificates representing ordinary shares or units or the equivalent in Newco) *mutatis mutandis* in

accordance with and subject to these Conditions with a Conversion Price (subject to adjustment as provided in these Conditions) economically equivalent to the Conversion Price immediately prior to the implementation of such amendments, as determined by an Independent Adviser;

- (iii) the ordinary shares or units or equivalent of Newco (or depositary or other receipts or certificates representing ordinary shares or units or equivalents of Newco) are admitted to trading on a Qualifying Market; and
- (iv) the Bond Documents and the Conditions provide at least the same or equivalent powers, protections, rights and benefits to the Bondholders following the implementation of such Newco Scheme as they provided to the Bondholders prior to the implementation of the Newco Scheme, *mutatis mutandis*,

and the Bondholders shall (at the expense of the Issuer, including payment by the Issuer of any incurred fees of Bondholders' legal counsel, and subject to the satisfaction of the conditions set out in (i) to (iv) above and provided that the interests of Bondholders are not adversely prejudiced thereby) be obliged to concur in effecting such substitution or grant of such guarantee and in either case making any such amendments, provided that the Bondholders shall not be obliged so to concur if, in the opinion of the Bondholders, doing so would impose more onerous obligations upon any of them or expose any of them to any additional duties, responsibilities or liabilities in any way;

- (h) use all reasonable endeavours to ensure that the Shares issued upon exercise of Conversion Rights will, as soon as is possible, be admitted to listing and to trading on the London Stock Exchange and will be listed, quoted or dealt in, as soon as is practicable, on any other stock exchange or securities market on which the Shares may then be listed or quoted or dealt in (but so that this undertaking shall be considered as not being breached as a result of a Change of Control (whether or not recommended or approved by the board of directors of the Issuer) that causes or gives rise to, whether following the operation of any applicable compulsory acquisition provision or otherwise, (including at the request of the person or persons controlling the Issuer as a result of the Change of Control) a de-listing of the Shares);
- (i) use all reasonable endeavours to ensure, at its own cost, that its issued and outstanding Shares are admitted to listing on a regulated, regularly operating, recognised stock exchange or securities market (but so that this undertaking shall be considered as not being breached as a result of a Change of Control (whether or not recommended or approved by the board of directors of the Issuer) that causes or gives rise to, whether following the operation of any applicable compulsory acquisition provision or otherwise, (including at the request of the person or persons controlling the Issuer as a result of the Change of Control) a de-listing of the Shares);
- (j) will continue to make all applicable regulatory filings in respect of the listing and admission to trading of the Shares with each Stock Exchange (including, in respect of any Shares in issue which are not admitted to listing on the London Stock Exchange, publishing a prospectus and obtaining admission to listing on the London Stock Exchange as soon as possible and in any event not later than twelve calendar months after the issue of such Shares, as required by Listing Rule 14.3.4R or any requirement that succeeds or replaces the same);

- (k) not cause its Shares to be quoted or admitted to trading and/or listing on any stock exchange (other than the London Stock Exchange, the Toronto Stock Exchange or the Canadian Securities Exchange) if that would cause the Initial Investor to be subject to any additional filings, reporting or other obligations, except with the prior consent of the Initial Investor;
- (l) at all times keep available for issue, free from pre-emptive or other preferential rights out of its authorised but unissued capital sufficient allotment authority in respect of Shares to enable the exercise of Conversion Rights in respect of all the Bonds (including any Further Bonds) then outstanding and all other rights of subscription and exchange for Shares, to be satisfied in full;
- (m) with respect to any calculation, determination or adjustment performed by the Calculation Agent or an Independent Adviser at the instruction of the Issuer, promptly notify the Bondholders thereof including all relevant details of such calculation or determination and, upon request from any Bondholder, confirm to the Bondholders (and with notice to the Calculation Agent) the Conversion Price and the Floor Price then in effect and details of any relevant prior calculations, determinations or adjustments as such Bondholder may require;
- (n) promptly upon:
  - (i) the Issuer becoming aware that a Free Float Event may have occurred (or would be likely to have occurred, if an Independent Adviser had been requested to make such determination), acting reasonably, based on known and publicly available information and without any requirement to make any further enquires; or
  - (ii) a request being made by the any Bondholder (acting reasonably, and such request not being made more than once in any three-month period), the Issuer shall instruct an Independent Adviser to make a determination as to the number of Shares comprising the Free Float;
- (o) as soon as reasonably practicable following the completion of the Refinancing Conditions, make a public announcement containing the details thereof;
- (p) (i) promptly notify each Bondholder in accordance with Condition 16 of the occurrence of any Event of Default or any breach of the Conditions or the provisions of the Bond Documents; and (ii) deliver to the Bondholders annually, and to the Bondholders at any time upon reasonable demand in writing by a Bondholder (but so that such demand shall not be made more than once during any Interest Period), a certificate signed by two directors of the Issuer on behalf of the Issuer certifying that, having made all reasonable enquiries, to the best of the knowledge, information and belief of the Issuer, no Event of Default, Potential Event of Default or breach of the Conditions or the Bond Documents has occurred since the date of the last such certificate (or, in the case of the first such certificate, the Issue Date), or if such an event or breach has occurred, giving all relevant details of such event or breach; and
- (q) so far as permitted by applicable law and any applicable contractual obligations of confidentiality, at any time upon a reasonable request from a Bondholder, as soon as practicable furnish to each Bondholder such reasonably requested information or

materials as may be relevant to the operation of any of the provisions in the Bond Documents, including but not limited to any potential Change of Control, Free Float Event, De-Listing Event or Share Settlement Liquidity Event, whether at any time a Subsidiary constitutes a Material Subsidiary and the relevant supporting calculations, evidence of the Issuer's due and punctual performance of its obligations under the Bonds and the Bond Documents, provided that the Issuer shall not (without first entering into a separate confidentiality agreement with the relevant Bondholders) furnish any such information to the relevant Bondholders in connection with the Bonds, the Shares, the Issuer or the Group that is of a price sensitive nature or inside information.

## **12. Prescription**

Claims against the Issuer for payment in respect of the Bonds shall be proscribed and become void unless made within 10 years (in the case of principal or any other amount (other than interest)) or five years (in the case of interest) from the appropriate Relevant Date in respect of such payment.

Claims in respect of any other obligation in respect of the Bonds, including delivery of Shares, shall be proscribed and become void unless made within 10 years following the due date for performance of the relevant obligations.

## **13. Replacement of Bond Certificates**

If any Bond Certificate is lost, stolen, mutilated, defaced or destroyed, it may be replaced by the Issuer subject to and in accordance with Clause 4 (*Bond Certificates*) of the Bond Instrument.

## **14. Amendment and Waiver**

### **14.1 Amendment**

Subject to Condition 14.2 and Condition 14.4, the Bonds and the Bond Documents may be amended, or waivers or consents given in respect thereof, with the agreement of the Issuer and the Majority Bondholders and (without prejudice to the terms of the Calculation Agency Agreement) any such amendment, waiver or consent will be binding on all Bondholders and shall be notified by the Issuer to Bondholders as soon as practicable.

### **14.2 Reserved Matters**

The Issuer shall not agree to make any amendment, and no waiver or consent shall be effective, in respect of any Bondholder Reserved Matter, without the consent of the holders of at least 75 per cent. in principal amount of the Bonds outstanding.

### **14.3 Voting Evidence**

In relation to any consent to be provided by Bondholders in accordance with the Bonds or the relevant Bond Documents, the Issuer shall provide or procure the provision of evidence satisfactory to each Bondholder (in each case acting reasonably) that specifies:

- (a) the principal amount outstanding held by Bondholders that delivered an instruction to consent, abstain or dissent to any proposal; and

- (b) the principal amount outstanding of Bonds held by or on behalf of the Issuer or any member of the Group or any of their respective affiliates (as referred to in the definition of “outstanding” in Condition 3).

#### 14.4 Exclusions

The consent of the Bondholders shall not be required in the event the Issuer effects any amendment to the Bonds or the Bond Documents pursuant to a NewCo Scheme Modification or otherwise effects a substitution in accordance with Condition 15 (so long as the interests of Bondholders are not adversely prejudiced thereby, and the terms and conditions set out in these Conditions are complied with), provided that the Issuer provides not less than 20 Notice Business Days’ written notice of such amendments to the Bondholders.

#### 15. Substitution

The Issuer may at any time, without the consent of the Bondholders, effect any substitution as provided in, and for the purposes of, Condition 11(g) in connection with a Newco Scheme and Condition 6.14 in connection with a Successor in Business (and any such substitute issuer being, the “**Substitute Issuer**”), provided that:

- (a) the Issuer provides not less than 60 days’ written notice to each Bondholder of such substitution, including the proposed effective date of such substitution, the identity of the Substitute Issuer and the latest audited financial statements of the Substitute Issuer, and such other information as the Bondholders may reasonably request upon receipt of such written notice;
- (b) the Bonds continue to be convertible, *mutatis mutandis* as provided in the Conditions, into ordinary shares in the capital of the Substitute Issuer with like rights, *mutatis mutandis*, to the Shares;
- (c) a deed is executed by the Substitute Issuer in a form and manner satisfactory to the Bondholders, agreeing to be bound by the Bonds and each of the Bond Documents as if the Substitute Issuer has been named in such Bond Documents and the Bonds as the principal debtor in place of the Issuer, and therefrom releasing the Issuer from any or all of its obligations under the Bond Documents and the Bonds;
- (d) legal opinions from reputable counsel acceptable to the Bondholders are addressed and delivered to (at the expense of the Substitute Issuer) the Bondholders on the entry into the amendment deed and all other relevant documentation and performance of the Substitute Issuer’s obligations under the Bonds and the enforceability thereof, in a form satisfactory to the Bondholders;
- (e) arrangements are made to the reasonable satisfaction of the Bondholders to have or be able to have the same or equivalent rights against the Substitute Issuer (and any of its Subsidiaries, if applicable) as they have against the Issuer (or any such previous substitute under this paragraph) (and any of its Subsidiaries, if applicable);
- (f) that, from the date of the substitution:
  - (i) no greater withholding or deduction for or on account of any taxes, duties, assessments or governmental charges of whatever nature is imposed or levied by or on behalf of the taxing jurisdiction of the Substitute Issuer or any applicable sub-division thereof or therein having power to tax is applicable in

respect of any payment on or in respect of the Bonds or the Bond Documents;  
and

- (ii) holders of the Bonds (whether upon transfer of Bonds or otherwise) would not thereafter be required to pay any additional stamp, issue, transfer, documentary or other similar taxes and duties in the tax jurisdiction of the Substitute Issuer,

or that an indemnity in respect of any such additional amounts is provided by the Substitute Issuer to the satisfaction of the Bondholders; and

- (g) any two directors of the Substitute Issuer certify that it will be solvent immediately after such substitution.

Upon the satisfaction of such conditions, the Substitute Issuer will be deemed to be named in the Bond Documents (but without prejudice to the terms of the Calculation Agency Agreement) and the Bonds as the principal debtor in place of the Issuer (or of any previous substitute) and each Bond Document and the Bonds will be deemed to be modified in such manner as shall be necessary to give effect to the substitution.

With effect from (and including) the date of such substitution, all payments of principal and interest payable in respect of the Bonds by the Substitute Issuer shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges (including any penalties, interest and additions to tax related thereto) of whatsoever nature imposed, levied, collected, withheld or assessed by or on behalf of its taxing jurisdiction, unless such withholding or deduction is required by law. If, following the date of the substitution of the Substitute Issuer, there is any increase from the amounts or rates initially determined in Condition 15(f)(i) in respect of such withholding or deduction for or on account of any taxes, duties, assessments or governmental charges of whatever nature payable in respect of any payment on or in respect of the Bonds or the Bond Documents, the Substitute Issuer shall pay such additional amounts as will result in the receipt by the Bondholders of such amounts as would have been received by them if such withholding or deduction had not been increased (including any deduction or withholding attributable to the additional amounts).

## 16. Notices

All notices required to be given to Bondholders pursuant to the Conditions will (unless otherwise provided in these Conditions) be given (a) in the case of any initial Bondholder, in writing in accordance with the purchase or similar agreements entered into between the Issuer and each initial Bondholder in connection with, among other things, each holder's subscription for the Bonds and dated prior to the Issue Date, and (b) in the case of any New Holders (as defined in the Bond Instrument), in writing by letter or email to the address specified in each duly executed and completed form of transfer (and the provisions of Clause 13.3 (*Effectiveness*) of the Bond Instrument shall apply *mutatis mutandis* in respect of such notices to New Holders), or in each case to such other contact details as any Bondholder may subsequently provide in writing to the Issuer from time to time in accordance with the Bond Instrument. Where a Bondholder is required under these Conditions to deliver, provide or produce a Bond Certificate, form, notice or other document, such Bond Certificate, form or document shall be delivered to the Issuer and may be in electronic form.

If any notice required to be given pursuant to these Conditions would otherwise contain any inside information or other non-public information which may (upon publication) have a significant impact on the price of any securities which are listed or quoted on any market ("**Material Non-Public Information**"), then the Issuer shall simultaneously with such notice make a public announcement containing all such Material Non-Public Information such that the notice to Bondholders shall not contain any Material Non-Public Information.

The Issuer shall send a copy of all notices given by it to Bondholders (or a Bondholder) pursuant to these Conditions promptly to the Calculation Agent.

**17. Further Issues**

The Issuer may create and issue Further Bonds at any time. Any Further Bonds shall be constituted by a deed supplemental to the Bond Instrument.

**18. Contracts (Rights of Third Parties) Act 1999**

No person shall have any right to enforce any term or condition of the Bonds under the Contracts (Rights of Third Parties) Act 1999.

**19. Governing Law**

These Conditions, the Bond Instrument, the Calculation Agency Agreement and the Bonds and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law.

## Schedule 4

### Form of Conversion Notice

To:

**Canadian Overseas Petroleum Limited**  
Suite 3200  
715-5th Ave  
SW  
Calgary  
Alberta T2P 2XP (the “**Issuer**”)

Attention: The Directors

#### **U.S.\$12,600,000 Senior Convertible Bonds due 2025 (the “Bonds”) issued by the Issuer**

All terms used herein but not defined shall have the same meanings as set out in the Bond Instrument relating to the Bonds dated 26 July 2022 (as amended or supplemented from time to time) and made by the Issuer (the “**Bond Instrument**”) and the terms and conditions of the Bonds.

We, the undersigned, being the holder(s) of the Bonds specified below hereby irrevocably elect to convert the principal amount of such Bonds as specified below for such number of Shares in the Issuer as is calculated at the Conversion Price in accordance with the Conditions.

The total principal amount and, where applicable, serial numbers of Bonds to which the Conversion Notice applies are as follows:

Number of Bonds: [●]  
Total principal amount: U.S.\$[●]  
Serial number of Bond Certificate: [●]

We direct the Issuer to allot the Shares to be issued pursuant to this exercise in the following numbers to the following proposed allottees:

Name of proposed allottee: [●]  
Address of proposed allottee: [●]  
CREST stock account details\*: [●]

*\* If the shares are to be issued in uncertificated form, details should be completed here of the CREST relevant stock account to be credited (which shall be credited as depositary interests representing Common Shares) Please provide the following details: (1) CREST Nominee Name (2) CREST Participant ID and (3) CREST Member ID.*

Any Share certificates should be sent to the [above address]/[following address: [●]]. [*Delete as appropriate*]

The Bond Certificate(s) in respect of the Bonds converted hereby accompany this Conversion Notice.

At the time of delivering (and where applicable, signing) this Conversion Notice, we hereby: (a) confirm that the Bonds to which this Conversion Notice relates are free from all liens, charges, encumbrances and any other third party rights, (b) confirm that any third party nominee whose account the Shares are to be delivered, if applicable, have consented to the same; and (c) acknowledge that the Shares due upon conversion of the Bonds have not been and are not expected to be registered under the Securities Act

and may only be transferred in a transaction exempt from, or not subject to, the registration requirements of the Securities Act, and in compliance with applicable state securities law.

**[INSERT APPROPRIATE EXECUTION BLOCK]**

## Schedule 5

### Form of Conversion Payment Letter

To: [Name and address of relevant Bondholder]

cc: Conv-Ex Advisors Limited as calculation agent

#### U.S.\$12,600,000 Senior Convertible Bonds due 2025 (the “Bonds”) issued by Canadian Overseas Petroleum Limited (the “Issuer”)

Dear Sir/Madam,

All terms used herein but not defined shall have the same meanings as set out in the terms and conditions of the Bonds (the “**Conditions**”) set out in Schedule 3 (*Terms and Conditions of the Bonds*) of the Bond Instrument relating to the Bonds dated 26 July 2022 (as amended or supplemented from time to time) and made by the Issuer (the “**Bond Instrument**”).

Reference is made to Condition 6.2 (*Conversion Payments on Exercise of Conversion Rights*). In respect of your exercise of Conversion Rights in respect of U.S.\$[●] in aggregate principal amount of Bonds with the relevant Conversion Date falling on [●] 20[●], the Issuer hereby notifies you that pursuant to the Conditions you are entitled to a Conversion Payment of U.S.\$[●] (the “**Relevant Conversion Payment**”), as determined by the Calculation Agent. The Issuer has not delivered a Cash Payment Notice on or prior to such Conversion Date and, in accordance with the Conditions, the Issuer’s obligation to pay the Relevant Conversion Payment shall be deferred and, subject to your right to exercise a Share Settlement Option in accordance with the provisions of Condition 9.9 (*Share Settlement Option*) the Relevant Conversion Payment shall become payable in cash on the occurrence of such events or on such date as provided in Condition 6.2 (*Conversion Payments on Exercise of Conversion Rights*).

Pursuant to Condition 5.2 (*Interest on Conversion Payments*), unless previously paid in cash, or the obligation to pay the Relevant Conversion Payment is discharged following a Share Settlement in accordance with the provisions of Condition 9.9 (*Share Settlement Option*), the deferred Conversion Payment shall accrue interest at the Rate of Interest from (and including) [●] 20[●]<sup>2</sup> to (but excluding) the earlier of (i) the date on which such Conversion Payment is payable in accordance with Condition 6.2 (*Conversion Payments on Exercise of Conversion Rights*) and (ii) if you exercise your Share Settlement Option in respect of such Conversion Payment as provided under Condition 9.9 (*Share Settlement Option*), the relevant Share Settlement Date.

Subject to and in accordance with the provisions of Condition 9.9 (*Share Settlement Option*), you may elect to exercise your right to make a Share Settlement Option with respect to the Relevant Conversion Payment on day on or after [●] 20[●]<sup>3</sup>.

The provisions of Clause 12 (*Severability*) and Clause 14 (*Governing Law, Jurisdiction and Service of Process*) of the Bond Instrument shall apply to this letter as if expressly incorporated herein.

Yours faithfully,

**Canadian Overseas Petroleum Limited**

By: \_\_\_\_\_

Name:

Title:

<sup>2</sup> Note: This will be the date falling 6 months after the Issue Date.

<sup>3</sup> Note: This will be the date falling 45 days after the relevant Conversion Date.

## Schedule 6

### Regulations Concerning Transfers and Registration of the Bonds

1. The Issuer shall maintain a Register outside the United Kingdom in respect of the Bonds and enter in it:
  - (a) the principal amount of the Bonds outstanding;
  - (b) the date of issue of the Bonds;
  - (c) all subsequent transfers and changes of ownership of Bonds;
  - (d) the names and contact details of the holders of the Bonds;
  - (e) details of all conversions of Bonds and the related Conversion Price, Reference Conversion Price and Floor Price (each as defined in the Conditions) for such conversions; and
  - (f) details of all redemptions and cancellations of Bonds or replacements of Bond Certificates (whether because of their purchase by the Issuer, its Subsidiaries, their affiliates or otherwise).
2. The Issuer shall update the Register on a regular basis to reflect any changes to the information specified in paragraph 1 above and any changes in holdings or ownership.
3. Without prejudice to Clause 5.2 (*Title*), a Bondholder may inspect the Register from 9.00 a.m. to 5.00 p.m. on any Business Day.
4. Subject to Clause 5.4 (*Closed Periods*) and 7 (*Transfer of Rights and Obligations*), Bonds may be transferred by execution of the relevant form of transfer under the hand of the transferor and the transferee or, where the transferor or transferee is a corporation, under its common seal or under the hand of two of its officers duly authorised in writing. Where and to the extent that any duty or tax is required to be paid before the effect of a transfer may lawfully be registered in the Register, the Issuer shall not be required to take any action in respect of such transfer (whether under this Schedule or under Clause 7 (*Transfer of Rights and Obligations*) or otherwise) unless and until it has received evidence to its satisfaction that such tax or duty has been paid.
5. The Bond Certificate issued in respect of the Bonds to be transferred must be surrendered for registration, together with the form of transfer endorsed thereon, duly completed and executed, at the registered office of the Issuer, and together with such evidence as the Issuer may reasonably require to prove the title of the transferor and the authority of the persons who have executed the form of transfer.
6. No Bondholder may require the transfer of a Bond to be registered (i) during the period of two London business days ending on the due date for any payment of principal or interest in respect of such Bond or (ii) in respect of which a Conversion Notice has been delivered in accordance with Conditions.
7. The executors or administrators of a deceased Bondholder of a Bond shall be the only persons recognised by the Issuer as having any title to such Bond.
8. Any person becoming entitled to any Bonds in consequence of the death or bankruptcy of the Bondholder of such Bonds may, upon producing such evidence that he holds the position in respect of which he proposes to act under this paragraph or of his title as the Issuer reasonably may require (including legal opinions), become registered himself as the Bondholder of such

Bonds or, subject to the provisions of these Regulations, the Conditions and the Bond Instrument as to transfer, may transfer such Bonds. The Issuer shall be at liberty to retain any amount payable upon the Bonds to which any person is so entitled until such person is so registered or duly transfers such Bonds.

9. Where there is more than one transferee (to hold other than as joint Bondholders), separate forms of transfer must be completed in respect of each new holding.
10. Joint holdings of Bonds shall not be permitted and the entries in the Register shall identify a single person as the Bondholder of each Bond.

**EXECUTED** as a **Deed** by **CANADIAN OVERSEAS PETROLEUM LIMITED** acting by a person or persons who are duly authorised to sign on its behalf:



*(signed) "Ryan Gaffney"*

.....  
**Name:** Ryan Gaffney  
*Authorised Signatory*