

## CRUDE OIL PROCESSING SUPPLY CONTRACT

THIS CRUDE OIL PROCESSING SUPPLY CONTRACT HEREINAFTER REFERRED AS "CONTRACT" IS MADE THIS 3<sup>RD</sup> DAY OF SEPTEMBER 2010 BETWEEN SAHARA ENERGY RESOURCE LTD A COMPANY DULY REGISTERED IN THE ISLE OF MAN WITH REPRESENTATION OFFICE AT NO. 14 COLORADO CLOSE, OFF THAMES STREET, MINISTER'S HILL, MAITAMA, ABUJA, NIGERIA HEREINAFTER REFERRED TO AS "SAHARA" AND SOCIÉTÉ IVOIRIENNE DE RAFFINAGE (SIR).

### WHEREBY:

1. SIR HAS GONE IN TO A CRUDE OIL PROCESSING SUPPLY CONTRACT WITH PPMC FOR 60,000BBLs PER DAY. HEREINAFTER REFERRED TO AS THE "PROCESSING CONTRACT".
2. SAHARA HAS GONE INTO AN EXCLUSIVE CONTRACT WITH SIR TO WHOLLY MANAGE THIS PROCESSING CONTRACT WITH PPMC ON THEIR BEHALF.
3. SAHARA COMMITS TO MANAGE AND EXTEND THE SAME RESOURCES TO THIS PROCESSING CONTRACT IN THE SAME MANNER AS THE GOVERNMENT-TO-GOVERNMENT CONTRACT BETWEEN THE FEDERAL REPUBLIC OF NIGERIA AND THE REPUBLIC OF COTE D'IVOIRE.
4. SAHARA WILL BE RESPONSIBLE FOR SIR'S OBLIGATIONS WITHIN\*THE PROCESSING CONTRACT WITH REGARDS TO BUT NOT LIMITED TO: FREIGHT, OPERATIONS, FINANCIAL AND ADMINISTRATIVE RESPONSIBILITIES AS IS REQUIRED BY THE CONTRACT. ALL CORRESPONDENCE, DECISIONS AND EXECUTIONS CARRIED OUT AS PERTAINS TO THIS PROCESSING CONTRACT, ARE TO BE HANDLED STRICTLY BY SAHARA ON SIR'S BEHALF.
5. SAHARA GUARANTIES A MINIMUM OF \$0.05 PER BARREL TO SIR FOR THE OPERATION OF THIS CONTRACT.
6. SIR WILL HAVE THE RIGHT OF FIRST REFUSAL FOR EACH CRUDE CARGO LIFTED UNDER THIS PROCESSING CONTRACT, AFTER WHICH SAHARA WILL SELL THESE CRUDE CARGOES ON THE INTERNATIONAL MARKET AND THE CORRESPONDING YIELDS IN PRODUCTS WILL BE SUPPLIED TO PPMC ON SIR'S BEHALF. SIR ALSO HAVE THE OPTION TO RECEIVE THESE CRUDE CARGOES UNDER THE SAME TERMS AND CONDITIONS AS THE GOVERNMENT TO GOVERNMENT CONTRACT BETWEEN THE FEDERAL REPUBLIC OF NIGERIA AND THE REPUBLIC OF COTE D'IVOIRE.
7. IN THE EVENT THAT SAHARA INSISTS THAT THE CRUDE CARGOES ARE ACCEPTED BY SIR FOR PROCESSING, SAHARA WILL PAY TO SIR \$2.40 PER BARREL WHICH IS THE DIFFERENCE IN THE PROCESSING FEE AS MENTIONED IN THE PROCESSING CONTRACT. FURTHER MORE, THE DIFFERENCE IN THE YIELD IN THE PROCESSING CONTRACT AND SIR'S YIELD PATTERN - EQUATES TO 1.0% MORE FOR LOSSES AND COMBUSTIBLE AND 1.0% LESS FOR FUEL OIL - WILL BE COVERED BY SAHARA.
8. SAHARA GUARANTIES AND WARRANTIES THAT NO FINANCIAL LOSSES SHALL BE PASSED ON TO SIR AND THAT ALL RISK WILL BE FOR SAHARA'S ACCOUNT.

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9. THIS CONTRACT IS VALID FOR AN INITIAL PERIOD OF 12 CALENDAR MONTHS AND ALL THE TERMS AND CONDITIONS OF THIS CONTRACT MAY BE RENEGOTIATED AT THE INSTANCE OF BOTH SAHARA AND SIR AT THE END OF THE INITIAL PERIOD. THIS CONTRACT SHALL REMAIN VALID FOR AS LONG AS THE PPMC CONTRACT IS RENEWED/ROLLED OVER.

10. ALL OTHER TERMS AND CONDITIONS NOT MENTIONED HEREIN WILL BE GOVERNED BY

THE PROCESSING CONTRACT SIGNED BETWEEN PPMC AND SIR.

SOCIETE IVOIRIENNE DE RAFFINAGE  
Le Directeur Général

BY.....

Joël DERVAIN

NAME:.....

ON BEHALF OF SIR

WITNESS:.....

 THOMAS CAMARA

ADDRESS:.....

SMB (Côte d'Ivoire)

OCCUPATION:.....

MD

BY.....

A O Ousse

NAME:.....



ON BEHALF OF SAHARA

WITNESS:.....

 D. ODEKUNLE

ADDRESS:.....

SAHARA INTERNATIONAL CI

OCCUPATION:.....

COUNTRY MANAGER

qm.