

MR01

Particulars of a charge



Companies House

000206/26

A fee is payable with this form
Please see 'How to pay' on the
last page

You can use the WebFiling service to file this form online.
Please go to www.companieshouse.gov.uk

☒ **What this form is for**
You may use this form to register
a charge created or evidenced by
an instrument

☒ **What this form is NOT for**
You may not use this form to
register a charge where the
instrument Use form MR0



A52L9FYB

A15 12/03/2016 #129
COMPANIES HOUSE

This form must be delivered to the Registrar for registration within
21 days beginning with the day after the date of creation of the charge.
If delivered outside of the 21 days it will be rejected unless it is accompanied by a
court order extending the time for delivery

You must enclose a certified copy of the instrument with this form. This will be
scanned and placed on the public record. **Do not send the original**

1 Company details

Company number 09698077
Company name in full PING PETROLEUM UK LIMITED

for official use

→ **Filing in this form**
Please complete in typescript or in
bold black capitals

All fields are mandatory unless
specified or indicated by *

2 Charge creation date

Charge creation date 01/03/2016

3 Names of persons, security agents or trustees entitled to the charge

Please show the names of each of the persons, security agents or trustees
entitled to the charge

Name SHELL U K LIMITED

Company number 00140141

Name ESSO EXPLORATION AND PRODUCTION UK LIMITED

Company number 00207426

Name

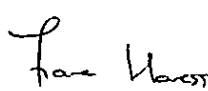
Name

If there are more than four names, please supply any four of these names then
tick the statement below

☐ I confirm that there are more than four persons, security agents or
trustees entitled to the charge

MR01

Particulars of a charge

4	Brief description Please give a short description of any land, ship, aircraft or intellectual property registered or required to be registered in the UK subject to a charge (which is not a floating charge) or fixed security included in the instrument Brief description	THE FLOATING PRODUCTION, STORAGE AND OFFLOADING VESSEL NAMED THE "ANASURIA", IMO NUMBER 9118965, CALL SIGN MVMJ7, 129,500 DEADWEIGHT, BUILT IN 1996 BY MITSUBISHI HEAVY INDUSTRIES LIMITED FOR MORE DETAILS REFER TO THE INSTRUMENT	Please submit only a short description. If there are a number of plots of land, aircraft and/or ships, you should simply describe some of them in the text field and add a statement along the lines of, "for more details please refer to the instrument" Please limit the description to the available space
5	Other charge or fixed security Does the instrument include a charge (which is not a floating charge) or fixed security over any tangible or intangible or (in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
6	Floating charge Is the instrument expressed to contain a floating charge? Please tick the appropriate box <input type="checkbox"/> Yes Continue <input checked="" type="checkbox"/> No Go to Section 7 Is the floating charge expressed to cover all the property and undertaking of the company? <input type="checkbox"/> Yes		
7	Negative Pledge Do any of the terms of the charge prohibit or restrict the company from creating further security that will rank equally with or ahead of the charge? Please tick the appropriate box <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
8	Trustee statement ^① You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge <input type="checkbox"/>		① This statement may be filed after the registration of the charge (use form MR06)
9	Signature Please sign the form here Signature X  X This form must be signed by a person with an interest in the charge		

MR01

Particulars of a charge



Presenter information

You do not have to give any contact information, but if you do, it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **FIONA HARNESS**

Company name **ESSO EXPLORATION AND**

PRODUCTION UK LIMITED

Address **EXXONMOBIL HOUSE**

ERMYN WAY

Post town **LEATHERHEAD**

County/Region **SURREY**

Postcode **K T 2 2 8 U X**

Country **UK**

DX

Telephone **01372-412539**



Certificate

We will send your certificate to the presenter's address if given above or to the company's Registered Office if you have left the presenter's information blank.



Checklist

We may return forms completed incorrectly or with information missing

Please make sure you have remembered the following

- ☐ The company name and number match the information held on the public Register
- ☐ You have included a certified copy of the instrument with this form
- ☐ You have entered the date on which the charge was created
- ☐ You have shown the names of persons entitled to the charge
- ☐ You have ticked any appropriate boxes in Sections 3, 5, 6, 7 & 8
- ☐ You have given a description in Section 4, if appropriate
- ☐ You have signed the form
- ☐ You have enclosed the correct fee
- ☐ Please do not send the original instrument, it must be a certified copy



Important information

Please note that all information on this form will appear on the public record.



How to pay

A fee of £13 is payable to Companies House in respect of each mortgage or charge filed on paper.

Make cheques or postal orders payable to 'Companies House'



Where to send

You may return this form to any Companies House address. However, for expediency, we advise you to return it to the appropriate address below.

For companies registered in England and Wales
The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ
DX 33050 Cardiff

For companies registered in Scotland
The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post)

For companies registered in Northern Ireland
The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG
DX 481 N R Belfast 1



Further information

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 9698077

Charge code: 0969 8077 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 10th March 2016 and created by PING PETROLEUM UK LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 12th March 2016.

2
Given at Companies House, Cardiff on 17th March 2016



Companies House



**THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES**

DATED 10 March 2016

SHELL U.K. LIMITED

AND

ESSO EXPLORATION AND PRODUCTION UK LIMITED

and

PING PETROLEUM UK LIMITED

AND

ANASURIA HIBISCUS UK LIMITED

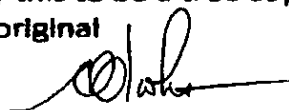
CHattel MORTGAGE OVER THE ANASURIA FPSO

**CERTIFIED A TRUE
AND ACCURATE
COPY**

Paul Morris
COMPANY SECRETARY

ESSO EXPLORATION AND
PRODUCTION UK LIMITED

I certify this to be a true copy
of the original



Date: 10 MARCH 2016

Andrew T. CLARKE
Barrister - at - Law

THIS DEED is made on the 10th day of March 2016

BETWEEN.

- (1) **SHELL U.K. LIMITED**, a company incorporated in England (company number 00140141) and having its registered office at Shell Centre, London, SE1 7NA ("Shell"), and

ESSO EXPLORATION AND PRODUCTION UK LIMITED, a company incorporated in England (company number 00207426) and having its registered office at ExxonMobil House, Ermyn Way, Leatherhead, Surrey KT22 8UX ("Esso"),

(the "Sellers"),

- (2) **PING PETROLEUM UK LIMITED**, a company incorporated in England (company number 9698077) and having its registered office at Cannon Place, 78 Cannon Street, London EC4N 6AF ("Ping"), and

ANASURIA HIBISCUS UK LIMITED, a company incorporated in England (company number 9696268) and having its registered office at Cannon Place, 78 Cannon Street, London EC4N 6AF ("Hibiscus"),

(the "Purchasers")

WHEREAS

- (A) Shell (and others), Ping and Hibiscus have entered into a sale and purchase agreement of even date herewith in respect of the sale by Shell to Ping and Hibiscus of its rights, title and interests in, inter alia, the Anasuria FPSO (the "Shell SPA"),
- (B) Esso, Ping and Hibiscus have entered into a sale and purchase agreement of even date herewith in respect of the sale by Esso to Ping and Hibiscus of its rights, title and interests in, inter alia, the Anasuria FPSO (the "Esso SPA"),
- (C) Ping and Hibiscus have agreed to pay the Deferred Consideration (as defined in the Shell SPA) to Shell pursuant to the Shell SPA and have agreed to pay the Deferred Consideration (as defined in the Esso SPA) to Esso pursuant to the Esso SPA,
- (D) On and from Completion Ping and Hibiscus own the Anasuria FPSO and this deed provides security which Ping and Hibiscus have agreed to provide the Sellers for the payment of the Deferred Consideration

NOW THEREFORE IT IS AGREED as follows

1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

Terms defined in the SPAs shall, unless otherwise defined in this deed, have the same meaning in this deed, provided that in the event of any inconsistency between terms defined in the SPAs, the terms as defined in the Shell SPA shall prevail. In addition, the following definitions apply in this deed

"Default Rate": means the rate specified in clause 10.2 of the SPAs.

"Delegate": has the meaning given in clause 13

"Expenses": has the meaning given in clause 10 1,

"Mortgaged Property": means the Anasuria FPSO and all other rights, assets and property from time to time charged to the Sellers under clause 3,

"Permitted Security Interests" means security granted pursuant to this deed and security referred to in clause 4 6,

"Receiver". means an administrative receiver, receiver and manager or other receiver appointed in respect of the Mortgaged Property under this deed,

"Secured Sums": means all money and liabilities from time to time due and owing by the Purchasers to the Sellers pursuant to the SPAs in respect of or in connection with the Final Completion Statement, the Deferred Consideration or under this deed together with all interest (including, without limitation, interest at the Default Rate) accruing in respect of those obligations or liabilities,

"Security Interest": means any mortgage, charge (whether fixed or floating, legal or equitable), pledge, lien, assignment by way of security or other security interest securing any obligation of any person, or any other agreement or arrangement having a similar effect, and

"SPAs": means the Shell SPA and the Esso SPA

1 2 Interpretation

The provisions of clauses 1 2 to 1 8 of the SPAs apply to this deed as if they were set out in full in this deed, except that each reference in those clauses to the Agreement shall be read as a reference to this deed. In addition

- (a) references to persons include references to natural persons, firms, partnerships, companies, corporations, associations, organisations, and trusts, in each case whether or not having a separate legal personality,
- (b) references to an authorisation include references to an authorisation, consent, approval, resolution, licence, exemption, filing and registration, and
- (c) references to a party to this deed include references to its successors, transferees and assigns

2 COVENANT TO PAY

The Purchasers shall, on demand, pay to the Sellers and discharge the Secured Sums when they become due

3. GRANT AND RELEASE OF SECURITY

3 1 Legal mortgage and fixed charges

The Purchasers with full title guarantee and free from any other Security Interest, charge by way of first mortgage in favour of the Sellers all their rights in or in respect of the Anasuria FPSO and any money payable to the Purchasers for, or in connection

with, a disposal by way of sale or otherwise of the Anasuria FPSO, including any deposit, sum on account or instalment

- 3 2 The Sellers hereby agree that on the date on which all of the Secured Sums have been paid in full, all the property, assets and undertaking of the Purchasers which are subject to the Security Interests in favour of the Sellers under this clause 3 shall be released from all such Security Interests and the Sellers shall take any action which may be necessary to document or effect such release

4 GENERAL UNDERTAKINGS

- 4 1 The undertakings contained in this clause and clause 5, and the general negative undertakings contained in clause 7 are to remain in full force and effect from the date of this deed and for so long as the Secured Sums remain outstanding under the SPAs
- 4 2 The Purchasers must
- (a) conduct operations regarding the Anasuria FPSO and the Interests in the ordinary course with the intention that the same be protected and maintained in accordance with good industry practice, and
 - (b) acquire, maintain and renew all governmental licences, permits, authorisations, consents and permissions necessary to own and operate the Anasuria FPSO
- 4 3 The Purchasers must keep the Anasuria FPSO in a good state of repair and in good working order and condition and not suffer the Anasuria FPSO to deteriorate in condition or value, otherwise than in the normal course of operation
- 4 4 The Purchasers must grant the Sellers and their representatives and agents a right of access at all reasonable times to the Anasuria FPSO for the purposes of inspection
- 4 5 The Purchasers must furnish the Sellers with all such information regarding the Anasuria FPSO and its location, use, operation, engagement and condition, including any material alterations, modifications and additions to it and any proposed sale of it, as the Sellers may from time to time reasonably request
- 4 6 The Purchasers must ensure that any replacements, modifications, renewals and additions to the Anasuria FPSO are free of any Security Interest, other than
- (a) any lien arising by operation of law and in the ordinary course of trading, or
 - (b) any Security Interest arising under any retention of title, hire purchase or conditional sale arrangement or arrangements having similar effect in respect of goods supplied to a Purchaser in the ordinary course of trading and on the supplier's standard or usual terms,
- in each case not arising as a result of any default or omission by any Purchaser
- 4 7 The Purchasers must pay and discharge as they fall due all debts, damages and liabilities which have given or may give rise to liens on, or claims enforceable against, the Anasuria FPSO
- 4 8 Promptly upon receipt from any third party of any notice, or other matter whatsoever affecting or likely to affect the Mortgaged Property, the Purchasers must

- (a) give full particulars of it to the Sellers, and
- (b) at the cost of the Purchasers, either within any prescribed timeframe comply with it or at the reasonable request of the Sellers make or join with the Sellers in making any objections or representations against or in respect of it that the Sellers, acting reasonably, deem necessary to avoid their Security Interests in the Mortgaged Property being materially adversely affected

4 9 The Purchasers must immediately give written notice to the Sellers of any material damage to the Anasuria FPSO or any part thereof

4 10 Without prejudice to the provisions of clause 17 1, the Purchasers must keep the Sellers, and any Receiver appointed by the Sellers, fully and effectively indemnified from and against all actions, proceedings, costs, charges, claims, demands, expenses and liabilities, including VAT and any other taxes and/or legal and other professional fees, whatsoever in respect of any breach or non-observance or non-performance of any obligations on the part of the Purchasers contained in this deed or the making good of any such breach or non-observance or non-performance

5 INSURANCE UNDERTAKINGS

5 1 The Purchasers shall use reasonable endeavours to obtain and maintain insurance with a reputable insurer for loss or damage to the Anasuria FPSO, with a limit sufficient to cover the estimated maximum loss, and the Purchasers must procure the noting of the Sellers' intended interest on each policy of insurance

5 2 The Purchasers must not do or omit to do, or permit or suffer to be done or omitted to be done, anything that might render any insurance void, voidable or unenforceable

5 3 The Purchasers must cause any money received from any policies of insurance to be applied, at the Purchasers' discretion, either towards making good the loss or damage in respect of which the money was received or towards the discharge of the Secured Sums, which for this purpose are to be deemed to have become due and payable immediately

5 4 Upon the written request of the Sellers, the Purchasers must produce to the Sellers evidence satisfactory to the Sellers of the effecting of the required insurances and evidence that they remain in force

5 5 If at any time the Anasuria FPSO is not insured in accordance with the provisions of this clause 5, or if the Purchasers fail to produce any such evidence as aforesaid, the Sellers may, but need not, insure the Anasuria FPSO at the expense of the Purchasers and keep it so insured during the continuance of this security on the same or similar terms as those required under this deed. The Purchasers must indemnify the Sellers against money reasonably expended by the Sellers for that purpose and the money is to be secured by the security created by clause 3 1

5 6 The Purchasers must not

- (a) use the Anasuria FPSO or allow it to be used for any purpose not being permitted by the terms or conditions of any policy of insurance for the time being related to it, or
- (b) do or omit to do, or allow to be done or omitted, any act or thing by which any policy of insurance relating to the Anasuria FPSO may be invalidated

6 CURING NON-PERFORMANCE

- 6.1 If the Purchasers fail to observe or perform the provisions of this deed, the Sellers may do all acts and things necessary to secure the observance or performance of it without thereby becoming liable as a mortgagee in possession
- 6.2 All reasonable and properly incurred costs incurred by the Sellers in carrying out any of their discretions or powers referred to in clause 6.1 will be considered to have been properly incurred by the Sellers and will be recoverable from the Purchasers

7 GENERAL NEGATIVE UNDERTAKINGS

- 7.1 The Purchasers must not, without the prior written consent of the Sellers
- (a) sell, lease or otherwise dispose of all or any material part of the Anasuria FPSO or purport to or agree to do any of the same,
 - (b) create, or attempt to create or permit to exist, any Security Interest, save for Permitted Security Interests, upon the Mortgaged Property,
 - (c) allow, perform or consent to any act or omission to act which would or might cause the Anasuria FPSO to be forfeited under any applicable law

8 SECURITY TO BECOME ENFORCEABLE

- 8.1 The security constituted by this deed will become enforceable at any time after the elapse of thirty days from the date on which the Sellers have demanded payment of the Secured Sums, and immediately thereafter the Sellers may, in respect of the Mortgaged Property, exercise the power of sale conferred upon mortgagees by the Law of Property Act 1925 section 101 without the restrictions imposed by section 103 of that Act as to the giving of notice or otherwise

9 APPOINTMENT AND REMOVAL OF A RECEIVER AND HIS POWERS

- 9.1 Upon this security becoming enforceable, or at any time if so requested by the Purchasers, the Sellers may, subject to statutory restrictions, appoint any person or persons as Receiver or Receivers
- 9.2 The Sellers may
- (a) remove any Receiver previously appointed under this deed, and
 - (b) appoint any person or persons as Receiver or Receivers either in the place of a Receiver so removed or who has otherwise ceased to act or to act jointly with a Receiver or Receivers previously appointed
- 9.3 If at any time any two or more persons hold the office as Receivers, each such Receiver may, unless the contrary is stated in any instrument appointing him, exercise all the powers and discretions conferred on receivers individually by this deed, to the exclusion of the other or others of them
- 9.4 Every appointment or removal of a Receiver and every delegation, appointment or removal by the Sellers in the exercise of any right to delegate their powers or to remove delegates contained in this deed, may be made either by deed or by instrument in writing under the hand of any duly authorised officer of a Seller or any person so authorised in writing in that behalf by any such officer

- 9 5 Until his removal, a Receiver appointed in accordance with the foregoing provisions of this clause 9 is to have the powers conferred on receivers by the Law of Property Act 1925 section 109 and on administrative receivers by schedule 1 to the Insolvency Act 1986, both as in force at the date of this deed, and in addition may, either in his own name or in the name of the Purchasers
- (a) carry on, manage or concur in carrying on or managing the business of the Purchasers as he thinks fit in so far as it relates to the Mortgaged Property including, without limitation, power to perform, repudiate, rescind or vary any contracts or agreements,
 - (b) sell, let, lease, hire, license the Anasuria FPSO, enter into hire purchase agreements regarding it or concur in selling, letting, leasing, hiring or licensing it or entering into hire purchase agreements in respect of it, and carry the same into effect in such manner as he thinks fit, whether or not in the name of the Purchasers,
 - (c) repair, insure, protect, improve or replace the Anasuria FPSO,
 - (d) appoint, employ or dismiss managers, officers, contractors or agents,
 - (e) have access to, and make use of, the premises, facilities and accounting and other records of the Purchasers and the services of their staff for the above purposes,
 - (f) do all other acts and things which he may consider desirable or necessary for realising the Mortgaged Property or incidental or conducive to the rights, powers or discretions conferred on a Receiver under or by virtue of this deed, and
 - (g) exercise in relation to the Mortgaged Property all the powers, authorities and things which he would be capable of exercising if he were the absolute beneficial owner of it
- 9 6 If there is any ambiguity or conflict between the powers conferred on a Receiver by this clause 9 and by the Law of Property Act 1925 or by Schedule 1 of the Insolvency Act 1986, the powers conferred by this clause 9 are to prevail

10 APPROPRIATION AND APPLICATION

- 10 1 All money received by the Sellers or a Receiver must be applied in the following order
- (a) in payment of the remuneration of the Receiver and the costs of realisation including all costs and expenses of, or incidental to, any exercise of any power conferred by this deed (the "Expenses"),
 - (b) when so required, in or towards satisfaction of the Secured Sums in such order as to principal, interest or the Expenses as the Sellers, or the Receiver in his absolute discretion, determine,
- and the surplus, if any, must be paid to the Purchasers or such other person as may be entitled to it
- 10 2 Clause 10 1 is to take effect as and by way of variation and extension of sections 99 to 109 inclusive of the Law of Property Act 1925, which as so varied and extended are to be regarded as incorporated in this deed

11 RESPONSIBILITY FOR RECEIVER

- 11 1 At all times and for all purposes, a Receiver is to be deemed to be the agent of the Purchasers, and the Purchasers, to the exclusion of the Sellers, are to be solely responsible for his acts or defaults
- 11 2 A Receiver is to be entitled to remuneration for his services and the services of his firm appropriate to the work and responsibility involved upon the basis of charging from time to time adopted by him or his firm and without being limited by the maximum rate specified in section 109(6) of the Law of Property Act 1925
- 11 3 From time to time, the Sellers may, within the parameters referred to in clause 11 2, fix the remuneration of any Receiver and direct that such remuneration be paid from money accruing to the Receiver in the exercise of his powers as Receiver, but the Purchasers alone are to be liable for the payment of such remuneration

12 POWERS OF THE SELLERS AND A RECEIVER

- 12 1 All the powers, authorities and discretions conferred by this deed either expressly or impliedly on a Receiver may be exercised by the Sellers in relation to the Mortgaged Property without first appointing a Receiver or notwithstanding the appointment of a Receiver
- 12 2 The powers in relation to the Mortgaged Property conferred by this deed on the Sellers or on a Receiver are to be in addition to, and not in substitution for, the powers conferred on mortgagees or receivers under the Law of Property Act 1925 and the Insolvency Act 1986

13 DELEGATION OF POWERS

The Sellers may, at any time and from time to time, delegate by power of attorney or in any other manner, including without limitation, under the hand of any duly authorised officer of a Seller, to any person all or any of the powers, authorities and discretions that are, for the time being, exercisable by the Sellers under this deed, the Law of Property Act 1925 or the Insolvency Act 1986 in relation to the Mortgaged Property. Any such delegation may be made on any terms and conditions, including power to sub-delegate, and subject to such regulations as the Sellers may think fit, but the Sellers are not to be in any way liable or responsible to the Purchasers for any loss or damage arising from any act, default, omission or misconduct on the part of any delegate or sub-delegate (a "Delegate")

14 LIABILITY IN POSSESSION

- 14 1 If the Sellers or any Receiver enters into possession of the Mortgaged Property, the Sellers or the Receiver may, from time to time at will, go out of such possession
- 14 2 The Sellers will not, in any circumstances either by reason of any entry by them into, or taking by them of, possession of the Mortgaged Property or for any other reason whatsoever and whether as mortgagee in possession or on any other basis whatsoever
- (a) be liable to account to the Purchasers for anything except the Sellers' own actual receipts, or
- (b) be liable to the Purchasers for any loss or damage arising from

- (i) any realisation by the Sellers of the Mortgaged Property, or
- (ii) any act, default or omission of the Sellers in relation to the Mortgaged Property, or
- (iii) any exercise or non-exercise by the Sellers of any power, authority or discretion conferred upon them in relation to the Mortgaged Property by, or pursuant to, this deed, the Law of Property Act 1925 or the Insolvency Act 1986,

unless the loss or damage is caused by the Sellers' own gross negligence or wilful default

- 14 3 All the provisions of clause 14.2 are to apply in respect of the liability of any Receiver and in respect of the liability of any Delegate in all respects as though every reference in clause 14 2 to the Sellers were instead a reference to the Receiver or, as the case may be, Delegate

15 PROTECTION FOR THIRD PARTY PURCHASERS

- 15 1 No person dealing with the Sellers or with a Receiver or with any Delegate need be concerned to enquire whether any event has happened upon which any of the powers, authorities and discretions conferred by or pursuant to this deed in relation to the Mortgaged Property is or may be exercisable by the Sellers, the Receiver or Delegate, or otherwise as to the propriety or regularity of acts purporting or intended to be in exercise of any such powers, and all the protection to purchasers contained in the Law of Property Act 1925 sections 104 and 107 is to apply to any person purchasing from, or dealing with, the Sellers or the Receiver or Delegate in like manner as if the statutory powers of sale and of appointing a receiver in relation to the Mortgaged Property had not been varied or extended by this deed
- 15 2 The powers conferred by the Law of Property Act 1925 section 101, as varied and extended by this deed are to be deemed to have arisen immediately on the execution of this deed

16 FURTHER ASSURANCE AND POWER OF ATTORNEY

- 16 1 At any time, if and when reasonably required by the Sellers, the Purchasers must execute in favour of the Sellers or as the Sellers direct any further legal or other assignments, mortgages, securities or charges of and on the Mortgaged Property as the Sellers require to secure payment and discharge of the Secured Sums, in so far as the Purchasers are lawfully entitled so to do and subject to any third party consents that are required being obtained, which the Purchasers must use their best endeavours to do
- 16 2 The assignments, mortgages, securities or charges will be prepared by, or on behalf of, the Sellers at the cost of the Purchasers and must contain all provisions the Sellers reasonably require
- 16 3 To secure the interest of the Sellers in the Mortgaged Property and facilitate realisation of the security constituted by this deed, the Purchasers irrevocably and by way of security appoint the Sellers and any Receiver to be their attorney, with full power to appoint delegates and to sub-delegate in both cases with regard to the Mortgaged Property, on their behalf and in their name or otherwise and as their act and deed to sign, execute and do any deed, document, act or thing the Purchasers are

or may become obliged to sign, execute and do under this deed or which the Sellers or a Receiver, in their or his absolute discretion, considers appropriate in connection with the exercise of any of the powers of the Sellers or of a Receiver or the realisation of any security constituted by this deed

- 16 4 Upon first request of the Sellers, the Purchasers must ratify and confirm the actions the Sellers or any Receiver or any Delegate or sub-delegate carries out in its capacity as attorney for the Purchasers as provided in clause 16 3, and in its capacity as attorney the Sellers, a Receiver, Delegate or sub-delegate may so ratify and confirm on behalf of the Purchasers

17 INDEMNITIES AND EXPENSES

- 17 1 The Purchasers must indemnify the Sellers, any Receiver and any manager, agent, officer or employee for whose liability, acts or omissions the Sellers or a Receiver may be answerable, and keep them indemnified, from and against all liabilities, costs, charges, losses and expenses suffered or incurred by them arising from or as a result of

(a) the exercise or the purported exercise of any powers, authorities or discretions vested in any of them pursuant to this deed,

(b) any matter or thing done or omitted or in any way relating to this deed,

(c) any breach by the Purchasers of their obligations to the Sellers under this deed,

(d) the enforcement of this deed, or

(e) any action, claim or proceeding relating to any of the above,

except to the extent that the same results from the gross negligence or wilful default of the Sellers, a Receiver or such manager, agent, officer or employee

- 17 2 If any sums that are payable by the Purchasers but have not been paid by the Purchaser are paid by the Sellers or a Receiver, they must be repaid by the Purchasers on demand together with interest at the Default Rate from the time of their being paid or incurred by the Sellers or a Receiver to the time that payment is made in full by the Purchasers, as well after as before judgment or demand for them

18 MISCELLANEOUS

- 18 1 This deed is to be a continuing security to the Sellers notwithstanding any intermediate payment or settlement of account or any other matter whatever, and is in addition to, and is not to prejudice or be prejudiced by, any right of lien, set-off, combination or other rights exercisable by the Sellers against the Purchasers or any security, guarantee, indemnity and/or negotiable instrument now or in the future held by the Sellers

- 18 2 Nothing contained in this deed is to operate so as to merge or otherwise prejudice or affect any bill, note, guarantee, mortgage or other security or any contractual or other right the Sellers may at any time have for any money or liabilities or other sums due or incurred by the Purchasers to the Sellers or any right or remedy of the Sellers under this deed and any receipt, release or discharge of the security provided by, or of any liability arising under, this deed shall not release or discharge the Purchasers from any liability to the Sellers for the same or any other moneys which may exist

independently of this deed

- 18 3 Any release, settlement or discharge between the Sellers and the Purchasers is to be conditional upon no security, disposition or payment to the Sellers by the Purchasers or any other person being avoided, set aside, reduced or ordered to be refunded by virtue of any statutory provision relating to insolvency or liquidation for the time being in force or for any reason whatsoever. If a security, disposition or payment is avoided, set aside, reduced or ordered to be refunded, the Sellers may recover the value or amount of it from the Purchasers subsequently as if the settlement or discharge had not occurred
- 18 4 Subject to and without prejudice to clause 18 3, once the Sellers are satisfied that all the Secured Sums have been discharged in full and all facilities that might give rise to the Secured Sums have been terminated, then the Sellers must, at the request and cost of the Purchasers, execute and do all such deeds, acts and things as may be necessary to release the Mortgaged Property from the mortgages and charges constituted by clause 3
- 18 5 The Sellers and a Receiver may redeem any prior Security Interest and may settle and prove the accounts of the encumbrancer of that prior Security Interest, and accounts so settled and proved are to be conclusive and binding on the Purchasers and the money so paid is to be a receivership expense and be secured by this deed
- 18 6 This deed may be executed in any number of counterparts and this is to have the same effect as if the signatures on the separate counterparts were on a single copy of this deed
- 18 7 The Purchasers may not assign any of their rights under this deed
- 18 8 The restriction on consolidation of mortgages contained in section 93 of the Law of Property Act 1925 is not to apply to this security
- 18 9 Any certification or determination by the Sellers of a rate of interest or amount under this deed is, in the absence of manifest error, to be conclusive evidence of the matters to which it relates
- 18 10 The rights of the Sellers under this deed
- (a) may be exercised as often as necessary,
 - (b) are cumulative and not exclusive of their rights under the general law, and
 - (c) may be waived only in writing and specifically

Delay in exercising or non-exercise of any such right is not a waiver of that right

19 SEVERABILITY

If any provision of this deed is or becomes illegal, invalid or unenforceable in any jurisdiction, that is not to effect

- 19 1 the legality, validity or enforceability in that jurisdiction of any other provision of this deed, or
- 19 2 the legality, validity or enforceability in any other jurisdiction of that or any other provision of this deed

20 NOTICES

- 20.1 Except as otherwise stated in this deed, all demands, notices or other communications ('notices') under this deed to either the Sellers or to the Purchasers must be made by letter or fax and will be deemed to be duly given or made
- (a) when delivered to the relevant party in the case of a letter delivered personally,
 - (b) when received by the relevant party, in the case of the hard copy of a notice or other communication sent by fax or
 - (c) two days after being put in the first class post postage prepaid, in the case of post
- 20.2 The Sellers and the Purchasers respective addresses for notices are as set out in clause 9 of the SPAs or such other addresses as a Party may by notice to the other Parties expressly substitute therefor
- 20.3 A notice received on a non-working day or after business hours in the place of receipt shall be deemed to be served on the next following working day in that place

21 LAW AND JURISDICTION

- 21.1 This deed is to be governed by and construed in all respects in accordance with the laws of England
- 21.2 The Parties irrevocably agree that the courts of England are to have jurisdiction to settle any dispute that may arise out of, or in connection with, this deed and that, accordingly any suit, action or proceedings (together in this clause referred to as 'proceedings') arising out of or in connection with, this deed may be brought in such courts. The Purchasers further agree not to initiate any proceedings against the Sellers in any jurisdiction other than the courts of England

IN WITNESS WHEREOF this deed has been duly executed by the Parties as a deed and delivered on the date first stated above

Executed as a deed by

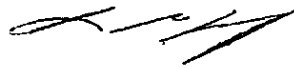
SHELL U K LIMITED

on being signed by

and *George McClung*
Paul Morris

)
)
) *[Signature]*
) ~~Director~~ Attorney
) *[Signature]*
) ~~Director/Secretary~~ Witness

The Common Seal of)
 ESSO EXPLORATION AND)
 PRODUCTION UK LIMITED)
 was affixed in the presence of)
 Louise McKenzie)
 and Fiona Harness)

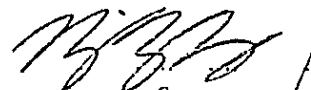


Director

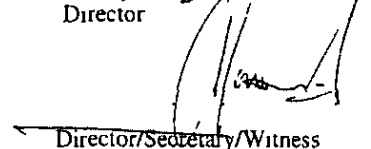


Secretary

Executed as a deed by)
 PING PETROLEUM UK LIMITED)
 on being signed by)
 NING ZHANG)
 and LIM KOCK HOOL)

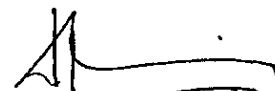


Director

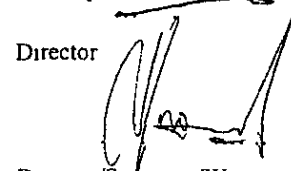


Director/Secretary/Witness

Executed as a deed by)
 ANASURIA HIBISCUS)
 UK LIMITED)
 on being signed by)
 KENNETH PEREIRA)
 and LIM KOCK HOOL)



Director



Director/Secretary/Witness