



Department of

**Enterprise, Trade
and Investment**

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TAMBORAN RESOURCES PTY LTD

**Petroleum
Licence**

PL2/10 (Lough Allen Basin – North)

Dated 1st Day of April 2011

Petroleum Licence

Tamboran Resources Pty Ltd.

And

Department of Enterprise, Trade and Investment

PL2/10 (Lough Allen Basin - North)

PETROLEUM (PRODUCTION) ACT (NORTHERN IRELAND) 1964

THE DEPARTMENT OF ENTERPRISE, TRADE AND INVESTMENT

THIS LICENCE made the ^{1st} day of April two thousand and eleven BETWEEN THE DEPARTMENT OF ENTERPRISE, TRADE AND INVESTMENT (hereinafter called "the Department" which expression shall where the context so requires or admits include its successors and assigns) of the one part and Tamboran Resources Pty Ltd. having a UK Establishment registered at 27 Frances Street, Newtownards, BT23 7DW (hereinafter called "the Licensee" which expression shall where the context so requires or admits include its assigns) of the other part **AND WHEREAS** the Licensee has applied to the Department for a Licence pursuant to the provisions of the Petroleum (Production) Act (Northern Ireland) 1964 to search and bore for and get petroleum within the lands hereinafter described **AND WHEREAS** the Department has agreed to grant such Licence on the terms and conditions hereinafter mentioned.

NOW IT IS HEREBY WITNESSED as follows:-

- a) The Department in pursuance of such application and agreement and in consideration of the royalties hereinafter reserved and made payable as specified in the Petroleum Production Royalties Regulations (Northern Ireland) 1965 [SR 1965 No 48] and the performance and observance by the Licensee of the terms and conditions hereinafter mentioned and in exercise of the powers conferred on it by Section 2 of the above-mentioned Act **HEREBY GRANTS** to the Licensee full and free and exclusive liberty and licence for a period of five years from the date hereof and thereafter during the continuance of this Licence to search and bore for and get petroleum within all those parts of the County of Fermanagh more particularly delineated and described on the map and list of Irish Grid co-ordinates annexed upon the following terms and conditions:-
- b) The Model Clauses in Schedule 2 to the Petroleum Production Regulations (Northern Ireland) 1987 [SR 1987 No 196] as amended by the Petroleum Production (Amendment) Regulations (Northern Ireland) 2010 [SR 2010 No 169] ("the Model Clauses") shall be deemed to be incorporated in this Licence with the following modifications:-
 - i) In Clause 9 (2) after the words "shall be accompanied by a copy of an Ordnance Survey map for the relevant area drawn to the scale of 1:50,000" insert "or such other map as the Department may allow,".
 - ii) In Clause 9 (2) for the words "at least 28 days written notice" substitute "at least 42 days notice".
 - iii) In Clause 9 (3) for the words "within 14 days" substitute "within 28 days".

- c) The Licence shall be subject to the following terms and conditions which are in addition to and not in derogation of anything in the said Model Clauses contained:
 - i) The Licensees shall not carry out any work within or in close proximity to an Area of Special Scientific Interest (ASSI) without the prior written consent of the Department.
- d) The Licensees will pay all of the Department's advertising and mapping costs incurred in the processing of this licence.
- e) The Licence shall be governed by, and interpreted in accordance with, the laws of Northern Ireland.

SCHEDULE

Work Programme

Part I

Years 1 - 3

- i) Desktop study and review of existing exploration data.
- ii) Acquire and re-interpret gravity and Tellus airborne magnetic data over the licence area.
- iii) Acquire, re-process and interpret all available seismic data over licence area.
- iv) Sample and analyse existing borehole material.
- v) Complete resource assessment and review of economic parameters for play concept.
- vi) Drill shallow cored boreholes in target intervals and analyse core material.
- vii) Carry out preliminary environmental review.
- viii) Make drill-or-drop decision.
- ix) Carry out fund-raising (dependent on viii)

Part 2

Years Four and Five

- x) Finalise drilling location, well planning, preparation and permitting (including environmental impact assessment).
- xi) Drill exploration well to test Benbulbin and Bundoran Shale Formations gas shale play, including coring, fracturing and testing programme.
- xii) Analyse well results and carry out second review of economic potential.
- xiii) Dependent on results from xi and xii, acquire, process and interpret new infill seismic reflection data.
- xiv) Identify additional drilling targets.
- xv) Finalise drilling locations, well planning, preparation and permitting (including environmental impact assessment).
- xvi. Drill 2nd exploration well to test Benbulbin and Bundoran Shale Formations gas shale play, including fracturing, multiple horizontal legs, flow testing and seismic monitoring.
- xviii Review economic model.
- xvi. Preparation and submission of application for Second Term or relinquish licence.

Deliverables: Copies of all reports and raw, processed and interpreted data will be supplied to the Department in hard copy and industry-standard digital formats. At end of Initial Term (or at end of Year Three if decision is taken to drop licence) produce licence summary report.

ANNEX

Licence area boundary corner points, quoted as Irish Grid references:

	m EAST	m NORTH
From the border between Northern Ireland and the Republic of Ireland at	197285	359920
ENE to	205000	362000
NE to	216000	367000
S to	212000	354000
E to	214000	354000
SE to	216000	352000
SE to	218000	349000
SE to	226000	334000
To meet border at	234005	319345
Follow border WNW back to close at	197285	359920

Annex

