

Navitas Petroleum, Limited Partnership
(hereinafter - the "Partnership")

December 10, 2025

To:
The Israel Securities Authority (ISA)
Via MAGNA

To:
The Tel Aviv Stock Exchange Ltd.
Via MAGNA

To whom it may concern,

RE: Final Investment Decision (FID) in respect of the Development of the Sea-Lion Project

Further to Sections 8.4, 21.2, and 26.15 of Chapter A of the Partnership's Annual Report for 2024 published on March 24, 2025 (Ref. No. 2025-01-019584) (hereinafter: the "**Annual Report**"), and further to Section 1.3 of the Board of Directors' Report for the third quarter of 2025 published by the Partnership on November 17, 2025 (Ref. No. 2025-01-087895), incorporated herein by reference, in connection with the Sea-Lion project (hereinafter: "**The Project**" or "**Sea-Lion**"), the Partnership hereby announces that:

On December 10, 2025, all the partners in the Sea-Lion Project (hereinafter: the "Sea-Lion Partners") made a Final Investment Decision (hereinafter: "FID") for the development of Phase 1 of the Sea-Lion Project, with a total budget of approximately USD 1.8 billion (for 100% of the interests in the Project).

The FID was taken following the receipt of final approval from the Falkland Islands Government for the detailed Field Development Plan (FDP) and the execution of an Investment Protection Agreement (IPA).¹ Within this framework, Navitas Petroleum Development and Production Ltd. (hereinafter: "**NPDP**")² approved a development budget in the aggregate amount of approximately USD 1,173 million, in respect of its share in the Project budget. Concurrently, Rockhopper Exploration (Hydrocarbons) Ltd. (hereinafter: "**RKH**"), the additional partner in the Project, approved its share of the Project budget. In the aggregate, the Sea-Lion Partners approved a multi-year work program and budget totaling approximately USD 1.8 billion.

As part of the FID, the term of the Sea-Lion licenses was extended for a period of 35 years.

A. Reclassification of Contingent Resources as Reserves

According to the Partnership's estimation, upon the taking of the FID, the conditions regarding the reclassification of Contingent Resources from the first two development phases of the Project (in the 2C Category), which amount to approximately 220 million barrels of oil equivalent (the Partnership's share), into the 2P Category, have been met.³

B. Engagement in the Project Finance Agreements

Furthermore, for the purpose of financing the development of Phase 1 of the Project, and prior to the taking of the FID, two separate Project Finance Agreements were executed between each of the Sea-Lion Partners and a foreign bank and additional banks and financial institutions (hereinafter: the "**Lenders**"), whereby the foreign bank led the Project Finance structure and its syndication (hereinafter: the "**Project Finance**").

¹ An Investment Protection Agreement executed, *inter alia*, by the Falkland Islands Government and the Sea-Lion Partners, the purpose of which is to establish regulatory and fiscal certainty through an undertaking by the Falkland Islands Government to provide compensation in the event of non-adherence to defined conditions, including tax rates and royalties, for a fixed period, with the objective of protecting the Partnership's investments against future regulatory changes.

² An indirectly wholly-owned (100%) subsidiary of the Partnership.

³ In accordance with the Contingent Resources Report attached to the Annual Report.

Pursuant to the Project Finance Agreement regarding the Partnership's share in the Project, loans in a total aggregate amount of approximately USD 650 million shall be made available to NPDP. The first drawdown shall be effected only following the investment of the full equity capital to be provided by the Partnership for the Project, and is expected towards the end of the first quarter of 2027.

Furthermore, pursuant to the financing agreement executed by RKH in relation to its share in the Project, loans in an additional amount of approximately USD 350 million shall be made available to RKH's project company

For further details regarding the Project Finance Agreement, see Annex A to this report.

According to the Partnership's estimation, based on the banking model for Phase 1 of the Project, the construction costs for Phase 1 of the Project development will total approximately USD 1.8 billion (these costs also include deposits for Debt Service Reserve Accounts (DSRA) and budget overruns, if any). Pursuant to the loan agreement signed between the Sea-Lion Partners, NPDP is required to extend a non-interest-bearing USD loan amounting to RKH in an amount equal to two-thirds (2/3) of RKH's share of the equity required for Phase 1 development. Said loan shall be repaid from 85% of RKH's Free Cash Flow derived from Phase 1 of the Project.⁴ The total equity to be contributed by the Partnership in respect of its share in Phase 1 development is expected to amount to approximately USD 734 million (including the loan component to RKH), following the signing of the commercial agreements detailed below and in accordance with the updated banking model

C. Project Agreements

1. FPSO (Floating Production Storage and Offloading) Agreements

NPDP has entered into a package of binding agreements regarding the charter, upgrade and operation and maintenance of the Floating Production Storage and Offloading (FPSO) unit for the Project (hereinafter: "FPSO"). The Lessor is an international corporation that owns several similar facilities of this type and has many years of experience and expertise in this field. The agreement package includes a Charter Agreement for the FPSO for a term of up to 20 years, an Engineering, Procurement, and Construction (EPC) Agreement for upgrading and adapting the FPSO to Project's requirements, and an Operation and Maintenance (O&M) Agreement for the entire charter period (hereinafter: The "Charter Agreement", The "EPC Agreement", and The "O&M Agreement", respectively; collectively in this section: The "Agreements"). The EPC Agreement and O&M Agreement were signed with companies from the Lessor's group.

1.1. The Charter Agreement

- a) The FPSO is a floating production and storage facility currently operating in the North Sea, which operates with high availability rates in a harsher marine environment than the marine environment expected at the Project site in the Falkland Islands. The FPSO will undergo an upgrade and adaptation for use in the Project, in accordance with the relevant design and regulatory requirements.
- b) In accordance with the Charter Agreement, upon delivery of the FPSO to NPDP, NPDP shall obtain possession and exclusive use of the FPSO under a Bareboat Charter. Commencing on the delivery date, the legal right to use and operate the FPSO shall be held by NPDP, with operation and maintenance being performed via the Operation and Maintenance Contractor under an Operation and Maintenance (O&M) Agreement (as detailed in Section 1.3 below). Under the Charter, NPDP is entitled to full use of the FPSO for the Project. The engagement structure, including insurance and security mechanisms, is designed to ensure NPDP's continuous use of the FPSO for the entire

⁴ For further details, see Section 8.4.14 of the Annual Report for the year 2024.

Charter Period (even if changes occur in the legal ownership of the FPSO or in its financing structure).

- c) Charter Period - The initial Charter Period shall commence upon the delivery of the FPSO and continue for a period of 12 years from the date of Commencement of Production, as defined in the Agreements.⁵ NPDP has the right to extend the Charter Period for additional periods, in accordance with the mechanism set forth in the Charter Agreement, up to a maximum aggregate period of 20 years.
- d) Charter Fees - The Charter Fees comprise a fixed daily rate component for the right to use the FPSO (which is subject to reduction mechanisms in certain events of underperformance), as well as a variable component calculated based on actual production, the price per barrel of oil, and the operational availability of the FPSO. In the Partnership's estimation, the total fixed component of the Charter Fees for the full Charter Period of approximately 12 years will amount to approximately USD 330 million and will constitute, under the base case assumption, approximately half of the Charter Fees to be paid to the Lessor.
- e) Termination of Agreement - NPDP has the right to terminate the Charter Agreement subject to the payment of an early termination fee (hereinafter: the "**Early Termination Fee**"), as well as in certain instances of a material breach by the Lessor, all in accordance with the mechanisms set forth in the Charter Agreement.

The Lessor may terminate the Agreements in limited instances of non-payment of an undisputed amount for a period exceeding the period prescribed in the Agreements, in the event of insolvency of NPDP and/or the Partnership as well as in cases of termination of the related agreements (the EPC Agreement or the Operation and Maintenance (O&M) Agreement) due to their breach by NPDP, legal prevention from performing the agreements due to sanctions, a prolonged force majeure event (exceeding 12 months) preventing production, or in the event of a total loss of the FPSO.

- f) Guarantees – Under the Charter Agreement, the Partnership provided a limited corporate guarantee to the Lessor, solely for the payment of the Early Termination Fee, in a maximum amount of approximately USD 109 million. This amount is reduced by a fixed daily amount commencing from the date of First Oil, in accordance with the mechanism set forth in the agreement. In addition, the parent company of the Lessor's group provides NPDP with an unlimited company guarantee securing the obligations of the group companies under the Charter, EPC, and Operation and Maintenance (O&M) Agreements.

1.2. The EPC Agreement

The EPC Agreement was signed with a company from the Lessor's group (hereinafter: the "**Contractor**"), and includes the design, upgrade, adaptation, and life extension of the FPSO to meet the Project's requirements, as well as the design and manufacturing of a new mooring system, which will remain under NPDP's ownership. The estimated cost of the said works stands at approximately USD 428 million. The majority of the financial scope of the EPC Agreement is based on a Cost-Plus mechanism, with a limited Fixed-Price component. The Agreement includes supervision mechanisms and step-in rights, which enable NPDP, in the event of a material breach, to replace the Contractor and complete the works via replacement contractors, as well as agreed compensation mechanisms for delays and an aggregate liability cap.

⁵ The date of Commencement of Production pursuant to the Agreements includes, *inter alia*, the completion of production tests of the main production systems, including water and gas injection systems.

1.3. The O&M Agreement

Concurrently, an Operation and Maintenance (O&M) Agreement was signed, under which a company from the Lessor's group will provide operation and maintenance services for the FPSO. The Agreement is based on an approved annual budget and includes incentive and control mechanisms. Furthermore, in the event of a material breach, it allows NPDP to replace the Operation and Maintenance Contractor and engage an alternative operation and maintenance contractor.

1.4. General Provisions

- a) The Agreements include mutual indemnification, insurance, and limitation of liability mechanisms, as well as agreed compensation mechanisms and an aggregate liability cap applicable to the Lessor, of the type customary in similar projects.
- b) The Agreements include a broad list of material breach events entitling NPDP to terminate the Agreements. These include, *inter alia*, events of material delay in the delivery of the FPSO; a situation where the FPSO, at the time of delivery, requiring significant additional material upgrade works; material delay in the commencement of production by the FPSO; failure to meet defined production targets; unauthorized change of control in certain companies within the Lessor's group; and other material breaches. In the event of a material breach by the Contractor under the EPC Agreement or the O&M Agreement, NPDP is entitled to terminate such agreements while maintaining the Charter Agreement and its rights in the FPSO and to engage replacement contractors for the EPC works and for the Operation and Maintenance.

1.5. Additional Agreements

In addition, NPDP has entered into several additional agreements required for the Project's development, including, *inter alia*: an agreement for the supply and operation of a drilling rig; a framework agreement for the supply of drilling and completion services; an agreement for the Engineering, Procurement, Construction, Installation and Commissioning of Subsea systems (SURF); and agreements for the supply of subsea equipment, flexible pipes, manifolds, and connectors. The said agreements include, *inter alia*, payment mechanisms, warranty, indemnification, and insurance provisions of the type customary in offshore development and production projects.

For further details regarding the Sea-Lion Project, see Section 8.4 of Chapter A of the Annual Report.

Disclaimer regarding forward-looking information - The estimates set forth above and below, including with respect to the construction costs and budget of Phase 1 of the Sea-Lion Project, the schedules for the equity investment and for the Project's development, the reclassification of the Contingent Resources to Reserves, the scope of costs of the Project agreements and the Financial Closing of the Project Finance and the timing thereof, are forward-looking information, as defined in the Securities Law, 1968. The information above is based on the Sea-Lion Partners' estimates, based on a variety of factors, including the development plan and the schedules for its implementation, estimated data regarding the availability of equipment, services and costs, as well as additional factors which are not necessarily under the Partnership's control. The estimates in this report may not materialize, may materialize partially or may materialize in a manner materially different than expected in this report, as a result of changes and/or delays in a variety of factors, including changes in market conditions in general and in the oil sector in particular, and/or geopolitical changes, and/or changes in operational and technical conditions in the oil asset, and/or due to unforeseen factors related to the development of a project of this type, and/or as a result of the progress of the development of the Sea-Lion Project until its completion, and/or due to developments related to the Sea-Lion Project and/or the Partnership and/or the Partnership's subsidiaries and/or the additional partner in the Project, and/or due to external factors which are not under the Partnership's control and/or due to various factors which cannot be estimated in advance.

The Project Partners and their WI are as follows:

Navitas Petroleum Development and Production Ltd. 65%

Rockhopper Exploration (Hydrocarbons) Ltd. 35%

Respectfully,

FLR Oil and Gas Management Ltd.,

General Partner in Navitas Petroleum, Limited Partnership

By: Amit Kornhauser, CEO and Director

Tamar Rosenberg, CFO

Annex A
The Project Finance Agreement entered into by the Project Company

1. The Financing Facility and Final Maturity Date

The Project Finance Agreement entered into by NPDP establishes a maximum Financing Facility from which NPDP (hereinafter: the "**Project Company**" and the "Agreement", as the case may be) is entitled to drawdown loans, subject to compliance with the conditions set forth in the Agreement.

The Financing Facility is a "revolving borrowing base facility", such that commencing from the date on which the conditions for the first drawdown are satisfied and until one month prior to the Final Maturity Date (as described below), the Project Company is entitled to re-borrow amounts that were drawn and repaid, excluding the re-borrowing of amounts repaid due to a mandatory prepayment obligation which are not available for drawdown under the terms of the Agreement.

The Final Maturity Date of all loans under the Financing Facility shall occur on the earlier of:

- a) The date of the reduction of the Financing Facility occurring immediately prior to the first Calculation Period in which, according to the current Banking Model, the Remaining Reserves of the Project are projected to be lower than 25% of the Reserves taken into account in the original Banking Model;

or

- b) The date falling 7 years from the earlier of: (1) The Closing Date (as defined in the Agreement, being the date on which the Arranging Bank of the consortium confirmed in writing that the Conditions Precedent for Financial Closing have been met (hereinafter: the "**Closing Date**")); and (2) February 9, 2026.

The aggregate commitments will be gradually reduced, starting on April 1, 2029, and continuing until the Final Maturity Date

2. Borrowing Base Amount

The outstanding balance of the loan drawn by the Project Company and not yet repaid may not, at any time,⁶ exceed the lower of the total commitments of the Lenders and the Borrowing Base Amount. Whenever the outstanding loan balance exceeds such cap (hereinafter: "**Borrowing Base Deficiency**"), the Project Company shall be required to prepay part of the outstanding loans such that a Borrowing Base Deficiency no longer exists (subject, in certain circumstances, to a cure period).

The "Borrowing Base Amount" is defined with respect to a Calculation Period, which is equal to the lower of: (a) the amount resulting from dividing the relevant NPV (Field Life)⁷ for the Calculation Period by 1.5; and (b) the amount resulting from dividing the relevant NPV (Loan Life)⁸ for the Calculation Period by 1.3. As of the date of this immediate report, the Borrowing Base Amount totals approximately USD 698 million.

Under the Agreement, a base banking model was agreed upon, based on which the initial Borrowing Base Amount was calculated. The Agreement stipulates that a Redetermination of the Borrowing Base Amount

⁶ Subject to the ability to re-borrow loans in certain circumstances while a "Borrowing Base Deficiency" exists.

⁷ NPV (Field Life) shall be calculated as the amount (in USD) representing the Net Present Value, as of the first day of the relevant Calculation Period, of the projected Net Revenues of the Project Company for such Calculation Period and for all subsequent Calculation Periods, ending at the latest on the last day of the last Calculation Period in which any expense and/or revenue relating to the Project is expected to be received or incurred, calculated at a discount rate of 10%, all in accordance with the assumptions of the Banking Model.

⁸ NPV (Loan Life) shall be calculated as the amount (in USD) representing the Net Present Value, as of the first day of the relevant Calculation Period, of the projected Net Revenues of the Project Company for such Calculation Period and for all subsequent Calculation Periods, ending at the latest on the Final Maturity Date of the Project Finance, calculated at a discount rate of 10%, all in accordance with the assumptions of the Banking Model.

shall be performed on the Project Completion Date (hereinafter: "**Project Completion Date**")⁹ and on each March 31 and September 30 thereafter, until the Final Maturity Date. Additionally, special events were determined in which a Redetermination shall be performed: (1) In connection with any partial disposal of rights in the Project, the License, or Project infrastructure by the Project Company; (2) Following the Project Completion Date, upon notice to the Project Company from the Arranging Bank of the consortium or the Technical Bank (at their reasonable discretion) in accordance with the agreement; (3) At the request of the Project Company; or (4) In the event of a "Trigger Event"¹⁰ occurring after the first drawdown date under the Agreement but prior to the Project Completion Date.

In the event of a Trigger Event, should it be determined that a Borrowing Base Deficiency exists, the Project Company shall be required, within 45 days, to repay loans in order to achieve a FLC¹¹ greater than 1.3:1 and a LLC¹² greater than 1.2:1. Furthermore, it shall be required to present, within 60 days, a plan to cure the Borrowing Base Deficiency, to be executed within 120 days. In accordance with the provisions of the Agreement, a transfer of 100% of the Project Company's rights, in a framework under which the Project Company's loans are fully repaid, the Financing Facility is terminated, and hedging agreements are settled, does not require Lenders' consent.

In accordance with the provisions of the Agreement, a transfer of the Project Company's rights in the Project that does not constitute 100% of its rights is possible subject to the following conditions: (1) Prior to the Project Completion Date, with the approval of the Majority Lenders¹³ and the Technical Bank, and subject to running an updated banking model (based on post-transfer data) under which the Project Company meets the provisions of the Agreement. Such approval shall not be unreasonably withheld; (2) After the Project Completion Date, subject to running an updated banking model (based on post-transfer data) under which the Project Company meets the provisions of the Agreement. The Project Company shall be required to repay loans in an amount such that, following repayment, there will be no Borrowing Base Deficiency in accordance with the updated banking model.

3. Conditions for Drawdown of Loans from the Financing Facility

The first drawdown shall be executed only after the required equity investment has been made, in a Base Equity amount of approximately USD 539.5 million in respect of the Project Company's Agreement, which shall be used to finance Project costs, and the arrangement of the provision of contingent equity in an

⁹ "Project Completion Date" is defined as the date occurring upon the later of: (1) Completion of a 'Completion Test', as defined in the Agreement, including development of the Project in accordance with Phase 1 of the Field Development Plan (FDP) and execution of continuous commercial production for at least 90 days, in a quantity not less than the quantity determined in the model as detailed in the Agreement; (2) Satisfaction of the 'Additional Conditions' as defined in the Agreement, the main principles of which are as follows: an updated Reserves Report has been provided; no Unwaived Defaults or Borrowing Base Deficiencies exist; no deviation from the Debt-to-Equity Ratio; the Debt Service Reserve Account (DSRA) is fully funded; and the Repeating Representations are materially true and correct in accordance with the circumstances at such time.

¹⁰ "Trigger Event" is defined as an event in which one of the following occurs: (a) A decrease of more than 10% in 1P Reserves compared to the reserves used for the original banking model; (b) The average price of oil (Brent) has decreased by a rate exceeding 20% compared to the assumptions taken in the original model for a period of more than twenty-one (21) consecutive days; (c) The occurrence of an event that the Technical Bank reasonably anticipates will prevent the occurrence of the Project Completion Date by March 31, 2029 (or any other date as agreed between the Project Company and some of the parties); (d) An insolvency event of a material construction contractor which the Technical Bank reasonably determines is likely to have a Material Adverse Effect on the Project, continuing for 30 consecutive business days at the end of which no remedy for the event has been found; (e) A change in the taxation regime in the Falkland Islands which materially adversely affects the interests of the Lenders; OR (f) According to the Technical Bank's determination, the results of pressure tests in the first production well differ materially from those used as the basis for the updated Reserves Report (hereinafter: "**Trigger Event**").

¹¹ FLC¹¹ (Field Life Cover Ratio) shall be calculated as the ratio between the NPV (Field Life) and the outstanding balance of the loan not yet repaid at the calculation date.

¹² LLC¹² (Loan Life Cover Ratio) shall be calculated as the ratio between the NPV (Loan Life) and the outstanding balance of the loan not yet repaid at the calculation date.

¹³ "**Majority Lenders**" – The Lender or Lenders whose commitments under the Agreement constitute more than 66.67% of the total commitments of the Lenders under the Agreement.

amount of approximately USD 56 million in respect of the Project Company's Agreement, which shall be used to finance, *inter alia*, Project budget overruns.¹⁴

In addition, further conditions were established for the first drawdown, the main ones being as follows: receipt of confirmation that, as of the drawdown date, the Project Company has projected funding sources sufficient to cover all its required uses until the Project Completion Date; all fees, costs, and expenses (including legal expenses) due for payment in accordance with the Agreement and related finance documents have been paid or will be paid; and confirmation from the Project Company that all conditions precedent for the validity of Material Project Documents regarding the Project have been met or waived.

- a) Following the first drawdown, any additional drawdown under the Agreement is subject to the fulfillment of certain conditions, primarily as follows: absence of an Event of Default for the additional loan and absence of a Potential Event of Default or Event of Default for a revolver loan; accuracy of representations; compliance with the Financing Facility limit; and, for a drawdown occurring prior to the Project Completion Date, absence of a breach of the minimum Equity to Debt Ratio of 65:35 (the "**Equity-to-Debt Ratio**").
- b) Interest - Loans drawn under the Agreement are denominated in USD and bear interest payable on the last day of each interest period, calculated based on the aggregate SOFR rate (for periods of one, three, and six months (as applicable)) plus a margin to be determined according to Project progress stages, as follows: (a) Until the Project Completion Date (inclusive), the Interest Margin shall be 5.25%; (b) From the Project Completion Date until two years following the Project Completion Date, the Interest Margin shall be 4.25%; (c) From the date falling two years after the Project Completion Date until 36 months following the Project Completion Date (inclusive), the Interest Margin shall be 4.5% per annum; (d) Thereafter, the Interest Margin shall be 4.75% per annum ("**The Interest Margin**").
- c) Commitment Fee - The Project Company shall pay a semi-annual fee at an annual rate of 30% of the applicable Interest Margin at such time on the undrawn portion of the total Financing Facility.
- d) Security and Collateral - To secure the repayment of the loans, the Project Company pledged, *inter alia*, its interest in the Project and all rights and assets related to the Project (including its rights in Project facilities, Project agreements, insurance policies, and Project accounts), subject to certain exceptions. In addition, the Agreement is also secured by a pledge of the entire share capital of the Project Company and an assignment of all rights arising from any intercompany loans granted to the Project Company by the Project Company's shareholder, the Partnership, or a related party.
- e) Financial Covenants - Under the Agreement, the Project Company undertook to meet the following Financial Covenants:
 - The Financial Debt to EBITDA¹⁵ ratio on the test date¹⁶ shall not exceed 3.5:1;
 - The Projected DSCR¹⁷ shall not be less than 1.1:1 at any reduction date.
- f) Additional Undertakings - Under the Agreement, the Project Company undertook obligations towards the Lenders, subject to certain exceptions in the Agreement, including *inter alia* as follows: (a)

¹⁴ The contingent equity shall be deposited in a designated account or provided by means of a Letter of Undertaking to make amounts available as needed, or by means of security from a financial entity. Under the Project Company's Agreement, an alternative exists whereby the Partnership may enter into a Contingent Equity Support Agreement (subject to the consent of the Majority Lenders prior to the first drawdown date under the Project Company's Agreement). Additionally, the Partnership shall make available to RKH two-thirds (2/3) of RKH's share of the Contingent Equity

¹⁵ "**EBITDA**" - The income of the Project Company from ordinary activities, before (*inter alia*): taxes, interest costs, amortization, depreciation and depletion, exploration and abandonment expenses, as well as extraordinary or non-cash losses (including losses from revaluation of assets and liabilities, losses from the sale of fixed assets, exchange rate differences, and pension liabilities or compensation plans); and deducting (*inter alia*): extraordinary or non-cash gains (including gains from revaluation of assets and liabilities, gains from the sale of fixed assets, exchange rate differences or reversal of provisions, gains resulting from reorganization or structural change); all while neutralizing unrealized gains or losses from hedging agreements, and adding certain insurance proceeds received. EBITDA is calculated for the 12-month period preceding the Test Date.

¹⁶ The first March 31 or September 30 occurring at least six months after the Project Completion Date, and each March 31 and September 30 thereafter.

¹⁷ The ratio between the Free Cash Flow for Debt Service and the amounts required for Debt Service.

Undertakings not to create liens on any of its assets; (b) Undertakings not to transfer in any manner all or part of its assets, including its holdings in the Project or Project infrastructure; (c) Undertakings not to incur additional financial indebtedness; (d) Undertaking to execute oil price hedging transactions in the volumes detailed in the Agreement.

- g) Events of Default - The Agreement includes definitions of Events of Default as customary in agreements of this type. Upon their occurrence, the Lenders shall have the right to call for immediate repayment of the loan (Acceleration) and to enforce the security. These include, *inter alia*, the following main events (subject to conditions, qualifications, and/or cure periods as set forth in the Agreement): (a) Non-payment on time; (b) Breach of representations, covenants, or material obligations; (c) Event of default regarding other debt of the Project Company (Cross Default); (d) Insolvency, insolvency proceedings, and creditor enforcement proceedings; (e) Abandonment of the Project (total or of a material part); (f) Cessation of production for a period of 90 consecutive days; (g) Cessation or notice of intent to cease the management of the Project Company's business (all or a substantial part thereof); (h) Failure to enter into insurance policies as detailed in the Agreement; (i) Following the occurrence of a Trigger Event (as defined above), failure by the Project Company to maintain a FLCR of at least 1.5:1 and a LLCR of at least 1.3:1, for 180 days; (j) Non-compliance with the Financial Covenants detailed in Section 3(e) above, and (k) Failure to reach the Project Completion Date by March 31, 2029.

4. Payments and Distributions

- a) Payment Waterfall - Under the Agreement, the Project Company undertook that its revenues from the Project shall be transferred to the Project Account, in respect which a "Payment Waterfall" mechanism was established, under which payments from the Project Account shall be used solely for executing specific payments in the following principal order: Taxes; Payment of any type of royalties and other amounts payable under the License to the extent required to be paid to the Falkland Islands Government; Payment of approved royalties to the Partnership; Payment of Project expenses (including Capital Expenditures and Operating Expenses in connection with the Project); Expenses regarding emergency operations in the Project; Payments in connection with the Partner Loan Agreement between, *inter alia*, NPDP (as Lender) and RKH (as Borrower); Payments of distribution of net cash proceeds from a Permitted Disposal (partial sale) (subject to conditions); Payment of expenses of liabilities related to certain insurance proceeds; Payments of fees, costs, and expenses accrued under the Finance Documents; Payments of accrued interest and hedging costs; Payment of principal under the Agreement (including mandatory prepayments) and hedging termination payments; Payments to the Debt Service Reserve Account (principal and interest) in certain circumstances; Payment to the Debt Service Accrual Account in certain circumstances; Payments in connection with voluntary prepayment of drawdowns and hedging termination payments; A one-time adjustment payment upon the occurrence of the Project Completion Date; Payment in certain circumstances of amounts for general corporate purposes (non-distributions) which do not exceed an agreed cap; And payment of other amounts (including Distributions) provided that certain distribution conditions are met.
- b) Distributions - Execution of a Distribution by the Project Company shall be possible commencing from the Project Completion Date, subject to compliance with conditions, the main ones being: Non-occurrence of any of the Events of Default or potential Events of Default detailed in the Agreement; The Projected DSCR for the six-month period in which a Distribution is intended to be made and for the six-month period immediately following it (excluding such period in which the Final Maturity Date falls or any period thereafter) shall not be less than 1.3:1; The amounts in the Debt Service Reserve Account (DSRA) are at a level not lower than principal and interest payments for a six-month period; And the amount in the Debt Service Accrual Account shall not be less than the required Debt Service Accrual Account balance.

5. Voluntary Prepayment by the Project Company

Loans drawn from the Financing Facility may be prepaid (in full or in part) on interest payment dates without any penalty (on other dates, customary compensation shall be paid), subject to a minimum prepayment amount in the case of a partial prepayment. Such prepayment shall not be subject to additional penalties.

6. Mandatory Prepayment

Under the Agreement, it was determined that the Project Company shall be required to repay the loan immediately (Mandatory Prepayment) in several instances, the main ones being as follows: Change of Control in the Project Company; Change in the Project Operator without receiving Lenders' consent; Imposition of economic or financial Sanctions or trade embargoes on the Project Company or on a security provider under the Agreement (the Partnership with respect to the NPDP Agreement, and as long as it is a party to the contingent equity support agreement); Or breach by the Project Company of a condition or undertaking regarding sanctions in the Financing Agreement.

7. Financial Closing

The completion of Financial Closing of the Project Financing is conditional upon, *inter alia*, the satisfaction of the conditions precedent set forth in the financing agreements, including the completion of the registration of the various security interests in favor of the lenders, the furnishing of an approval from of the Falkland Islands Government regarding the effectiveness of the Development Plan upon the Financial Closing of the Project financing, as well as additional customary conditions such as the payment of fees and expenses.

According to the Partnership's estimation, the Financial Closing of the Project Financing is expected by the end of December 2025.

The Agreement is governed by English law.