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LOAN NO. 1445P

IN WITNESS whereof the parties hereto, acting through their duly authorized representatives, have caused this Agreement to be signed and delivered at Vienna in two copies in the English language, each considered an original and both to the same and one effect as of the day and year first above written.

FOR THE BORROWER:

Signature:

Name: H.E. Jongopie Stevens

Title: Ambassador of the Republic of Sierra Leone to Germany

FOR THE OPEC FUND FOR INTERNATIONAL DEVELOPMENT (OFID):

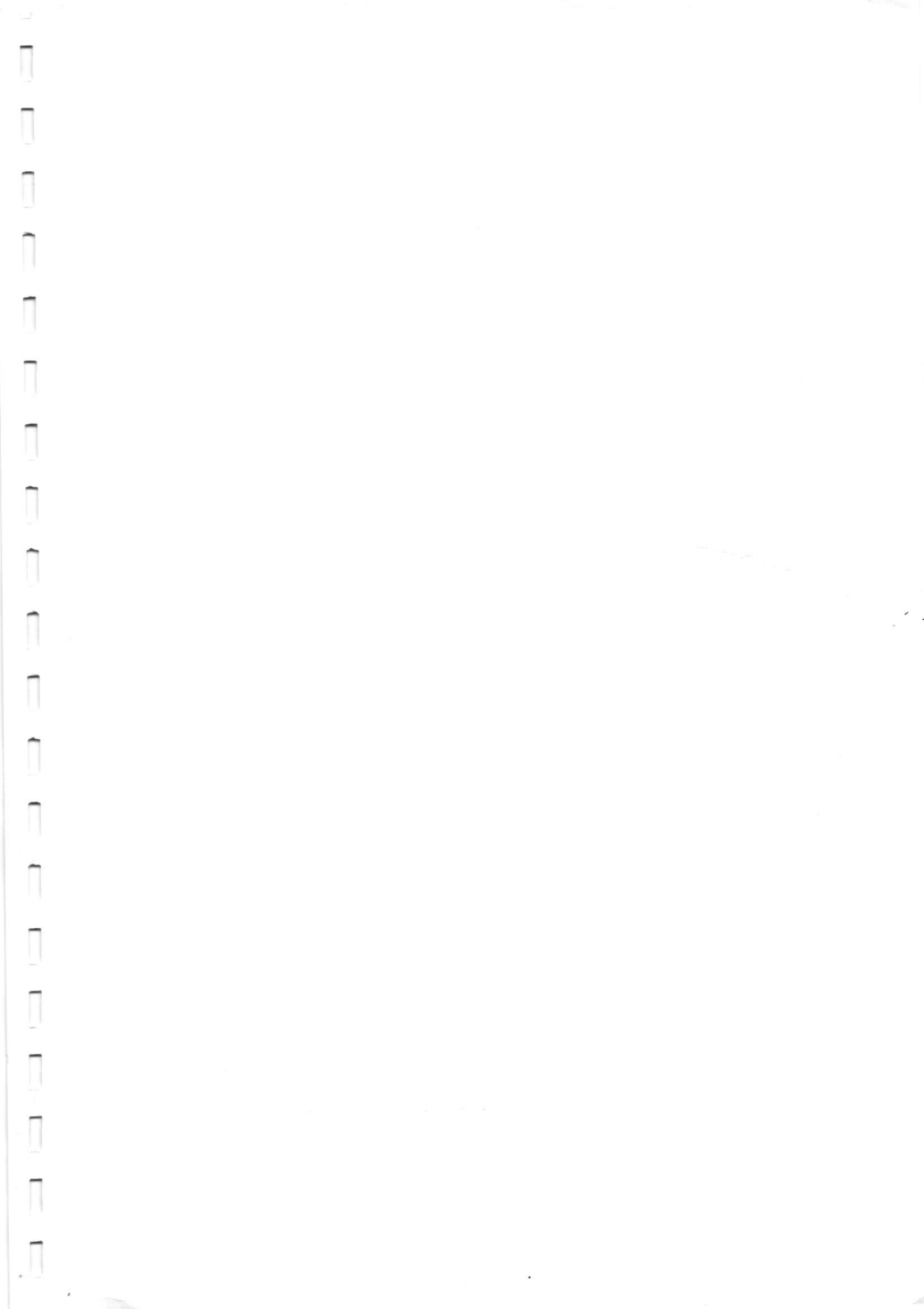
Signature:

Name: Suleiman J. Al-Herbish

Title: Director-General



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REPUBLIC OF SIERRA LEONE  
MATOTOKA-YIYE ROAD PROJECT

SCHEDULE 1  
DESCRIPTION OF THE PROJECT

The Project consists of the rehabilitation of the first section of the Matotoka-Sefadu road linking Matotoka to Yiye over a total distance of 70 km. The Project encompasses the following components:

(a) Civil Works:

This component includes the rehabilitation works for the 70 km inter-urban road between Matotoka and Yiye to a modern paved road. The rehabilitation works shall also cover environmental and social mitigation measures as well as some complementary initiatives (works) encompassing social infrastructure. These include the rehabilitation of 20 km of feeder roads; the rehabilitation of three primary schools (provision of classroom blocks, sanitation and water facilities) in Masingbi, Makali and Ngo town/Yiye; rehabilitation of a health center in Masingbi; and improvements to one market in Matotoka.

(b) Consultancy Services:

This component includes the supervision services for the construction of the civil works; and the services for the monitoring and evaluation of the project environmental and social impacts.

(c) Project Audit:

This component includes the Financial and Technical Audits for the project.

(d) Compensation and Resettlement:

The project will trigger involuntary resettlement as a result of its activities. Project Affected Persons (PAPs) will be compensated and resettled. It is estimated that a total of 2,487 persons for the entire road are to be affected. The Project Affected Persons for Section I (Matotoka – Yiye) is estimated at 1,186 persons and 1,301 persons for Section II (Yiye – Sefadu).

\* \* \*



- (M) The PRU, pursuant to the prior request of PRL and Talisman, confirmed in a letter dated 17<sup>th</sup> May, 2011 that it had no objection to the assignment from PRL to Talisman of an eighty (80%) percent undivided interest in and to the Agreement.
- (N) Pursuant to an assignment dated 18<sup>th</sup> May, 2011 between PRL as assignor and Talisman as assignee, PRL assigned to Talisman an eighty (80%) percent undivided interest in and to the Agreement to Talisman and Talisman became a Contractor and the Operator under the Agreement.
- (O) The Agreement was amended by an Addendum dated 22nd July 2011 (hereinafter referred to as "Addendum No. 2") duly made between the State and Talisman and PRL. Addendum No 2 was duly and lawfully executed for and on behalf of the State by the Director-General of the PRU, in accordance with the provisions of the Agreement, the Act and The Petroleum (Exploration and Production) Act, 2011.
- (P) Addendum No. 2 effected certain significant changes to the Agreement including, but not limited to, altering and extending the First Extension Period under the Agreement to expire after 30th March 2013 and altering the work commitment during the First Extension Period to the spud on one well.

**NOW THEREFORE** it is hereby agreed and declared as follows:

**1. INCREASE OF SURFACE RENTALS**

- 1.1 Article 11.1 of the Agreement, as amended by Addendum No.1, is amended so that the rates of Surface Rentals per annum are as follows:

Initial Exploration Period	US\$ 40 per sq. km
1st Extension Period	US\$ 60 per sq km
2nd Extension Period	US\$ 85 per sq km
Development and Production Area	US\$ 110 per sq km

The above changes to Surface Rental rates shall be applicable for the 2012 Calendar Year and onwards and shall not apply with retroactive application.

**2. GENERAL**

- 2.1 The recitals to this Addendum No. 3 form an integral part hereof and are binding upon the parties hereto.
- 2.2 Except as specifically amended by this Addendum No. 3, all the remaining terms and conditions of the Agreement (as previously amended by Addendum No. 1 and Addendum No. 2) shall remain in full force and effect.
- 2.3 When executed by all parties, this Addendum No. 3 shall modify the Agreement and shall have effect from the signature date of this Addendum No. 3.
- 2.4 All payments up to this date of Surface Rental (pursuant to Article 11 of the

