

SETTLEMENT AGREEMENT AND MUTUAL RELEASE

This Settlement Agreement and Mutual Release (the “SETTLEMENT AGREEMENT”) is made between THE SHELL PETROLEUM DEVELOPMENT COMPANY OF NIGERIA LIMITED (“COMPANY”), and UNITECH DRILLING COMPANY LIMITED (“CONTRACTOR”) referred to as the “PARTY”) on the last date of execution indicated below (“the SIGNATURE DATE”) and shall be effective as of 07th August 2023 (“the EFFECTIVE DATE”).

I.

RECITALS

WHEREAS, the CONTRACTOR entered into a contract with COMPANY for PROVISION OF DIRECTIONAL DRILLING SERVICES, identified by CONTRACT No. CW540054 (hereinafter referred to as “the CONTRACT”).

WHEREAS claims made by CONTRACTOR for \$6,299,277 (Six Million, Two Hundred and Ninety-Nine Thousand, Two Hundred and Seventy-Seven Dollars), being full and final settlement of CONTRACTOR’s claims for its equipment Lost in Hole and Damaged beyond Repair during execution of Assa North drilling campaign

WHEREAS, without admitting any liability but to avoid the disruption and uncertainty of a dispute, the PARTIES wish to compromise and settle all claims asserted or which could have been asserted against each other, arising out of or related to the DISPUTE or CONTRACT, the subject matter of this SETTLEMENT AGREEMENT.

NOW, THEREFORE, for and in consideration of the mutual covenants, representations, releases and promises made here, and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, the PARTIES agree as follows:

II.

PERSONS AND ENTITIES BOUND BY THIS SETTLEMENT AGREEMENT

1. The PARTIES understand and agree that by signing this agreement, the PARTIES are binding themselves and their successors and assigns, to the terms of this SETTLEMENT AGREEMENT.
2. The above stated Recitals form part of this SETTLEMENT AGREEMENT.

III.

SETTLEMENT PAYMENT

1. CONTRACTOR agrees to withdraw its claims, which claims was made via email correspondences between January and March 2023 and any other claims with respect to subject agreement and recognizes that the payment of \$3,450,000 (Three Million Four Hundred and Fifty Dollars Only)) (“the SETTLEMENT PAYMENT”) by the COMPANY represents full and final settlement of all claims, damages, additional costs, or other requests for compensation asserted or which could have been asserted against COMPANY relating to the DISPUTE or other request for compensation arising from and/or in connection with the CONTRACT.

2. The PARTIES shall bear their own costs, attorney's fees and expenses, including all costs incurred in connection with the DISPUTE and in connection with the creation and execution of this SETTLEMENT AGREEMENT.

IV. **MUTUAL RELEASES**

Except for claims, actions or rights related to a breach of this SETTLEMENT AGREEMENT, which the PARTIES expressly reserve, the PARTIES grant the following releases:

1. **Release by CONTRACTOR.** In consideration of the agreements, covenants and releases set forth herein, the CONTRACTOR, and its affiliates, successors and assigns, and its partners, members, employees, representatives, officers, directors, attorneys and any other person(s) claiming for and on its behalf, releases, acquits and forever discharges COMPANY and its affiliates, successors and assigns, and their partners, employees, representatives, officers, directors, agents, attorneys of and from any and all claims, rights, demands, obligations, liabilities, and causes of action, of any nature whatsoever, at law or in equity, asserted or unasserted, known or unknown, relating to and/or arising out of the DISPUTE, or CONTRACT the subject matter of this SETTLEMENT AGREEMENT. CONTRACTOR expressly waives and releases any and all rights to additional payment, adjustment of any milestone or key date, or other extension of time, and all other requests for a variation under the CONTRACT, of any nature whatsoever, at law or in equity, asserted or unasserted, known or unknown, relating to the DISPUTE or CONTRACT prior and/or subsequent to the date of this SETTLEMENT AGREEMENT.
2. **Release by COMPANY.** In consideration of the agreements, covenants and releases set forth here, COMPANY, and its affiliates, successors and assigns, and its partners, members, employees, representatives, officers, directors, and attorneys, releases, acquits and forever discharges CONTRACTOR and its affiliates, successors and assigns, and their partners, employees, representatives, officers, directors, agents, and attorneys of and from any and all claims, rights, demands, obligations, liabilities, and causes of action, of any nature whatsoever, at law or in equity, asserted or unasserted, known or unknown, relating to and/or arising out of the DISPUTE, or CONTRACT the subject matter of this SETTLEMENT AGREEMENT, save and except any and all warranties CONTRACTOR provided with the materials and/or labor it supplied under the CONTRACT, and any and all other provisions of the CONTRACT which by their nature are intended to survive, which remain in full force and effect .
3. The Parties hereby undertake to unconditionally and irrevocably indemnify each other and their respective successors-in-title, Assigns, Privies, Employees and Agents against any adverse claims from persons claiming or seeking to maintain a cause of action for or on their individual behalf in respect of the DISPUTE and/or CONTRACT the subject matter of this SETTLEMENT AGREEMENT; adequacy or otherwise of the SETTLEMENT PAYMENT or entitlement to the SETTLEMENT PAYMENT agreed herein.

V. **REPRESENTATIONS AND WARRANTIES**

1. The PARTIES shall execute any and all documents reasonably required to effectuate the

purposes and intent of this SETTLEMENT AGREEMENT at present or in the future.

2. The PARTIES represent and warrant that each has carefully read this SETTLEMENT AGREEMENT, each knows and understands its contents completely, that each has had the opportunity to consult with attorneys, and that each is executing this SETTLEMENT AGREEMENT of its own free will, act and deed.
3. Each PARTY has made an independent investigation of the facts pertaining to this Agreement and all of the matters pertaining to it as it deems necessary.
4. Except as is expressly stated in this SETTLEMENT AGREEMENT, no PARTY relies upon any promise or representation by any other PARTY or by any officer, agent, employee, representative, director, or attorney of such other PARTY with respect to any matter or as an inducement to sign this SETTLEMENT AGREEMENT.
5. Each PARTY represents and warrants to the other that the person signing on its behalf has complete and full authority to act upon such PARTY's behalf and to bind it and all other persons or entities with any right, title or interest in the claims, actions, or rights made on the subject matter of this SETTLEMENT AGREEMENT.
6. The PARTIES covenant that they are the sole owner of the released claims or causes of action and that they have not conveyed or assigned any interest to any other person or entity.

VI.

GENERAL PROVISIONS

1. The terms of this SETTLEMENT AGREEMENT, and the substance of settlement negotiations, are confidential to the PARTIES and their advisers, who shall not disclose them to, or otherwise communicate them to, any third party without the written consent of the other PARTY other than:
 - a. to the PARTIES' respective auditors, insurers and lawyers on terms which preserve confidentiality;
 - b. pursuant to an order of a court of competent jurisdiction, or pursuant to any proper order or demand made by any competent authority or body where they are under a legal or regulatory obligation to make such a disclosure; and
 - c. as far as necessary to implement and enforce terms of this SETTLEMENT AGREEMENT.

The PARTIES are entitled to confirm the fact of, but not the terms of, settlement of the DISPUTE.

2. This SETTLEMENT AGREEMENT in no way constitutes an admission of liability by any PARTY. This SETTLEMENT AGREEMENT shall not be used as evidence of any intent or course of conduct of either PARTY.

3. Each PARTY agrees, on behalf of itself and its affiliates, not to sue, commence, voluntarily aid in any way, prosecute or cause to be commenced or prosecuted against the other PARTY or its affiliates any action, suit or other proceeding concerning the released claims, in this jurisdiction or any other. Neither the foregoing release, nor the releases under Article IV, shall preclude any claims in respect of any breach of this SETTLEMENT AGREEMENT.
4. This SETTLEMENT AGREEMENT shall not be construed in favor of or against either PARTY except to the extent it is construed in favor of enforceability. Both PARTIES had the opportunity to negotiate the terms of and participate in the drafting of this SETTLEMENT AGREEMENT, and this SETTLEMENT AGREEMENT should be treated as the product of their joint efforts.
5. Any modification or waiver of any provision of this SETTLEMENT AGREEMENT, or any consent to any departure from the terms of this SETTLEMENT AGREEMENT, shall not be binding unless the same is in writing and signed by both PARTIES.
6. If any provision or part-provision of this SETTLEMENT AGREEMENT is or becomes invalid, illegal or unenforceable, it shall be modified to the minimum extent necessary to make it valid, legal, enforceable and which gives effect to the spirit and intent of this SETTLEMENT AGREEMENT. If such modification is not possible, the relevant provision or part-provision shall be deleted. Any modification to or deletion of a provision or part-provision under this clause shall not affect the validity and enforceability of the rest of this SETTLEMENT AGREEMENT.
7. This SETTLEMENT AGREEMENT shall be governed by and construed in accordance with the governing law of the CONTRACT in all respects, including matters of construction, validity, enforcement and interpretation. This SETTLEMENT AGREEMENT shall be performed in the choice of venue in the CONTRACT, which shall be the only venue for any dispute arising therefrom, and reasonable attorney's fees and costs shall be recoverable by the prevailing PARTY in the event of such a dispute.
8. This SETTLEMENT AGREEMENT contains the entire agreement of the PARTIES and supersedes and cancels any prior understandings and agreements of the PARTIES with respect to the DISPUTE.
9. Section headings are inserted for convenience only and shall not affect any construction or interpretation of this SETTLEMENT AGREEMENT.
10. This SETTLEMENT AGREEMENT may be executed in a number of identical separate counterparts, each of which for all purposes is deemed to be an original, but all of which shall collectively constitute one SETTLEMENT AGREEMENT.
11. No PARTY to this SETTLEMENT AGREEMENT shall be bound until a counterpart of this SETTLEMENT AGREEMENT has been executed by all PARTIES hereto.
12. Capitalised terms used and not otherwise defined in this SETTLEMENT AGREEMENT have the meanings given to them in the CONTRACT, if any.

Signatories


**For and on behalf of THE SHELL PETROLEUM
DEVELOPMENT COMPANY OF NIGERIA LIMITED**

**For and on behalf of UNITECH DRILLING
COMPANY LIMITED**

Name:

Position:

Date:



Name: Kazeem Oladejo

Position: Chief Executive Officer

Date: 09/08/2023