



CONTRACTS, PROCUREMENT AND SUPPLY CHAIN POLICY

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I GENERAL INFORMATION

I.1 DENOVO

DeNovo is an energy company focused on meeting the energy needs of Trinidad and Tobago. DeNovo is the owner of Block I(a) located offshore in the west coast of Trinidad. DeNovo currently produces natural gas from the Iguana and Zandolie fields in Block I(a) from four (4) shallow water wells with two (2) unmanned platforms and a 45km pipeline to DeNovo's Gas Processing Unit which is located onshore.

I.2 WINNING STATEMENT

We make a difference by safely, rapidly, and efficiently developing and operating greenfield and brownfield assets utilising green technologies and automated processes (designed and built to industry standards) in order to deliver competitive energy molecules, all done through highly enrolled and empowered DeNovians.

2 POLICY STATEMENT

2.1 INTRODUCTION

De Novo Energy Limited and De Novo Energy Block IA Limited ("DeNovo") is committed to conducting its contracts, procurement, and supply chain activities pursuant to and in accordance with its Production Sharing Contract ("PSC") and the applicable laws of the Republic of Trinidad and Tobago and in any other jurisdiction that DeNovo operates.

DeNovo's Contracts and Procurement procedures and processes are based on the contract delivery requirements of its PSC and comprises supply chain management activities in support of onshore and offshore Petroleum Operations from contract planning to contractor selection to contract management and administration until delivery to the End-user including contract or purchase order closeout.

Through implementation of this policy, DeNovo seeks to effectively and transparently deliver its contracts, procurement and supply chain activities related to the Petroleum Operations to be performed as part of DeNovo's Work Programme under any PSC or any regulatory requirements.

In general, DeNovo shall procure goods and services based on the most strategically and economically advantageous means.

2.2 COMMITMENT

DeNovo's contracts, procurement and supply chain procedures establish the framework in which DeNovo procures its goods and services and ensures the following:

- DeNovo's policies and procedures are clearly stated and readily accessible to all DeNovo employees.
- DeNovo procures goods and services offered by the most economically advantageous, technically acceptable bid.
- DeNovo's supply chain activities are conducted at arm's length, in an ethical manner, comply with all applicable local legislation, applicable DeNovo procedures and policies. The contracting and procurement process shall be objective, fair and transparent.
- DeNovo defines the authorities, interactions and responsibilities for the planning, preparation, award, and management of contractual agreements to ensure that contracts meet technical specifications, are delivered safely, on time and within budget.
- Appropriate input from the relevant internal functions is incorporated at each stage of the contracting process.
- There is an established framework to ensure that DeNovo procures its materials and services based on the most economically advantageous bid, by using sound commercial strategy and best practice to ensure safety, quality, delivery, and fitness for purpose. For the purpose of this document, the most economically advantageous, technically

acceptable bid is determined by, among other things, acceptable technical solutions, quality and functional characteristics, the use of local materials and/or services where applicable, delivery dates, cost effectiveness, health, safety and environmental factors.

- DeNovo develops appropriate sources of supply of goods and/or services through on-going review and updating of its Vendor Database.
- DeNovo ensures cost recoverability through the correct application of its processes and procedures as well as PSC requirements.
- DeNovo allows providers of local materials and services a full and fair opportunity to bid for the supply of goods and/or services that match their core capabilities.
- Gives preference to the purchase of locally manufactured or locally available goods if the providers of such goods satisfy any technical and commercial criteria defined and are comparable with competing goods in quality and availability and the price does not exceed Cost, Insurance, and Freight (“CIF”) value.
- That local companies are provided with genuine opportunities in competition with foreign entities where they are competitive with foreign companies in skills, availability and price and meet technical and commercial requirements.
- DeNovo develops the capabilities of the providers of local materials and services to maximise their opportunities for participation directly or indirectly in DeNovo’s operations.
- DeNovo’s contracting and procurement processes and measures supports local content and therefore encourages foreign and local contractors to employ with priority local personnel in performance of their respective contracts to the extent that locals with the requisite qualifications and experience can be found.
- Utilise approved standardised Contracting and Procurement documents to ensure compliance with relevant internal requirements and local and international standards for best industry practice.
- Use unambiguous scopes of work and specifications in defining required goods and/or services.
- Communication with bidders during the tendering and bidding phase takes place in writing through a single point of contact within the Contracts and Procurement Department.
- All Registration, Prequalification, Tender and RFQ/Bid processes are treated in total confidence, with absolute fairness and maintain confidentiality in all dealings with Tenderers.
- A contract management and administration process are established to ensure the basics of change control, financial management, cost control, performance monitoring, specification compliance, HSSE management, quality management and on time delivery are maintained, including clear audit trails to meet the requirements of internal and external audits.

This policy applies to all DeNovo personnel involved at any stage of the contracts and procurement lifecycle and in accordance with any other applicable DeNovo policies and procedures. Compliance with this document is mandatory.

The Managing Director (“MD”) has overall responsibility for the contracting and procurement process and is the custodian of this document. The PSCM Manager is responsible for the Contracts and Procurement execution activities (including Contract Administration) and shall organise and staff the execution team to achieve the contracting objectives set out above. The relevant Contract Manager is responsible for all aspects of Contract Management.

This policy is a controlled document and is valid for the time DeNovo is in operations.