

SCHEDULE 3

MODEL CLAUSES FOR PRODUCTION LICENCES RELATING TO FRONTIER AREAS—INCLUDING BREAK CLAUSE

Grant of Licence

2. In consideration of the payments hereinafter provided for and the performance and observance by the Licensee of all the terms and conditions hereof, the Minister, in exercise of the powers conferred upon him by the Act hereby grants to the Licensee exclusive licence and liberty during the continuance of this licence and subject to the provisions hereof to search and bore for, and get, Petroleum in the sea bed and subsoil under the seaward area more particularly described in Schedule 1 to this licence being the area comprising Block(s) **[blocks]** on the reference map deposited at the principal office of the Department of Trade and Industry provided that nothing in this licence shall affect the right of the Minister to grant a methane drainage licence in respect of the whole or any part of the Licensed Area or affect the exercise of any rights granted under any such methane drainage licence.