



CNSOER
CANADA - NOVA SCOTIA OFFSHORE ENERGY REGULATOR

PETROLEUM-RELATED CALL FOR BIDS NS25-1P

Canada-Nova Scotia Offshore Energy Regulator
201 Brownlow Avenue, Suite 27
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Canada

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callforbids@cnsoer.ca

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1.0 CANADA-NOVA SCOTIA OFFSHORE ENERGY REGULATOR – PROFILE

The Canada-Nova Scotia Offshore Energy Regulator (CNSOER) is the independent joint agency of the Governments of Canada and Nova Scotia responsible for the regulation of petroleum and offshore renewable energy activities in the Canada-Nova Scotia offshore area.

The CNSOER's authority is derived from the legislation implementing the August 26, 1986 Accord between the two governments. The [Canada-Nova Scotia Offshore Petroleum Resources Accord Implementation and Offshore Renewable Energy Management Act](#) and the [Canada-Nova Scotia Offshore Petroleum Resources Accord Implementation and Offshore Renewable Energy Management \(Nova Scotia\) Act](#) (the *Accord Acts*) provide for the joint management of the Canada-Nova Scotia offshore area.

The CNSOER's principal responsibilities include:

- health and safety for offshore workers;
- protection of the environment during offshore petroleum and offshore renewable energy activities;
- management and conservation of offshore petroleum resources;
- compliance with the provisions of the *Accord Acts* that deal with Canada-Nova Scotia employment and industrial benefits;
- issuance of licences for offshore exploration and development; and
- resource evaluation, data collection, curation and distribution.

Certain aspects of petroleum and offshore renewable energy activities also fall under the regulatory authority of other agencies. To ensure effective coordination of all the regulatory requirements, the CNSOER takes the lead role in coordinating regulatory activities. The CNSOER has also entered into Memoranda of Understanding (MOU) with the appropriate departments and agencies to ensure effective coordination and avoid duplication of work and activities.

The CNSOER maintains an open and transparent regulatory process to the maximum extent possible in order to demonstrate publicly that the offshore is being regulated in an appropriate manner. Specific confidentiality requirements are set out in the *Accord Acts*.

The CNSOER views engagement as an effective tool for its decision making process. The CNSOER, through its MOUs and authorization process, engages with departments and agencies, Indigenous communities, the fishing sector, other interested groups and the public to obtain input in its decision making process.

The CNSOER's Board consists of five (5) members and two (2) alternate members who are appointed for fixed terms of office. The Government of Canada and the Government of Nova Scotia each appoint two (2) members and one (1) alternate member. The Chair is jointly appointed by both governments. The Chief Executive Officer reports to the Board and is responsible for the day to day operations of the CNSOER.

More information about the CNSOER can be found at <http://www.cnsoer.ca/>.

2.0 CALL FOR BIDS NS25-1P

The CNSOER hereby calls for bids for thirteen (13) Exploration Licences covering those lands in the Canada-Nova Scotia offshore area described in [Appendix I](#) (the Lands).

Any submission of a bid in response to this Call for Bids shall be made with the understanding that the person(s) submitting the bid accepts and agrees to the terms and conditions in this Call for Bids. Any bid submitted that does not conform to the terms and conditions provided in this Call for Bids will not be considered by the CNSOER. Unless otherwise provided herein, all terms used in this Call for Bids will have the same meaning as provided under the *Accord Acts*.

2.1 *Applicable Legislation*

This Call for Bids is made pursuant to the [Canada-Nova Scotia Offshore Petroleum Resources Accord Implementation and Offshore Renewable Energy Management Act, S.C. 1988, c. 28](#), as amended, and the [Canada-Nova Scotia Offshore Petroleum Resources Accord Implementation and Offshore Renewable Energy Management \(Nova Scotia\) Act, S.N.S. 1987, c. 3](#), as amended.

2.2 *Terms and Conditions of Exploration Licences & Significant Discovery Licences*

The Exploration Licence for each parcel will be substantially in the form attached hereto as [Appendix III](#). Any succeeding Significant Discovery Licence issued with respect to the Lands will be substantially in the form attached hereto as [Appendix IV](#). The submission of bids in response to this Call for Bids shall constitute agreement to the terms and conditions set out in [Appendix III](#) and [IV](#).

2.3 *Submission of Bids*

(a) To be considered, a bid for Call for Bids NS25-1P must satisfy the following conditions:

- (i) Each bid must be accompanied by **one** of the following:
 - a. Each bidder's most recent audited financial statements;
 - b. A letter from a financial institution confirming the balance of all accounts held by each bidder.
- (ii) In addition, each company bidding is required to submit **all** of the following:
 - a. The bidder's most recent annual report, or equivalent documentation;
 - b. A Certificate of Existence, Certificate of Compliance, Certificate of Good Standing, or equivalent documentation;
 - c. Documentation that summarizes the bidder's ownership and management structure.
- (iii) Bids must be received by the CNSOER before **4:00 p.m. Atlantic Time, April 28, 2026.**
- (iv) Bids may be submitted electronically in the required format to callforbids@cnsouer.ca. If a bid is submitted electronically, the Bid Deposit must either be received separately before the date and time specified above at the address specified below, or it must be sent electronically either via direct deposit or wire transfer. See section 2.7 for further details.
- (v) Bids may also be submitted physically at the following address in the form of a sealed envelope marked "CALL FOR BIDS NS25-1P (PARCEL #___)". Bids for multiple parcels should be submitted in separate envelopes.

CALL FOR BIDS NS25-1P
Director, Resources & Rights
Canada-Nova Scotia Offshore Energy Regulator
201 Brownlow Avenue, Suite 27
Dartmouth, Nova Scotia B3B 1W2
Canada

2.4 Amendments to Call for Bids

The CNSOER may amend this Call for Bids at any time up to ten (10) days prior to the closing date of **4:00 p.m. Atlantic Time, April 28, 2026**. Any amendment made to the Call for Bids shall be published on the [CNSOER website](#). Bidders are advised to refer to the [CNSOER website](#) prior to submitting their bids.

2.5 Submission of Written Comments

We invite the public, the fishing sector, and Indigenous communities to submit written comments to the CNSOER on the Lands included in the Call for Bids. Please submit your comments through our online submission form. Such submissions will be considered by the CNSOER before the issuance of any Exploration Licence(s). The deadline for the submission of written comments is **60 days after the announcement of the Call for Bids on the [CNSOER website](#)**. Any comments received by the deadline will be made publicly available on the [CNSOER website](#).

2.6 Bid Assessment Criterion

(a) Work Expenditure Bid

- (i) For the purpose of assessing and selecting a bid, the sole criterion to be used for all parcels will be the total amount of money proposed to be expended on the exploration of the parcel within Period 1 of the term of the Exploration Licence (Work Expenditure Bid), determined in accordance with the Schedule of Exploration Licence Allowable Expenditures as defined in Schedule B of the Exploration Licence attached as [Appendix III](#).
- (ii) A maximum of 5% of the Work Expenditure Bid may be applied as education & training (E&T) and research & development (R&D) Allowable Expenditures as defined in Schedule B of the Exploration Licence attached as [Appendix III](#).
- (iii) The Schedule of Allowable Expenditures will be used in determining the amount of money expended pursuant to the Work Expenditure Bid, and is defined in Schedule B of the Exploration Licence attached as [Appendix III](#).
- (iv) The submission of a Work Expenditure Bid does not obligate the successful bidder to perform the full dollar value of work. However, if work is not performed in the full amount of the Work Expenditure Bid, the unrefunded balance of the Work Deposit will be forfeited to the Receiver General for Canada upon expiry, surrender or cancellation of Period 1, as more particularly described in the Form of Exploration Licence attached as [Appendix III](#).

(b) Minimum Bid

The minimum bid that will be considered is \$10,000,000.00 CAD (\$10 million Canadian Dollars) of work expenditures.

(c) Acceptance and Rejection

The CNSOER is not obliged to accept any bid nor is the CNSOER required to issue an interest as the result of this Call for Bids.

(d) Notification to Bidders

The CNSOER will advise bidders of the outcome of the bids as soon as possible after the closing date of the Call for Bids.

(e) Tied Bids

In the event of two (2) or more bids being tied, each bidder involved will be notified of the tie and will have the opportunity to submit a new bid in its proper form within a time frame specified by the CNSOER, which will not be more than twenty-four (24) hours after being notified.

2.7 Deposits

(a) Bid Deposit

- (i) Each bid must be accompanied by a Bid Deposit in the amount of **\$10,000.00 (CAD)**, in the form of either a **certified cheque or bank draft payable to the Receiver General for Canada** (if the bid is physically received at the CNSOER office specified in Paragraph 2.3 (a) (v)), or a direct deposit or wire transfer. For direct deposit or wire transfer, please contact the CNSOER at finance@cnsouer.ca for instructions and banking information.
- (ii) The successful bidder will receive a refund of the Bid Deposit, without interest, if the Work Deposit is posted within the time specified and any outstanding Environmental Studies Research Fund (ESRF) levies are paid as described below in section 2.9.
- (iii) The failure of the successful bidder to post the Work Deposit within the specified time will result in forfeiture of the Bid Deposit and disqualification of the bid, and in that event the CNSOER may, if it sees fit, award the Exploration Licence to the second highest bidder without making another Call for Bids.
- (iv) Bid Deposits will be returned to unsuccessful bidders, without interest, following announcement of the winning bid and receipt of the Work Deposit by the successful bidder.

- (v) Bid Deposits in the form of a certified cheque or bank draft will be returned by courier service unless the bidder requests in writing, at the time of bid submission for the CNSOER to hold the Bid Deposit in the form of a certified cheque or bank draft at its office until it is picked up by the bidder, designated representative, or agent of the bidder.
- (vi) Bid Deposits received by direct deposit or wire transfer will be returned to the account that submitted the Bid Deposit.

(b) Work Deposit

- (i) The successful bidder will be required to post security for the performance of work. The amount of the required security will be 25% of its Work Expenditure Bid. The successful bidder must post this Work Deposit within thirty (30) days of being notified that its bid was successful, as a condition of issuance of the Exploration Licence.
- (ii) This Work Deposit is refundable to the extent of 25% of approved Allowable Expenditures, as more particularly described in the Form of Exploration Licence attached as [Appendix III](#).
- (iii) Work Deposits must be in Canadian funds and in the form of a promissory note or an irrevocable standby letter of credit payable on demand to the Receiver General for Canada or in the form of cash (certified cheque, bank draft, money order, or electronic funds transfer). A promissory note must be accompanied by a bank letter of guarantee which states the Bank's agreement to honour on presentment for payment. A bank letter of guarantee or irrevocable standby letter of credit must be issued by a bank found in Schedule I or II of the [Bank Act \(S.C. 1991, c. 46\)](#). The form of the promissory note and bank letter of guarantee, or the irrevocable standby letter of credit, must be acceptable to the CNSOER. An acceptable form of a promissory note and bank letter of guarantee and of an irrevocable standby letter of credit, are attached as [Appendix V](#).
- (iv) Parties submitting a joint bid may post separate securities representing each party's proportionate share of the required Work Deposit. However, the CNSOER will only deal with the representative designated in the bid. The failure of any party to submit its share of the Work Deposit will be considered the failure of all parties participating in the joint bid.

2.8 Identification of Bidders

- (a) Bids must identify the parties making the bid and their participating shares. Under the *Accord Acts*, the Exploration Licence is issued to the person who submits the winning bid. Therefore, agents should identify the principals for whom they act and their participating shares. The CNSOER will publicly announce the identity of the successful bidder and the amount of the winning bid.
- (b) The identities of unsuccessful bidders and the amounts of their bids will not be disclosed.

2.9 Environmental Studies Research Fund

- (a) Upon issuance of the Exploration Licence, the successful bidder must pay Environmental Studies Research Fund (ESRF) levies under Part VII of the [*Canada Petroleum Resources Act, R.S.C. 1985, c. 36 \(2nd Supp.\)*](#), for the year in which the Exploration Licence is issued and retroactive levies for the two (2) preceding years. Thereafter, ESRF levies, as fixed from time to time by the federal Minister of Energy and Natural Resources, will be payable unless the Interest Owner surrenders the Exploration Licence prior to the payment due date.
- (b) ESRF matters are not administered by the CNSOER and are the responsibility of the federal Minister of Energy and Natural Resources. ESRF levies are determined by multiplying the number of hectares of land included in the licence by the ESRF rate for the applicable region. Rates are provided on the [ESRF website](#).

Parcel #	Hectares	
	Region 12	Region 14
1	-	345,050
2	-	319,512
3	-	254,373
4	27,008	327,197
5	-	254,966
6	-	321,168
7	55,703	226,060
8	-	283,643
9	149,224	4,103
10	181,604	-
11	107,211	-
12	281,444	-
13	169,508	-

2.10 Canada-Nova Scotia Benefits Plan

The *Accord Acts* requires that a Canada-Nova Scotia Benefits Plan must be submitted to, and approved by, the CNSOER prior to the approval of any development plan, or the authorization of any other work or activity in the Canada-Nova Scotia offshore area. Canada-Nova Scotia Benefits Plan Guidelines can be found on the [CNSOER website](#).

2.11 Activity Authorization and Environmental Considerations

- (a) In accordance with the *Accord Acts*, prior to the authorization of any petroleum related activities on the Lands the operator must demonstrate, to the satisfaction of the CNSOER, that such activities can be conducted in an environmentally safe manner. Special precautions, such as enhanced environmental assessments, more stringent mitigation measures and environmental effects monitoring may be required in some cases.
- (b) Before carrying out any work or activity in the offshore area, an operator must first obtain an Operating Licence.
- (c) No activities related to the exploration for, development of, or transportation of petroleum on the Lands can be conducted without a specific authorization issued by the CNSOER. Operators are required to meet certain regulatory requirements before the CNSOER can approve offshore petroleum related activities. The regulatory framework which governs offshore petroleum operations consists of the *Accord Acts*, its regulations, and CNSOER guidelines and policies.

2.12 Information

Geological, geophysical and well information is available with respect to the Lands and the surrounding area on the [CNSOER website](#), and on the CNSOER [Data Management Centre](#). Requests for information may also be directed to:

Canada-Nova Scotia Offshore Energy Regulator
201 Brownlow Avenue, Suite 27
Dartmouth, Nova Scotia B3B 1W2
Canada
Tel. (902) 422-5588
Fax (902) 422-1799
info@cnsouer.ca

(a) Any other inquiries regarding this Call for Bids may be directed to:

Director, Resources & Rights
Canada-Nova Scotia Offshore Energy Regulator
201 Brownlow Avenue, Suite 27
Dartmouth, Nova Scotia B3B 1W2
Canada
Tel. (902) 422-5588
Fax (902) 422-1799
callforbids@cnsor.ca

2.13 Non-Compliance

Except as otherwise expressly stated, failure to comply with the Call for Bids or any term or condition of the Exploration Licence or resulting Significant Discovery Licence or Production Licence may result in cancellation of the respective Licence.

DATED at Dartmouth, Nova Scotia this May 27, 2025.

CANADA-NOVA SCOTIA OFFSHORE
ENERGY REGULATOR

Christine Bonnell-Eisnor, P.Eng., ICD.D
Chief Executive Officer

APPENDIX I

PETROLEUM-RELATED CALL FOR BIDS NS25-1P the “LANDS”

LAND PARCEL NO. 1 – All petroleum substances in all geological formations

Grid (NAD 27)	Hectares (ha)	Sections
42°20' N 61°00' W	3,048	87-90, 97-100
42°20' N 61°15' W	24,408	7-10, 17-20, 27-30, 37-40, 43-50, 53-60, 63-70, 73-80, 83-90, 93-100
42°20' N 61°30' W	30,520	3-10, 13-20, 23-30, 33-40, 43-50, 53-60, 63-70, 73-80, 83-90, 93-100
42°20' N 61°45' W	15,260	3-10, 13-20, 23-30, 33-40, 43-50
42°30' N 61°00' W	7,614	81-100
42°30' N 61°15' W	38,070	1-100
42°30' N 61°30' W	38,070	1-100
42°30' N 61°45' W	19,035	1-50
42°40' N 61°15' W	26,579	31-100
42°40' N 61°30' W	37,970	1-100
42°40' N 61°45' W	18,985	1-50
42°50' N 61°15' W	26,509	31-100
42°50' N 61°30' W	16,676	1-6, 11-16, 21-26, 31-36, 41-46, 51-56, 61, 62, 71, 72, 81, 82, 91, 92
42°50' N 61°45' W	3,790	1, 2, 11, 12, 21, 22, 31, 32, 41, 42
43°00' N 61°00' W	6,040	83-90, 93-100
43°00' N 61°15' W	29,837	3-10, 13-20, 23-57, 61-67, 71-77, 81-87, 91-97
43°10' N 61°00' W	754	81, 91
43°10' N 61°15' W	1,885	1, 11, 21, 31, 41
Total Hectares	(Approximate)	345,050 ha

LAND PARCEL NO. 2 – All petroleum substances in all geological formations

Grid (NAD 27)	Hectares (ha)	Sections
42°30' N 60°30' W	11,400	8-10, 18-20, 28-30, 38-40, 48-50, 58-60, 68-70, 78-80, 88-90, 98-100
42°30' N 60°45' W	25,116	8-10, 14-20, 24-30, 34-40, 44-50, 54-60, 64-70, 74-80, 84-90, 94-100
42°30' N 61°00' W	30,456	1-80
42°40' N 60°30' W	37,970	1-100
42°40' N 60°45' W	37,970	1-100
42°40' N 61°00' W	37,970	1-100
42°40' N 61°15' W	11,391	1-30
42°50' N 60°15' W	2,268	88-90, 98-100
42°50' N 60°30' W	35,602	1-78, 81-88, 91-98
42°50' N 60°45' W	30,310	1-8, 11-18, 21-28, 31-38, 41-48, 51-58, 61-68, 71-78, 81-88, 91-98
42°50' N 61°00' W	37,870	1-100
42°50' N 61°15' W	11,361	1-30
43°00' N 61°00' W	7,560	1, 2, 11, 12, 21, 22, 31, 32, 41, 42, 51, 52, 61, 62, 71, 72, 81, 82, 91, 92
43°00' N 61°15' W	2,268	1, 2, 11, 12, 21, 22
Total Hectares (Approximate)		319,512 ha

LAND PARCEL NO. 3 – All petroleum substances in all geological formations.

Grid (NAD 27)	Hectares (ha)	Sections
42°30' N 60°00' W	4,560	49, 50, 59, 60, 69, 70, 79, 80, 89, 90, 99, 100
42°30' N 60°15' W	7,600	9, 10, 19, 20, 29, 30, 39, 40, 49, 50, 59, 60, 69, 70, 79, 80, 89, 90, 99, 100
42°40' N 59°30' W	5,691	76-80, 86-90, 96-100
42°40' N 59°45' W	18,970	6-10, 16-20, 26-30, 36-40, 46-50, 56-60, 66-70, 76-80, 86-90, 96-100
42°40' N 60°00' W	30,370	6-10, 16-20, 26-30, 36-100
42°40' N 60°15' W	37,970	1-100
42°50' N 59°30' W	37,870	1-100
42°50' N 59°45' W	37,870	1-100
42°50' N 60°00' W	37,870	1-100
42°50' N 60°15' W	35,602	1-87, 91-97
Total Hectares (Approximate)		254,373 ha

LAND PARCEL NO. 4 – All petroleum substances in all geological formations.

Grid (NAD 27)	Hectares (ha)	Sections
42°50' N 60°30' W	2,268	79, 80, 89, 90, 99, 100
42°50' N 60°45' W	7,560	9, 10, 19, 20, 29, 30, 39, 40, 49, 50, 59, 60, 69, 70, 79, 80, 89, 90, 99, 100
43°00' N 60°30' W	37,760	1-100
43°00' N 60°45' W	37,760	1-100
43°00' N 61°00' W	24,160	3-10, 13-20, 23-30, 33-40, 43-50, 53-60, 63-70, 73-80
43°10' N 60°15' W	5,264	39, 40, 49, 50, 59, 60, 69, 70, 79, 80, 89, 90, 99, 100
43°10' N 60°30' W	37,660	1-100
43°10' N 60°45' W	33,898	1-85, 91-95
43°10' N 61°00' W	15,120	1-5, 11-15, 21-25, 31-35, 41-45, 51-55, 61-65, 71-75
43°20' N 60°00' W	6,008	83-90, 93-100
43°20' N 60°15' W	34,176	3-10, 13-20, 23-100
43°20' N 60°30' W	37,560	1-100
43°20' N 60°45' W	30,048	1-80
43°30' N 60°00' W	3,750	81-85, 91-95
43°30' N 60°15' W	18,750	1-5, 11-15, 21-25, 31-35, 41-45, 51-55, 61-65, 71-75, 81-85, 91-95
43°30' N 60°30' W	15,375	1-5, 11-15, 21-25, 31-35, 41-45, 51-55, 61-65, 71, 72, 81, 82, 91, 92
43°30' N 60°45' W	6,000	1, 2, 11, 12, 21, 22, 31, 32, 41, 42, 51, 52, 61, 62, 71, 72
Total Hectares (Approximate)		354,205 ha

LAND PARCEL NO. 5 – All petroleum substances in all geological formations.

Grid (NAD 27)	Hectares (ha)	Sections
43°00' N 59°30' W	7,552	81-100
43°00' N 59°45' W	37,760	1-100
43°00' N 60°00' W	37,760	1-100
43°00' N 60°15' W	37,760	1-100
43°10' N 59°30' W	7,532	81-100
43°10' N 59°45' W	37,660	1-100
43°10' N 60°00' W	37,660	1-100
43°10' N 60°15' W	32,482	1-38, 41-48, 51-58, 61-68, 71-78, 81-88, 91-98
43°20' N 59°30' W	1,504	81, 82, 91, 92
43°20' N 59°45' W	7,520	1, 2, 11, 12, 21, 22, 31, 32, 41, 42, 51, 52, 61, 62, 71, 72, 81, 82, 91, 92
43°20' N 60°00' W	7,520	1, 2, 11, 12, 21, 22, 31, 32, 41, 42, 51, 52, 61, 62, 71, 72, 81, 82, 91, 92
43°20' N 60°15' W	2,256	1, 2, 11, 12, 21, 22
Total Hectares (Approximate)	254,966 ha	

LAND PARCEL NO. 6 – All petroleum substances in all geological formations.

Grid (NAD 27)	Hectares (ha)	Sections
43°00' N 58°45' W	33,224	7-10, 17-100
43°00' N 59°00' W	37,760	1-100
43°00' N 59°15' W	37,760	1-100
43°00' N 59°30' W	30,208	1-80
43°10' N 58°30' W	7,524	66-70, 76-80, 86-90, 96-100
43°10' N 58°45' W	37,660	1-100
43°10' N 59°00' W	37,660	1-100
43°10' N 59°15' W	37,660	1-100
43°10' N 59°30' W	30,128	1-80
43°20' N 58°30' W	3,008	61, 62, 71, 72, 81, 82, 91, 92
43°20' N 58°45' W	7,520	1, 2, 11, 12, 21, 22, 31, 32, 41, 42, 51, 52, 61, 62, 71, 72, 81, 82, 91, 92
43°20' N 59°00' W	7,520	1, 2, 11, 12, 21, 22, 31, 32, 41, 42, 51, 52, 61, 62, 71, 72, 81, 82, 91, 92
43°20' N 59°15' W	7,520	1, 2, 11, 12, 21, 22, 31, 32, 41, 42, 51, 52, 61, 62, 71, 72, 81, 82, 91, 92
43°20' N 59°30' W	6,016	1, 2, 11, 12, 21, 22, 31, 32, 41, 42, 51, 52, 61, 62, 71, 72
Total Hectares (Approximate)		321,168 ha

LAND PARCEL NO. 7 – All petroleum substances in all geological formations.

Grid (NAD 27)	Hectares (ha)	Sections
43°20' N 59°15' W	9,012	73-80, 83-90, 93-100
43°20' N 59°30' W	30,040	3-10, 13-20, 23-30, 33-40, 43-50, 53-60, 63-70, 73-80, 83-90, 93-100
43°20' N 59°45' W	30,040	3-10, 13-20, 23-30, 33-40, 43-50, 53-60, 63-70, 73-80, 83-90, 93-100
43°20' N 60°00' W	24,032	3-10, 13-20, 23-30, 33-40, 43-50, 53-60, 63-70, 73-80
43°30' N 59°15' W	11,238	71-100
43°30' N 59°30' W	37,460	1-100
43°30' N 59°45' W	37,460	1-100
43°30' N 60°00' W	28,472	1-49, 51-59, 61-69, 71-79
43°40' N 59°15' W	13,078	71-100
43°40' N 59°30' W	33,257	1-68, 71-77, 81-87, 91-97
43°40' N 59°45' W	20,194	1-7, 11-17, 21-25, 31-35, 41-45, 51-55, 61-65, 71-75, 81-85, 91-95
43°40' N 60°00' W	7,480	1-5, 11-15, 21-25, 31-35
Total Hectares	(Approximate)	281,763 ha

LAND PARCEL NO. 8 – All petroleum substances in all geological formations.

Grid (NAD 27)	Hectares (ha)	Sections
43°20' N 58°30' W	21,028	63-70, 73-80, 83-90, 93-100
43°20' N 58°45' W	30,040	3-10, 13-20, 23-30, 33-40, 43-50, 53-60, 63-70, 73-80, 83-90, 93-100
43°20' N 59°00' W	30,040	3-10, 13-20, 23-30, 33-40, 43-50, 53-60, 63-70, 73-80, 83-90, 93-100
43°20' N 59°15' W	12,016	3-10, 13-20, 23-30, 33-40, 43-50, 53-60, 63-70
43°30' N 58°30' W	26,222	61-100
43°30' N 58°45' W	37,460	1-100
43°30' N 59°00' W	37,460	1-100
43°30' N 59°15' W	14,984	1-70
43°40' N 58°30' W	23,541	61-65, 71-75, 81-85, 91-95
43°40' N 58°45' W	24,672	1-5, 11-15, 21-25, 31-35, 41-45, 51-55, 61-65, 71-75, 81-85, 91-95
43°40' N 59°00' W	18,700	1-5, 11-15, 21-25, 31-35, 41-45, 51-55, 61-69, 71-79, 81-89, 91-99
43°40' N 59°15' W	7,480	1-9, 11-19, 21-29, 31-39, 41-49, 51-59, 61-69
Total Hectares (Approximate)		283,643 ha

LAND PARCEL NO. 9 – All petroleum substances in all geological formations.

Grid (NAD 27)	Hectares (ha)	Sections
43°40' N 59°00' W	1,492	70, 80, 90, 100
43°40' N 59°15' W	2,611	10, 20, 30, 40, 50, 60, 70
43°50' N 59°00' W	14,904	61-100
43°50' N 59°15' W	37,260	1-100
43°50' N 59°30' W	24,590	1-50, 53-60, 63-70
44°00' N 59°00' W	10,782	61-65, 71-77, 81-88, 91-99
44°00' N 59°15' W	37,160	1-100
44°00' N 59°30' W	20,447	1-18, 21-28, 31-38, 41-47, 51-57, 61-67
44°10' N 59°15' W	3,710	1, 11, 21, 31, 41, 51, 61, 71, 81, 91
44°10' N 59°30' W	371	1
Total Hectares	(Approximate)	153,327 ha

LAND PARCEL NO. 10 – All petroleum substances in all geological formations.

Grid (NAD 27)	Hectares (ha)	Sections
44°00' N 59°45' W	371	100
44°00' N 60°00' W	371	10
44°10' N 59°15' W	18,157	12, 22-24, 32-35, 42-46, 52-60, 62-70, 72-80, 84, 88-90, 92, 93, 98-100
44°10' N 59°30' W	22,601	2-4, 8-10, 12-14, 18-20, 22-24, 28-30, 32, 33, 41-43, 45-47, 51-57, 61, 64-67, 74-80, 83-90, 93-100
44°10' N 59°45' W	31,485	3-10, 13-20, 23-30, 33-40, 43-50, 53-60, 63-70, 72-100
44°10' N 60°00' W	3,705	1-10
44°20' N 59°15' W	14,047	51-56, 61-66, 71-76, 81-100
44°20' N 59°30' W	32,510	1-40, 42-50, 53-60, 64-70, 74-80, 84-100
44°20' N 59°45' W	33,998	1-86, 91-96
44°20' N 60°00' W	2,219	1-6
44°30' N 59°15' W	2,952	81-84, 91-94
44°30' N 59°30' W	14,760	1-4, 11-14, 21-24, 31-34, 41-44, 51-54, 61-64, 71-74, 81-84, 91-94
44°30' N 59°45' W	4,428	1-4, 11-14, 21-24
Total Hectares (Approximate)		181,604 ha

LAND PARCEL NO. 11 – All petroleum substances in all geological formations.

Grid (NAD 27)	Hectares (ha)	Sections
43°40' N 59°45' W	16,420	8-10, 18-20, 26-30, 36-39, 46-49, 56-60, 66-70, 76-80, 86-90, 96-100
43°40' N 60°00' W	1,866	6-10
43°50' N 59°30' W	9,313	73-80, 83-90, 92-100
43°50' N 59°45' W	32,046	1-10, 13-20, 22-68, 73-78, 82-88, 91-98
43°50' N 60°00' W	3,726	1-10
44°00' N 59°30' W	10,035	71-78, 81-99
44°00' N 59°45' W	30,470	1-9, 11-19, 21-32, 35-42, 45-60, 64-69, 74-79, 83-89, 91-99
44°00' N 60°00' W	3,335	1-9
Total Hectares	(Approximate)	107,211 ha

LAND PARCEL NO. 12 – All petroleum substances in all geological formations.

Grid (NAD 27)	Hectares (ha)	Sections
43°30' N 60°00' W	4,864	50, 60, 70, 80, 86-90, 96-100
43°30' N 60°15' W	18,710	6-10, 16-20, 26-30, 36-40, 46-50, 56-60, 66-70, 76-80, 86-90, 96-100
43°30' N 60°30' W	1,871	6-10
43°40' N 60°00' W	22,046	16-20, 26-30, 36, 37, 41-46, 51-57, 61-67, 71-77, 81-100
43°40' N 60°15' W	37,360	1-100
43°40' N 60°30' W	3,736	1-10
43°50' N 60°00' W	29,058	11-72, 77-82, 87-92, 97-100
43°50' N 60°15' W	36,141	1, 2, 6-100
43°50' N 60°30' W	3,726	1-10
44°00' N 60°00' W	30,474	11-46, 50-56, 60-62, 64-91, 93-100
44°00' N 60°15' W	30,479	1, 2, 6-57, 61-67, 71-77, 81-87, 91-97
44°00' N 60°30' W	2,603	1-7
44°10' N 60°00' W	32,605	11-89, 91-99
44°10' N 60°15' W	16,675	1-9, 11-19, 21-29, 31-39, 41-49
44°20' N 60°00' W	11,096	11-16, 21-26, 31-36, 41-46, 51, 52, 61, 62, 71, 72
Total Hectares (Approximate)		281,444 ha

LAND PARCEL NO. 13 – All petroleum substances in all geological formations.

Grid (NAD 27)	Hectares (ha)	Sections
43°30' N 60°30' W	20,214	16-20, 26-30, 36-40, 46-50, 56-60, 66-70, 73-80, 83-90, 93-100
43°30' N 60°45' W	23,968	3-10, 13-20, 23-30, 33-40, 43-50, 53-60, 63-70, 73-80
43°40' N 60°30' W	25,031	11-36, 38-45, 49-54, 59-63, 69-73, 78-83, 88-94, 97-100
43°40' N 60°45' W	29,888	1-80
43°50' N 60°30' W	29,070	11-49, 51-59, 61-68, 71-78, 81-88, 91-96
43°50' N 60°45' W	25,713	1-5, 11-14, 21-80
44°00' N 60°30' W	8,928	11-13, 21-23, 31, 53, 62, 63, 72, 73, 81-83, 91-93
44°00' N 60°45' W	6,696	1-3, 11-13, 21-23, 31-33, 41-43, 51-53, 61-63, 71-73
Total Hectares	(Approximate)	169,508 ha

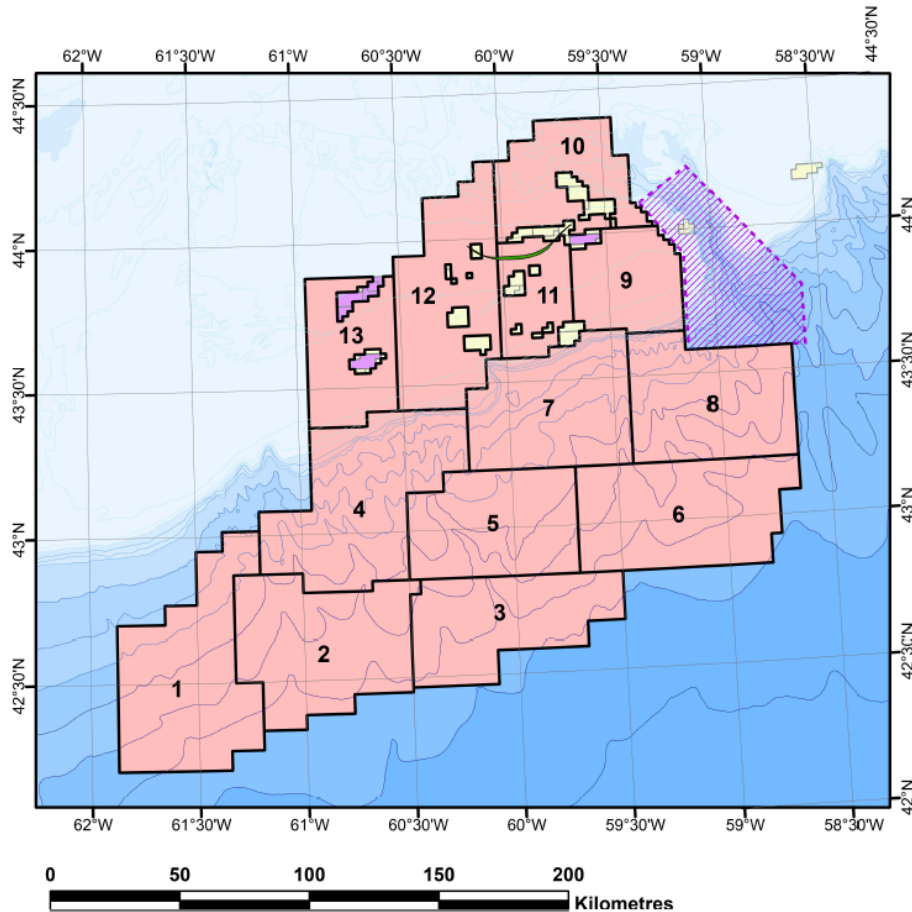
Graphical Representation Only

CALL FOR BIDS NS25-1P PARCELS



**Canada-Nova Scotia
Offshore Energy Regulator**
201 Brownlow Avenue, Unit 27
Dartmouth, Nova Scotia
B3B 1W2
902-422-5588

www.cnsoer.ca



- Call for Bids NS25-1P Parcels
- Sable Island
- Gully Marine Protected Area
- Significant Discovery Licences
- Production Licences

Water Depth (approximate)

- Parcel 1: ~1000 m to ~3,800 m
- Parcel 2: ~1950 m to ~3,700 m
- Parcel 3: ~2800 m to ~4,100 m
- Parcel 4: ~100 m to ~3,000 m
- Parcel 5: ~1950 m to ~3,300 m
- Parcel 6: ~2500 m to ~4000 m
- Parcel 7: ~150 m to ~3100 m
- Parcel 8: ~250 m to ~3500 m
- Parcel 9: ~20 m to ~800 m
- Parcel 10: ~10 m to ~250 m
- Parcel 11: ~0 m to ~400 m
- Parcel 12: ~0 m to ~500 m
- Parcel 13: ~40 m to ~ 400 m

Hectarage (approximate)

- | | |
|----------------------|-----------------------|
| Parcel 1: 345,050ha | Parcel 8: 283,643 ha |
| Parcel 2: 319,512ha | Parcel 9: 153,327 ha |
| Parcel 3: 254,373 ha | Parcel 10: 181,604 ha |
| Parcel 4: 353,117 ha | Parcel 11: 107,211 ha |
| Parcel 5: 254,966 ha | Parcel 12: 281,444 ha |
| Parcel 6: 321,168 ha | Parcel 13: 169,508 ha |
| Parcel 7: 281,763 ha | |

Total Area (approximate): 3,306,686 ha

APPENDIX II: PETROLEUM-RELATED CALL FOR BIDS NS25-1P BID RESPONSE FORM

LAND PARCEL # _____

To: The Canada-Nova Scotia Offshore Energy Regulator

The undersigned, on behalf of itself and the other bidders noted below, hereby submits a Work Expenditure Bid for land **Parcel # _____** in response to Call for Bids NS25-1P in the amount of:

\$ _____ (\$CAD).

This Bid is made on behalf of the bidder(s) noted below:

<i>Full legal name of bidder(s)</i>	<i>Mailing address and street address (if different)</i>	<i>Share (%)</i>

Pursuant to Paragraph 2.3 (a) (i) of Call for Bids NS25-1P, all bidders are required to submit one of the following with this form:

- (a) The bidder's most recent audited financial statements;
- (b) A letter from a financial institution confirming the balance of all accounts held by the bidder.

Pursuant to Paragraph 2.3 (a) (ii) of Call for Bids NS25-1P, all companies bidding are additionally required to submit the following with this form:

- (a) The bidder's most recent annual report, or equivalent documentation;
- (b) a Certificate of Existence, Certificate of Compliance, Certificate of Good Standing, or equivalent documentation;
- (c) documentation that summarizes the bidder's ownership and management structure.

Furthermore, the undersigned attests that the information in these documents is, to the best of their knowledge, true, accurate and complete.

The undersigned represents that it has the authority to act for and bind the other bidders as their agent in making this Bid, and as such agrees on behalf of itself and the other bidders that the terms and conditions contained in the form of Exploration Licence and Significant Discovery Licence attached to the Call for Bids will apply if this Bid is successful. The bidders appoint:

(insert company name of representative)

as their representative for all purposes of Part II of the *Accord Acts* and acknowledge that all further communications related to this Bid or any resulting Licence will be exclusively with such representative. A **Bid Deposit in the amount of \$10,000.00 (CAD)** is submitted with this Bid.

Representative Information:

Contact Name: _____

Contact Title: _____

Phone Number: _____

Email: _____

Company Website
(if available) _____

DATED this _____ day of _____, 202_

By: _____
(Name)

(Signature)

(Title)

APPENDIX III
PETROLEUM-RELATED CALL FOR BIDS NS25-1P

FORM OF EXPLORATION LICENCE

EXPLORATION LICENCE _____

The Canada-Nova Scotia Offshore Energy Regulator (CNSOER) hereby issues this Exploration Licence (the Licence) to the interest holders set out in Schedule A, in the respective shares set out opposite the name of each interest holder. This Licence is issued pursuant to the [Canada-Nova Scotia Offshore Petroleum Resources Accord Implementation and Offshore Renewable Energy Management Act, S.C. 1988, c. 28](#), as amended, and the [Canada-Nova Scotia Offshore Petroleum Resources Accord Implementation and Offshore Renewable Energy Management \(Nova Scotia\) Act, S.N.S. 1987, c. 3](#), as amended (the *Accord Acts*) and shall be subject to the following terms and conditions:

1. INTERPRETATION

Any words or phrases defined in the *Accord Acts* shall have the same meanings in this Licence unless the context otherwise requires.

2. RIGHTS AND LANDS

This Licence confers the rights attaching to Exploration Licences under the *Accord Acts* with respect to those portions of the offshore area described in Schedule A (the Lands).

For greater certainty, this Licence does not authorize the Interest Owner to conduct offshore renewable energy-related work or activities in the Offshore Area.

This Licence does not preclude the issuance of a Submerged Land Licence (SLL) for offshore renewable energy in the same portion of the Offshore Area, so long as it does not unreasonably interfere with the rights conferred in this Licence.

3. TERM

- (a) The effective date of this Licence is August 6, 2026¹.
- (b) Subject to paragraph 3(j) below, the term of this Licence is nine (9) years, consisting of two (2) consecutive periods referred to as Period 1 and Period 2.

¹ This date is subject to the approval of the Fundamental Decisions.

- (c) Period 1 is a period of six (6) years commencing on the effective date of this Licence. Period 1 may be extended pursuant to section 5.
- (d) No extension to Period 1 will be granted if there are unpaid Environmental Studies Research Fund (ESRF) levies.
- (e) In order to validate this Licence for Period 2, the drilling of a validation well must be commenced within Period 1 and diligently pursued to termination in accordance with good oilfield practice. Failure to fulfill this drilling requirement will result in the expiration of this Licence at the end of Period 1.
- (f) The geological objectives of the validation well are determined by the Interest Owner and declared to the CNSOER prior to the commencement of the well.
- (g) If the drilling of a validation well has been commenced during Period 1 and continues beyond the scheduled expiry of Period 1, Period 1 will be further extended for so long as the drilling of that well is being pursued diligently.
- (h) Period 2 immediately follows Period 1 and consists of the balance of the nine (9) year term of this Licence.
- (i) Upon the expiration of Period 2 this Licence shall terminate and all Lands shall revert to the Crown except those which have been converted to a Significant Discovery Licence or a Production Licence.
- (j) If a well has been commenced before the expiration of this Licence, this Licence will continue in force while the drilling of that well is being pursued diligently and for so long thereafter as may be necessary to determine the existence of a significant discovery based on the results of that well.

4. WORK DEPOSIT

- (a) As a condition of the issuance of this Licence, the Interest Owner has posted security with the CNSOER for the performance of work in the amount of 25% of its Work Expenditure Bid as set out in Schedule A (the Work Deposit). No interest will be paid on the Work Deposit.
- (b) This Work Expenditure Bid is based on the amount of money proposed to be expended on the exploration of the Lands within Period 1 of the term of this Licence, determined in accordance with the Schedule of Exploration Licence Allowable Expenditures as defined in Schedule B.

- (c) This Work Deposit is refundable to the extent of 25% of approved Allowable Expenditures, as defined in Schedule B.
- (d) Approved Allowable Expenditures incurred up to three (3) years prior to the effective date of this Licence will be credited at a rate of 300%.
- (e) With the exception of Allowable Expenditures for E&T/R&D and the drilling of wells, all approved Allowable Expenditures incurred in Period 1 of this Licence will be credited at a rate of 200%.
- (f) During Period 1 of this Licence, Allowable Expenditures for the drilling of wells will be credited at a rate of:
 - (i) 200% for the first well
 - (ii) 300% for the second well
 - (iii) 400% for the third or additional wells.
- (g) In accordance with section 3(e) of Schedule B (Exploration Licence Allowable Expenditures), the first \$5,000,000.00 (CAD) of approved Allowable Expenditures for E&T/R&D incurred in Period 1 of this Licence will be credited at a rate of 400%. Any remaining approved Allowable Expenditures for E&T/R&D above \$5,000,000.00 (CAD) incurred in Period 1 of this Licence will be credited at a rate of 100%.
- (h) Allowable Expenditures that are expended in Period 2 shall not be credited against the Work Deposit.
- (i) The Interest Owner is not obligated to perform work in the full dollar value of the Work Expenditure Bid under this Licence. However, if the Interest Owner does not perform work in the full amount of its Work Expenditure Bid, the unrefunded balance of the Work Deposit will be forfeited to the Receiver General for Canada upon the expiry, surrender or cancellation of Period 1.

5. DRILLING DEPOSIT

- (a) An Interest Owner may, at its option, extend Period 1 by up to three one (1) year extensions by posting with the CNSOER before the scheduled expiry of Period 1, escalating Drilling Deposits as noted in the following table (each one (1) year extension is a separate "Drilling Deposit").

- (b) The Drilling Deposit shall be in the amount as follows:

Period 1 Extension	Drilling Deposit
Year 7	\$1,000,000.00
Year 8	\$2,000,000.00
Year 9	\$3,000,000.00

- (c) The Drilling Deposit shall be in a form acceptable to the CNSOER. No interest will be paid on the Drilling Deposit.
- (d) When a Drilling Deposit is posted, the expiry date of the Work Deposit is required to be extended to 180 days after the new expiry date of Period 1 (the Extension). The Work Deposit, in the amount as reduced by any approved Allowable Expenditures and reflecting the Extension, is required to be submitted to the CNSOER before the commencement of the Extension to Period 1.
- (e) When the drilling of a validation well has commenced within an Extension year of Period 1 (Year 7, 8, or 9) of this Licence, the respective Drilling Deposit will be refunded in full if this Licence is validated for Period 2 by the drilling of a validation well.
- (f) If a validation well is not drilled within an Extension year of Period 1 (Years 7, 8 or 9), the respective Drilling Deposit will be forfeited to the Receiver General for Canada upon the expiry, surrender or cancellation of that particular Extension to Period 1.
- (g) Allowable Expenditures cannot be applied against the Drilling Deposit.

6. RENTALS

- (a) No Rentals are payable in respect of Period 1.
- (b) Refundable Rentals are payable during each year of Period 2 at the following rates:

Year	Amount per Hectare
7	\$2.50 (CAD)
8	\$5.00 (CAD)
9	\$7.50 (CAD)

- (c) For great certainty, Rentals shall be calculated on the basis on the total hectarage of Lands held as part of this Licence as of the anniversary date.

- (d) Rentals are payable annually, in advance, and should be paid by electronic funds transfer, money order, certified cheque, or bank draft payable to the Receiver General for Canada. Failure to pay Rentals within ninety (90) days of notice of default will result in expiry of this Licence.
- (e) When Period 1 is extended beyond its expiry date due to the drilling of a well, the first year of Period 2 will be a partial year ending the day before the next anniversary date of this Licence. Rentals for the first year of Period 2 shall nevertheless be payable at the full annual rate and shall be paid in advance at the commencement of Period 2.
- (f) If this Licence continues in force beyond Period 2, Rentals will be payable at the rates applicable during the last year of Period 2.
- (g) Rentals will be refunded upon annual application to the CNSOER to the extent of approved Allowable Expenditures incurred during Period 2. Allowable Expenditures incurred in a particular year of Period 2 that are in excess of what is required to reduce Rentals to zero (0) in that year may be carried forward for the purpose of reducing Rentals payable in subsequent years of Period 2. Allowable Expenditures incurred in Period 1 after completion of the validation well may also be carried forward for this purpose into Period 2 to the extent that they have not been taken into account in refunding all or part of the Work Deposit.
- (h) Rentals are not refunded as a result of a cancellation, surrender or partial surrender of this Licence.

7. COST RECOVERY

The Interest Owner shall comply with the [Canada-Nova Scotia Offshore Petroleum Cost Recovery Regulations](#) and [Cost Recovery Guidelines](#).

8. ALLOWABLE EXPENDITURES

Allowable Expenditures shall be determined in accordance with Schedule B.

9. EXPLORATION PLAN

- (a) The Interest Representative must submit an Exploration Plan within ninety (90) days of the effective date of this Licence outlining the anticipated exploration of the Lands.
- (b) The Interest Representative must provide annual reports updating the Exploration Plan on the first anniversary of this Licence and each anniversary thereafter.

10. NON-COMPLIANCE

Except as otherwise expressly stated, failure to comply with any term or condition of this Licence may result in cancellation of this Licence.

11. INDEMNITY

- (a) Holders of shares in this Licence shall at all times jointly and severally indemnify the CNSOER and His Majesty the King in right of Canada and in right of the Province of Nova Scotia against:
 - (i) all actions, claims and demands that may be brought or made by any person by reason of anything done or omitted to be done under this Licence by, through or under the Interest Owner or an Interest Holder, in relation to those portions of the Lands with respect to which they hold shares; and
 - (ii) all costs that the CNSOER or His Majesty the King may incur in connection with any such action, claim or demand.
- (b) For purposes of this section, the expression "His Majesty the King" shall not include any Crown corporation.
- (c) This section 11 shall survive this Licence and will be included in any Significant Discovery Licences and Production Licences that may result from this Licence

12. LIABILITY

An Interest Holder shall be liable under the provisions of this Licence and the *Accord Acts*, for all claims, demands, loss, costs, damages, actions, suits or other proceedings in respect of any work or activity conducted, or caused to be conducted, by, through, or under, or with the consent of such interest holder. Any transfer, assignment, or other disposition of the interest, or of a share therein, shall not have the effect of discontinuing such liability in respect of such work or activity, related to the interest, or share therein, so disposed, that was conducted before that transfer, assignment, or other disposition was registered pursuant to the *Accord Acts*. For greater certainty, liability, as aforesaid, does not relate to any work or activity conducted after such party ceases to be an Interest Holder in this Licence.

13. SUCCESSORS AND ASSIGNS

Subject to sections 11 and 12, this Licence enures to the benefit of and is binding on the CNSOER and the Interest Owner and their respective heirs, administrators, successors and assigns.

14. SUBMISSION OF GEOSCIENCE DATA

Upon expiry, surrender or cancellation of this Licence, the Interest Owner shall, if it has not already done so, immediately submit to the CNSOER all geoscience data acquired with respect to the exploration of the Lands. This data will be subject to disclosure in accordance with the *Accord Acts* and the CNSOER's Data Disclosure Policy.

15. REPRESENTATIVE

Unless otherwise designated in the prescribed manner, the representative of the Interest Owner for all purposes of Part II of the *Accord Acts* shall be as specified in Schedule A.

16. NOTICES

Any notice to the Interest Owner or any Interest Holder required or permitted under the *Accord Acts* may be given by personal delivery, registered mail or courier to the representative of the Interest Owner at the address specified in Schedule A, or such other address as may be designated to the CNSOER by the representative from time to time, and shall be deemed to have been received by the representative at the time of delivery if personally delivered, or on the fifth day if sent by courier or registered mail.

17. CANADA-NOVA SCOTIA BENEFITS PLAN

The *Accord Acts* requires that a Canada-Nova Scotia Benefits Plan must be submitted to, and approved by, the CNSOER prior to the approval of any development plan, or the authorization of any other work or activity in the Canada-Nova Scotia offshore area. Canada-Nova Scotia Benefits Plan Guidelines can be found on the CNSOER website.

18. ACTIVITY AUTHORIZATION AND ENVIRONMENTAL CONSIDERATIONS

- (a) In accordance with the *Accord Acts*, prior to the authorization of any petroleum related activities on the Lands the operator must demonstrate, to the satisfaction of the CNSOER, that such activities can be conducted in an environmentally safe manner. Special precautions, such as enhanced environmental assessments, more stringent mitigation measures and environmental effects monitoring may be required in some cases.
- (b) Before carrying out any work or activity in the offshore area, an operator must first obtain an Operating Licence.

- (c) No activities related to the exploration for, development of or transportation of petroleum on the Lands can be conducted without a specific authorization issued by the CNSOER. Operators are required to meet certain regulatory requirements before the CNSOER can approve offshore petroleum related activities. The regulatory framework which governs offshore petroleum operations consists of the *Accord Acts*, its regulations, and CNSOER guidelines and policies.

19. TIME LIMITATIONS

- (a) In the event any Interest Holder wishes to submit an application for a Declaration of Significant Discovery (Application) pursuant to the *Accord Acts*, unless the CNSOER otherwise agrees in writing, such Application shall be submitted within six (6) months following the well termination date of the prospective discovery well, or six (6) months prior to the scheduled expiry date of this Licence, whichever occurs later.
- (b) Where any judicial review is explicitly stated to be available under any provision of the *Accord Acts* respecting any order, decision, or action by the CNSOER, any application for such a judicial review shall be made no later than thirty (30) days following the date upon which such order, decision or action is effective pursuant to the *Accord Acts*.

20. DEEMED AGREEMENT

The acceptance of this Licence by the Interest Owner shall be deemed to constitute agreement by the Interest Holders to the terms and conditions contained herein.

Please note two additional provisions will apply with respect to ELs for Parcels 10, 11, and 12 of Call for Bids NS25-1P:

21. SABLE ISLAND – DRILLING PROHIBITION

Drilling from the surface will not be permitted on Sable Island or within one (1) nautical mile seaward of the low water mark of Sable Island. All other activities within that area will require that the operator prepare a Code of Practice to ensure the protection of Sable Island.

22. SABLE ISLAND – CONDITION IN THE EVENT OF FUTURE DEVELOPMENT

(In accordance with a directive dated November 19, 1998 issued by the Premier of Nova Scotia and Minister responsible for the Accord Acts pursuant to subsection 41(2) of the Canada-Nova Scotia Offshore Petroleum Resources Accord Implementation and Offshore Renewable Energy Management (Nova Scotia) Act.)

If the Interest Owner or any Interest Holder of lands on or near Sable Island makes a discovery or discoveries within Sable Island and a Development Plan(s) is subsequently filed, the Development Plan(s) must, at a minimum, include:

- (a) a study that investigates and reports on the likelihood of subsidence of and around Sable Island;
- (b) the program to be developed and implemented to detect subsidence; and
- (c) if it is determined that subsidence may or has started to occur, the program that would be implemented to mitigate subsidence.

IN WITNESS WHEREOF the CNSOER has issued this Licence to be effective as of the August 6 , 2026².

CANADA-NOVA SCOTIA OFFSHORE
ENERGY REGULATOR

Chief Executive Officer

² This date is subject to the approval of the Fundamental Decisions.

SCHEDULE A – EL

LANDS

INTEREST HOLDERS

SHARE

Grid area ° ' N ° ' W
Sections

_____ %

All petroleum substances in all geological formations.

TOTAL AREA:	_____Hectares
WORK EXPENDITURE BID:	\$
WORK DEPOSIT:	\$
REPRESENTATIVE:	
ADDRESS FOR SERVICE:	

SCHEDULE B – EXPLORATION LICENCE

ALLOWABLE EXPENDITURES

1. The Interest Representative is encouraged to have any expenditure it would like to have considered as an Allowable Expenditure reviewed by the CNSOER, prior to the Interest Owner commencing the work.
2. (a) Work shall be carried out by a party at arm's length from the Interest Owner. In the event that costs incurred are non-arm's length from the Interest Owner, the lesser of cost or fair market value as established by an independent third party expert will be considered for Allowable Expenditures.
 - (b) The definition of "arm's length" is as defined in the [Income Tax Act R.S.C., 1985, c.1 \(5th Supp.\)](#).
 - (c) Each claim must be accompanied by a cost statement prepared and certified by a third-party auditor satisfactory to the CNSOER.
 - (d) Expenses related to the third-party audit referred to in paragraph 2(c) and/or the independent third party expert referred to in paragraph 2(a) are the responsibility of the Interest Owner and shall not be included as an Allowable Expenditure.
 - (e) The CNSOER shall approve the Terms of References/Scope of Work in relation to any audit to be performed in accordance with the requirements of this Schedule. The CNSOER reserves the right to conduct its own audit if for any reason it deems it necessary to do so.
3. The Allowable Expenditures shall be the total calculated expenditures on the Lands (i.e. monies actually spent) based upon the following rates:
 - (a) Drilling: At cost.
 - (b) Geophysical and Geotechnical surveys such as:
 - (i) 2-D, 3-D and Ocean Bottom Cable seismic: At cost.
 - (ii) Wellsite and seabed survey: At cost.
 - (iii) Resistivity or Controlled Source Electromagnetic (CSEM) surveys or any other survey of this type: At cost.

- (c) Environmental studies that are required to obtain an authorization for work or activity:
At cost.
 - (d) Other surveys/studies agreed to by the CNSOER: At an agreed rate.
 - (e) Education & Training and Research & Development (E&T/R&D): At cost, up to a maximum of 5% of the Work Expenditure Bid over the course of Period 1. Allowable Expenditures in this category must be consistent with E&T/R&D eligibility criteria under the [Canada-Nova Scotia Benefits Plan Guidelines](#).
4. Any expense which would otherwise be considered as an Allowable Expenditure, but was made up to three (3) years prior to the effective date of this Licence shall be considered for inclusion as an Allowable Expenditure for Period 1.
5. The Interest Representative may submit an application for credit against the Work Deposit or Rentals, as the case may be, in the form and manner required by the CNSOER. The following conditions shall apply to such application:
- (a) Applications for credit against the Work Deposit must be received by the CNSOER no later than thirty (30) days following the end of Period 1.
 - (b) Applications for credit against Rentals must be received annually by the CNSOER no later than thirty (30) days following the anniversary date of this Licence in Period 2;
 - (c) Applications for credit against the Work Deposit or Rentals must be received by the CNSOER no later than thirty (30) days following the expiry, surrender or cancellation of this Licence; and
 - (d) Failure to submit such applications within the appropriate time referred to above shall mean that no Allowable Expenditures were incurred for that period.

APPENDIX IV

PETROLEUM-RELATED CALL FOR BIDS NS25-1P

FORM OF SIGNIFICANT DISCOVERY LICENCE

SIGNIFICANT DISCOVERY LICENCE_____

THIS LICENCE is effective as of the _____ day of _____, 20____.

ISSUED BY The Canada-Nova Scotia Offshore Energy Regulator ("CNSOER").

TO THE INTEREST OWNER

WHEREAS the CNSOER is empowered pursuant to the *Accord Acts* to issue a Significant Discovery Licence (hereinafter called the "Licence") related to the Lands described in Schedule A of this Licence;

AND WHEREAS the CNSOER selected the bid submitted by _____ as the winning bid in respect of the Call for Bids NS25-1P, Parcel No. _____;

AND WHEREAS _____, in submitting such a bid agreed to the terms and conditions of this Licence;

NOW THEREFORE this Licence is issued upon the following **terms and conditions**:

1. INTERPRETATION

In this Licence, including all Schedules annexed hereto, unless the context requires otherwise;

- (a) "**Accord Acts**" means the [*Canada-Nova Scotia Offshore Petroleum Resources Accord Implementation and Offshore Renewable Energy Management Act, S.C. 1988, c. 28*](#), as amended, and the [*Canada-Nova Scotia Offshore Petroleum Resources Accord Implementation and Offshore Renewable Energy Management \(Nova Scotia\) Act, S.N.S. 1987, c. 3*](#), as amended and regulations thereto and any Acts or regulations made in substitution therefore;

- (b) Any words or phrases defined in the *Accord Acts* shall have the same meanings in this Licence unless the context otherwise requires.

2. RIGHTS

This Licence confers the rights and obligations attaching to a Significant Discovery Licence pursuant to the *Accord Acts*, at the time of issuance of the Significant Discovery Licence, with respect to those Lands described in Schedule A.

For greater certainty, this Licence does not authorize the Interest Owner to conduct offshore renewable energy-related work or activities in the Offshore Area.

This Licence does not preclude the issuance of a Submerged Land Licence (SLL) for offshore renewable energy in the same portion of the Offshore Area, so long as it does not unreasonably interfere with the rights conferred in this Licence.

3. TERM

- (a) The effective date of this Licence is [DATE].
- (b) Subject to paragraph 3(d) below, the term of this Licence is twenty-five (25) years.
- (c) Upon the expiration of the twenty-five year term, this Licence shall terminate and all Lands shall revert to the Crown except those which have been converted to a Production Licence.
- (d) If the Interest Owner makes an application for the declaration of commercial discovery or for the issuance of a Production Licence, the term of this Licence is extended until the CNSOER makes a decision respecting that application. This extension remains in force after the CNSOER makes a declaration of commercial discovery but may be cancelled if the Interest Owner fails to submit an application for the issuance of a Production Licence within a reasonable time.

4. AGREEMENT

The submission of a bid by the Interest Owner in response to Call for Bids NS25-1P and its selection by the CNSOER as the winning bid constitutes an agreement between the Interest Owner and the CNSOER as to the terms and conditions contained herein relating to the portion of the Canada-Nova Scotia offshore area described in Call for Bids NS25-1P, Parcel No. _____ that becomes subject to a Declaration of Significant Discovery and this Licence.

5. RENTALS – EXPLORATION LICENCE TERM

Should this Licence be issued in Period 1 or 2 of the preceding Exploration Licence, it shall be subject to the rental rates applicable to that Exploration Licence until the natural expiry of the Exploration Licence.

6. RENTALS – POST EXPLORATION LICENCE TERM

(a) This Licence shall be subject to refundable Rentals after the expiration of the term of the Exploration Licence. Rental rates will be determined by the CNSOER at the time of issuance of the Significant Discovery Licence. Should the *Accord Acts* not have changed at the time of issuance of the Significant Discovery Licence, the following refundable Rental rates would apply:

Year 1 to 5	\$0.00 (CAD) per hectare
Year 6 to 10	\$40.00 (CAD) per hectare
Year 11 to 15	\$100.00 (CAD) per hectare
Year 16 to 20	\$800.00 (CAD) per hectare

The Rentals applicable will be payable in constant (inflation adjusted) 2026 dollars.

Rentals in the above noted table will be adjusted by applying the annual change in the Consumer Price Index for Canada. Rentals will be adjusted in the same manner on each December 31 thereafter. Pro-rated Rentals for year one of this Licence shall be paid prior to the issuance of this Licence with the applicable adjusted annual Rentals payable on or before April 15 of each year thereafter.

(b) Rental rates of \$800.00 (CAD) will increase by \$100.00 (CAD) for each year beyond year twenty (20), and will be payable in constant (inflation adjusted) 2026 dollars until this Licence is relinquished, expires, or converted to a Production Licence. For greater certainty, the Interest Owner may relinquish Lands to reduce future Rental payments.

(c) There shall be no carry forward of excess Allowable Expenditures from Exploration Licences.

(d) Rentals are to be submitted by wire deposit, bank draft or certified cheque payable to the Receiver General for Canada.

- (e) Rentals are payable annually, in advance, and should be paid by wire deposit, certified cheque, or bank draft payable to the Receiver General for Canada. Failure to pay Rentals within ninety (90) days of notice of default will result in expiry of this Licence.
- (f) For greater certainty, Rentals shall be calculated on the basis of the total hectarage of Lands held as part of this Licence, as of the anniversary date.
- (g) Rentals will be refunded annually, to a maximum of one hundred percent (100%) of the Rentals paid in that year, on the basis of a dollar refund for each dollar of Allowable Expenditures for that year.
- (h) To the extent that Allowable Expenditures for a given year are greater than the amount of the applicable refund, the excess shall be carried forward to reduce the Rentals otherwise payable in ensuing Rental years.

7. ALLOWABLE EXPENDITURES

Allowable Expenditures shall be determined in accordance with the rates and allowances set out in Schedule B.

8. ANNUAL REPORT

The Interest Owner shall provide to the CNSOER in writing an annual report that is satisfactory to the CNSOER describing activities undertaken to advance the development of this Licence. The annual report shall be filed each year on or before the anniversary of the issuance of this Licence. Failure to submit an annual report may result in the cancellation of this Licence.

9. CANADA-NOVA SCOTIA BENEFITS PLAN

The *Accord Acts* requires that a Canada-Nova Scotia Benefits Plan must be submitted to, and approved by, the CNSOER prior to the approval of any development plan, or the authorization of any other work or activity in the Canada-Nova Scotia offshore area. Canada-Nova Scotia Benefits Plan Guidelines can be found on the [CNSOER website](#).

10. ACTIVITY AUTHORIZATION AND ENVIRONMENTAL CONSIDERATIONS

- (a) In accordance with the *Accord Acts*, prior to the authorization of any petroleum related activities on the Lands the operator must demonstrate to the satisfaction of the CNSOER that such activities can be conducted in an environmentally safe manner. Special precautions, such as enhanced environmental assessments, more stringent mitigation measures and environmental effects monitoring may be required in some cases.
- (b) Before carrying out any work or activity in the offshore area, an operator must first obtain an Operating Licence.
- (c) No activities related to the exploration for, development of or transportation of petroleum on the Lands can be conducted without a specific authorization issued by the CNSOER. Operators are required to meet certain regulatory requirements before the CNSOER can approve offshore petroleum related activities. The regulatory framework which governs offshore petroleum operations consists of the *Accord Acts*, its regulations, and CNSOER guidelines and policies.

11. NON-COMPLIANCE

Except as otherwise expressly stated, failure to comply with any term or condition of this Licence may result in cancellation of this Licence.

12. INDEMNITY

- (a) Holders of shares in this Licence shall at all times jointly and severally indemnify the CNSOER and His Majesty the King in right of Canada and in right of the Province of Nova Scotia against:
 - (i) all actions, claims and demands that may be brought or made by any person by reason of anything done or omitted to be done under this Licence by, through or under the Interest Owner or an Interest Holder, in relation to those portions of the Lands with respect to which they hold shares; and
 - (ii) all costs that the CNSOER or His Majesty the King may incur in connection with any such action, claim or demand.
- (b) For purposes of this section, the expression "His Majesty the King" shall not include any Crown corporation.
- (c) This section 12 shall survive this Licence and will be included in any Production Licences that may result from this Licence.

13. LIABILITY

An Interest Holder shall be liable under the provisions of this Licence and the *Accord Acts*, for all claims, demands, loss, costs, damages, actions, suits or other proceedings in respect of any work or activity conducted, or caused to be conducted, by, through, or under, or with the consent of such interest holder. Any transfer, assignment, or other disposition of the interest, or of a share therein, shall not have the effect of discontinuing such liability in respect of such work or activity, related to the interest, or share therein, so disposed, that was conducted before that transfer, assignment, or other disposition was registered pursuant to the *Accord Acts*. For greater certainty, liability, as aforesaid, does not relate to any work or activity conducted after such party ceases to be an Interest Holder in this Licence.

14. SUCCESSORS AND ASSIGNS

Subject to sections 12 and 13, this Licence enures to the benefit of and is binding on the CNSOER and the Interest Owner and their respective heirs, administrators, successors and assigns.

15. NOTICE

Any notice to the Interest Owner or any Interest Holder required or permitted under the *Accord Acts* may be given by personal delivery, registered mail or courier to the representative of the Interest Owner at the address specified in Schedule A, or such other address as may be designated to the CNSOER by the representative from time to time, and shall be deemed to have been received by the representative at the time of delivery if personally delivered, or on the fifth day if sent by courier or registered mail.

16. REPRESENTATIVE

Unless otherwise designated in the prescribed manner, the representative of the Interest Owner for all purposes of Part II of the *Accord Acts* shall be as specified in Schedule A.

Please note two additional provisions will apply with respect to SDLs for Parcels 10, 11, and 12 of Call for Bids NS25-1P:

17. SABLE ISLAND – DRILLING PROHIBITION

Drilling from the surface will not be permitted on Sable Island or within one (1) nautical mile seaward of the low water mark of Sable Island. All other activities within that area will require that the operator prepare a Code of Practice to ensure the protection of Sable Island.

18. SABLE ISLAND – CONDITION IN THE EVENT OF FUTURE DEVELOPMENT

(In accordance with a directive dated November 19, 1998 issued by the Premier of Nova Scotia and Minister responsible for the Accord Acts pursuant to subsection 41(2) of the Canada-Nova Scotia Offshore Petroleum Resources Accord Implementation and Offshore Renewable Energy Management (Nova Scotia) Act.)

If the Interest Owner or any Interest Holder of lands on or near Sable Island makes a discovery or discoveries within Sable Island and a Development Plan(s) is subsequently filed, the Development Plan(s) must, at a minimum, include:

- (a) a study that investigates and reports on the likelihood of subsidence of and around Sable Island;
- (b) the program to be developed and implemented to detect subsidence; and
- (c) if it is determined that subsidence may or has started to occur, the program that would be implemented to mitigate subsidence.

IN WITNESS WHEREOF the CNSOER has issued this Licence to be effective as of the ____ day of _____, 20____.

CANADA-NOVA SCOTIA OFFSHORE
ENERGY REGULATOR

Chief Executive Officer

SCHEDULE A – SIGNIFICANT DISCOVERY LICENCE

<i>LANDS</i>	<i>INTEREST HOLDERS</i>	<i>SHARE</i>
Grid area <u>° ' N ° ' W</u> Sections _____	_____	_____ %

All petroleum substances in all geological formations.

TOTAL AREA: _____ Hectares

REPRESENTATIVE: _____

ADDRESS FOR SERVICE: _____

SCHEDULE B – SIGNIFICANT DISCOVERY LICENCE

ALLOWABLE EXPENDITURES

1. The Interest Representative is encouraged to have any expenditure it would like to have considered as an Allowable Expenditure reviewed by the CNSOER, prior to the Interest Owner commencing the work.
2. (a) Work shall be carried out by a party at arm's length from the Interest Owner. In the event that costs incurred are non-arm's length from the Interest Owner, the lesser of cost or fair market value as established by an independent third party expert will be considered for Allowable Expenditures.
 - (b) The definition of "arm's length" is as defined in the [Income Tax Act R.S.C., 1985, c. 1 \(5th Supp.\)](#).
 - (c) Each claim must be accompanied by a cost statement prepared and certified by a third-party auditor satisfactory to the CNSOER.
 - (d) Expenses related to the third-party audit referred to in paragraph 2(c) and/or the independent third party expert referred to in paragraph 2(a) are the responsibility of the Interest Owner and shall not be included as an Allowable Expenditure.
 - (e) The CNSOER shall approve the Terms of References/Scope of Work in relation to any audit to be performed in accordance with the requirements of this Schedule. The CNSOER reserves the right to conduct its own audit if for any reason it deems it necessary to do so.
3. The Allowable Expenditures for any given year shall be the total calculated expenditures on the Lands for that year (i.e. monies actually spent) based upon the following rates:
 - (a) Drilling: At cost.
 - (b) Geophysical and Geotechnical surveys such as:
 - (i) 2-D, 3-D and Ocean Bottom Cable seismic: At cost.
 - (ii) Wellsite and seabed survey: At cost.
 - (iii) Resistivity or Controlled Source Electromagnetic (CSEM) surveys or any other survey of this type: At cost.

- (c) Environmental studies that are required to obtain an authorization for work or activity: At cost.
 - (d) Other surveys/studies agreed to by the CNSOER: At an agreed rate.
4. The Interest Representative may submit an application for credit against Rentals in the form and manner required by the CNSOER. The following conditions shall apply to such application:
- (a) Applications for credit against Rentals must be received annually by the CNSOER no later than thirty (30) days following the anniversary date of this Licence;
 - (b) Applications for credit against Rentals must be received by the CNSOER no later than thirty (30) days following the expiry, surrender or cancellation of this Licence; and
 - (c) Failure to submit such applications within the appropriate time referred to above, shall mean that no Allowable Expenditures were incurred for that period.

APPENDIX V

PETROLEUM-RELATED CALL FOR BIDS NS25-1P

FORM OF PROMISSORY NOTE

FORM OF BANK LETTER OF GUARANTEE

FORM OF IRREVOCABLE STANDBY LETTER OF CREDIT

PLEASE NOTE: Pursuant to Paragraph 2.7 (b) (iii) of Call for Bids NS25-1P, Work Deposits must be in the form of either:

- 1. Promissory Note and Bank Letter of Guarantee**
- 2. Irrevocable Standby Letter of Credit, or**
- 3. Cash** (certified cheque, bank draft, money order, or electronic funds transfer)

APPENDIX V

PETROLEUM-RELATED CALL FOR BIDS NS25-1P

PART A – INFORMATION: PROMISSORY NOTE

A Promissory Note must:

- be dated;
- be identified as a non-interest bearing demand promissory notes;
- be accompanied by a letter of guarantee issued by a Bank, as defined in the [Bank Act \(S.C. 1991, c. 46\)](#);
- be unconditional;
- be on company letterhead;
- be executed by authorized signing officers of a company;
- be payable to the Receiver General for Canada;
- be explicit as to the address of the branch where the promissory note(s) may be presented in Halifax, Nova Scotia;
- refer to the Call for Bids and parcel number or appropriate licence giving rise to the posting of the security;
- be explicit as to the amount;
- be countersigned as approved for issue by an authorized signing officer of the Bank;
- be submitted to the Canada-Nova Scotia Offshore Energy Regulator, as appropriate;
- not bear an expiry date (although the promissory note(s) may be subject to terms and conditions contained in the bank letter of guarantee which may have an expiry date); and
- not impose restrictions on the manner of endorsement by persons or agencies who may present them for payment on behalf of the Receiver General for Canada.

APPENDIX V

PETROLEUM-RELATED CALL FOR BIDS NS25-1P

PART B – SAMPLE PROMISSORY NOTE

[Company letterhead
with address]

[Date]

Non-interest Bearing Demand Promissory Note

\$_____

_____ [name of successful bidder] _____ undertakes to pay, on demand, to the Receiver General for Canada, a sum of _____ dollars (\$ _____) CAD if this note is presented at the _____ Branch of _____ [name of bank] _____ [address] _____, Halifax, Nova Scotia _____ [postal code] _____.

This demand promissory note is issued in accordance with paragraph 2.7(b) of Call for Bids NS25-1P, made by the Canada-Nova Scotia Offshore Energy Regulator on May 27, 2025, in respect of parcel number _____.

_____ [name of successful bidder] _____

_____ [signature(s) of signing officer(s)] _____

_____ [name(s) and title(s) of signing officer(s)] _____

Approved for issue:

_____ [name of bank] _____

_____ [signature of signing officer] _____

_____ [name and title of signing officer] _____

_____ [bank branch and address] _____

APPENDIX V

PETROLEUM-RELATED CALL FOR BIDS NS25-1P

PART C – INFORMATION: BANK LETTER OF GUARANTEE

A bank letter of guarantee must:

- be dated;
- be issued by a Bank, as defined in the [Bank Act \(S.C. 1991, c. 46\)](#);
- be on the Bank letterhead;
- be executed by an authorized signing officer of the Bank;
- be payable to the Receiver General for Canada;
- have the beneficiary named as the Canada-Nova Scotia Offshore Energy Regulator;
- refer to the promissory note(s) being guaranteed and to the company providing the promissory note(s);
- be explicit in agreeing to pay on demand the sum named in the promissory note(s);
- be either without an expiry date, or if stated, the guarantee must be valid for not less than 180 days following expiry of the period for which the financial security is posted;
- be explicit as to the address of the branch where the note may be presented in Halifax, Nova Scotia;
- refer to the Call for Bids and parcel number, appropriate licence, or other conditions, as appropriate, which give rise to the requirement to post financial security obligations;
- contain standard conditions such as requiring the promissory note(s) to be signed by the company and wording to indicate the Bank's Approval for Issue, including the signature of authorized Bank officials (see sample); and
- not be subject to renewal, annual or otherwise, during the period for which the promissory note is posted.

APPENDIX V

PETROLEUM-RELATED CALL FOR BIDS NS25-1P

PART D – SAMPLE BANK LETTER OF GUARANTEE

[Bank letterhead with address]

[Date]

Canada-Nova Scotia Offshore Energy Regulator
201 Brownlow Avenue, Suite 27
Dartmouth, Nova Scotia B3B 1W2

Dear Sirs:

It is our understanding that, in accordance with paragraph 2.7(b) of Call for Bids NS25-1P (Parcel #__), issued by the Canada-Nova Scotia Offshore Energy Regulator, _____ [name of successful bidder] _____ is depositing with you its non-interest bearing demand promissory note in the amount of \$ _____ CAD and dated _____. We hereby issue this letter of guarantee or credit in respect of the said note.

_____ [name of Bank] _____ engages to pay, on demand, to the Receiver General for Canada, on demand, the amount named in the said note on the following conditions:

1. The note is executed by _____ [name of successful bidder] _____ and is payable to the Receiver General for Canada;
2. The said note is presented during normal banking hours at the _____ Branch of _____ [name of bank] _____, _____ [address] _____, Halifax, Nova Scotia _____ [postal code] _____, no later than, February 1, 2034³;
3. The said note bears the words "Approved for Issue" and is countersigned by or on behalf of the Manager, _____ Branch of _____ [name of Bank] _____, _____ [address] _____, _____ [city, province and postal code] _____.

_____ [name and address of Bank]

_____ [signature of signing officer]

_____ [name and title of signing officer]

³ This date is dependent on the effective date of the Exploration Licence.

APPENDIX V

PETROLEUM-RELATED CALL FOR BIDS NS25-1P

PART E – INFORMATION: IRREVOCABLE STANDBY LETTER OF CREDIT

An irrevocable standby letter of credit must:

- be dated;
- be issued by a Bank, as defined in the [Bank Act \(S.C. 1991, c. 46\)](#);
- be on the Bank's letterhead;
- be issued in accordance with the International Chamber of Commerce (ICC) International Standby Practices - ISP98;
- state the country of expiration is Canada;
- be executed by an authorized signing officer of the Bank;
- be payable to the Receiver General for Canada;
- have the beneficiary named as the Canada-Nova Scotia Offshore Energy Regulator;
- be explicit in agreeing to pay on demand the sum named in the letter;
- be explicit as to the address of the branch where the irrevocable standby letter(s) of credit may be presented (in Halifax, Nova Scotia), or elsewhere as required by the issuing Bank;
- refer to the Call for Bids and parcel number, appropriate licence, or other conditions, as appropriate, which give rise to the requirement to post financial security;
- be deemed to be automatically renewed without amendment for one year, unless at least 120 days prior to such date, the beneficiary is notified;
- not have a final expiry that is less than 180 days following expiry of the period for which the financial security is posted; and
- not impose restrictions on the manner of endorsement by persons or agencies who may present them for payment on behalf of the Receiver General for Canada.

APPENDIX V

PETROLEUM-RELATED CALL FOR BIDS NS25-1P

PART F – SAMPLE FORM OF IRREVOCABLE STANDBY LETTER OF CREDIT

(DATE OF ISSUE)

IRREVOCABLE STANDBY LETTER OF CREDIT NO. (L/C NO.) FOR (\$ AMOUNT CAD.)

BENEFICIARY

CANADA-NOVA SCOTIA OFFSHORE ENERGY REGULATOR
201 BROWNLOW AVENUE, SUITE 27
DARTMOUTH, NOVA SCOTIA B3B 1W2

ON BEHALF OF THE RECEIVER GENERAL FOR CANADA

APPLICANT

(Name & Address)

AMOUNT \$_____ **CAD.**

(amount in words)---00/100 Canadian Dollars

EXPIRY DATE

[1 year from date of issue] and auto renewal clause included in text below

PLACE OF EXPIRY

Canada

At the request of and for the account of our customer (***Applicant – Name and Address***) the "Customer", we hereby establish in the Beneficiary's favour our Irrevocable Standby Letter of Credit **number (L/C NO.)** for a sum not exceeding in the aggregate amount of (***Amount in Words***)--00/100 Canadian Dollars (**\$**_____ **CAD.**).

This Irrevocable Standby Letter of Credit is given in accordance with paragraph 2.7(b) of Call for Bids No. NS25-1P (Parcel #___), made by the Canada-Nova Scotia Offshore Energy Regulator on May 27, 2025 and relates to the terms and conditions in the Exploration Licence dated August 6, 2026⁴, equal in the amount to the sum of this Credit.

⁴ This date is subject to the approval of the Fundamental Decisions.

Our obligation to pay the Beneficiary under this Irrevocable Standby Letter of Credit is irrevocable, absolute and unconditional and, in furtherance and support thereof and without limiting the irrevocable, absolute and unconditional nature of our obligations to the Beneficiary hereunder, any demand by the Beneficiary shall be honoured without any inquiry as to the Beneficiary's rights to make such demand, without regard to or recognition of any contractual rights, claims or defences (legal or equitable) of the Customer against the Beneficiary and without regard to any other defence to the Beneficiary's demand for payment, arising as a result of any dispute between the Beneficiary and the Customer or between the Customer and ourselves.

Payment under this Irrevocable Standby Letter of Credit shall be available to the Beneficiary on sight against presentation by the Beneficiary to (*issuing Bank, name and address*) of a written demand for payment, purportedly signed by a duly authorized representative of the Beneficiary, which demand we shall honour without inquiring whether the Beneficiary has a right as between the Beneficiary and the Customer to make such a demand, without recognizing any claims of the Customer and without raising any defence arising as between the Customer and ourselves, accompanied by a certification purportedly signed by the Beneficiary or a duly authorized representative of the Beneficiary that the Customer is in default under the terms of the Exploration Licence.

Partial drawings are permitted.

We irrevocably and unconditionally agree to pay you at sight, without protest or notification, or without inquiry into further proof or conditions and without consideration for any objections or protest made by the Customer.

It is understood that the Bank is obligated under this Irrevocable Standby Letter of Credit to the payment of monies only and not the performance of the Exploration Licence.

It is a condition of this Irrevocable Standby Letter of Credit that it **shall be deemed to be automatically renewed** without amendment, for one year from the present or any future expiration date hereof, **unless at least one hundred and twenty (120) days** prior to any such date, we shall notify the Beneficiary in writing at the address noted above, by courier that we elect not to consider this Irrevocable Standby Letter of Credit renewed for any such additional period. Upon receipt by you of such notice, you may draw by means of your written demand.

Notwithstanding the auto-renewal clause mentioned herein above it is a condition of this Irrevocable Standby Letter of Credit that it shall not be auto-renewed beyond February 1, 2034⁵; (the “Final Expiry Date”) and shall expire on the Final Expiry Date.

The rights of all parties and any disputes with respect to this Irrevocable Standby Letter of Credit, shall be governed by the laws of the Province of Nova Scotia and shall be dealt with by the courts within that jurisdiction.

This Irrevocable Standby Letter of Credit is issued subject to the International Standby Practices 1998 (ISP98) (International Chamber of Commerce Publication No. 590).

Payments under this Irrevocable Standby Letter of Credit are to be made payable to the Receiver General for Canada.

(Authorized Signature)

Countersigned:

(Authorized Signature)

⁵ This date is dependent on the effective date of the Exploration Licence.