



Registration of a Charge

Company name: **CASING TECHNOLOGIES GROUP LIMITED**

Company number: **SC328867**



X6JDCFBC

Received for Electronic Filing: **17/11/2017**

Details of Charge

Date of creation: **31/10/2017**

Charge code: **SC32 8867 0004**

Persons entitled: **ENERGY VENTURES III L.P. (REGISTERED IN GUERNSEY, NUMBER 901)
(AS SECURITY TRUSTEE)**

Brief description:

Contains floating charge(s) (floating charge covers all the property or undertaking of the company).

Contains negative pledge.

Authentication of Form

This form was authorised by: **a person with an interest in the registration of the charge.**

Authentication of Instrument

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S. 859G OF THE COMPANIES ACT 2006 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by:

ALAN MONTGOMERY



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 328867

Charge code: SC32 8867 0004

The Registrar of Companies for Scotland hereby certifies that a charge dated 31st October 2017 and created by CASING TECHNOLOGIES GROUP LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 17th November 2017 .

Given at Companies House, Edinburgh on 17th November 2017

The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006



Companies House



**THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES**

(1) CASING TECHNOLOGIES GROUP LIMITED

in favour of

**(2) ENERGY VENTURES III L.P.
as Security Trustee**

FLOATING CHARGE

**This Floating Charge shall be subject to the
terms of the Intercreditor Agreement, dated
on or around the date hereof, among, *inter
alios*, Scottish Loan Fund L.P., Maven
Capital Partners UK LLP, the Company,
and the parties named therein as
Subordinated Creditors**



DLA PIPER

I CERTIFY THAT, SAVE FOR MATERIAL REDACTED
PURSUANT TO s859G OF THE COMPANIES ACT 2006,
THIS IS A TRUE, COMPLETE AND CORRECT COPY
OF THE ORIGINAL INSTRUMENT

DATE **17 NOVEMBER 2017**

SIGNED *Alan Raftery*
DLA PIPER SCOTLAND LLP

DLA Piper Scotland LLP
Collins House
Rutland Square
Edinburgh
EH1 2AA
Tel: +44 (0) 8700 111 111
Fax: +44 (0) 131 242 5555

LVM/SF/339674/10/UKM/85249699.44

CONTENTS

1.	DEFINITIONS AND INTERPRETATION	1
2.	FLOATING CHARGE	4
3.	PROTECTION OF SECURITY	4
4.	REPRESENTATIONS AND WARRANTIES.....	5
5.	UNDERTAKINGS	6
6.	ENFORCEMENT	7
7.	APPLICATION OF PROCEEDS	9
8.	LIABILITY OF RECEIVER AND SECURITY TRUSTEE.....	9
9.	SET-OFF	9
10.	DELEGATION	10
11.	FURTHER ASSURANCES	10
12.	POWER OF ATTORNEY	11
13.	CURRENCY CONVERSION	11
14.	MISCELLANEOUS	12
15.	NOTICES.....	13
16.	CALCULATIONS AND CERTIFICATES.....	14
17.	PARTIAL INVALIDITY	14
18.	REMEDIES AND WAIVERS.....	14
19.	AMENDMENTS AND WAIVERS	14
20.	RELEASE.....	14
21.	GOVERNING LAW.....	16

THIS FLOATING CHARGE is dated 31 OCT 2017 2017 and is made

BY:

- (1) **CASING TECHNOLOGIES GROUP LIMITED**, a company incorporated in Scotland (registered number SC328867) whose registered office is at Unit 2, 51 York Street, Aberdeen AB11 5DP (the "**Company**"); and

IN FAVOUR OF:

- (2) **ENERGY VENTURES III L.P.**, a limited partnership registered in Guernsey with registered number 901 and having its registered office at P.O. Box 656, East Wing Trafalgar, Les Banques, St Peter Port, Guernsey GY1 3PP (acting by its general partner, **ENERGY VENTURES III (GP) L.P.**, acting in turn by its general partner **ENERGY VENTURES III (GP) LIMITED**) as security trustee for the Secured Parties (as defined below) (the "**Security Trustee**").

IT IS HEREBY AGREED:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Charge unless the context requires otherwise:

"**Act**" means the Insolvency Act 1986 as amended by the Insolvency Act 2000 and the Enterprise Act 2002 or, where the context so requires, any of those enactments;

"**Charge**" means these presents (and, as the context may require or imply, the floating charge hereby created) as amended or supplemented from time to time;

"**Event of Default**" has the same meaning as defined in the Loan Note Instrument;

"**Finance Documents**" means the Loan Note Documents, this Charge, all other documents guaranteeing or creating security for or supporting the obligations of the Company to the Secured Parties (or any of them) under or in connection with the Loan Note Documents, and any other document designed as such by the Security Trustee and the Company;

"**Fixtures**" means, in relation to the Premises, all fixtures and fittings (including trade fixtures and fittings) and fixed plant and machinery from time to time thereon owned by the Company;

"**Loan Notes**" means any loan notes issued pursuant to the Loan Note Instrument and shall be construed as meaning all or any of the "Loan Notes" as the context shall require;

"**Loan Note Documents**" means together, the Loan Note Instrument and the Loan Notes (each a "**Loan Note Document**");

"**Loan Note Instrument**" means the loan note instrument by the Company dated on or around the date hereof and pursuant to which it constitutes £12,000,000 nominal amount secured non-convertible redeemable deep discount loan notes 2020;

"Planning Acts" means the Town and Country Planning (Scotland) Act 1997 and the Local Government and Planning (Scotland) Act 1982 and any Act or Act for the time being in force amending or re-enacting the same and any orders, regulations or permissions made, issued or granted under or by virtue of such Acts or any of them;

"Premises" means all buildings and erections for the time being comprised within the definition of "Secured Assets";

"Receiver" means any receiver or administrative receiver appointed in respect of the Secured Assets under this Charge and includes joint receivers;

"Secured Assets" means the whole of the property (including uncalled capital) which is or may from time to time, while this Charge is in force, be comprised in the property and undertaking of the Company;

"Secured Obligations" means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or alone or in any other capacity whatsoever) of the Company to the Secured Parties (or any of them) under or pursuant to any Finance Document, except for any obligation or liability which, if it were so included, would result in this Charge contravening any law;

"Secured Parties" means (1) the Security Trustee and (2) each of those persons set out at Schedule 1 of the Security Trust Deed (defined below) and any other party who holds Loan Notes from time to time (and has acceded to the Security Trust Deed by entering into either a Novation Deed or an Accession Deed (each as defined therein));

"Security" has the same meaning as defined in the Loan Note Instrument;

"Security Trust Deed" means the security trust deed dated on or around the date hereof and made between the Secured Parties and the Security Trustee;

"Security Period" means the period beginning on the date of this Charge and ending on the date on which:

- (a) all the Secured Obligations have been unconditionally and irrevocably paid and discharged in full; and
- (b) no Secured Party has any further commitment, obligation or liability under or pursuant to any Loan Note Document.

1.2 Interpretation

- (a) In this Charge unless the context requires otherwise:
 - (i) words importing the singular shall include the plural and vice versa;
 - (ii) references to any statute or statutory provision (including any subordinate legislation) shall include any statute or statutory provision for the time being in force which amends, extends, consolidates or replaces the same and shall include any orders, regulations, instruments or other subordinate legislation made under the relevant statute or statutory provision;
 - (iii) references to a **"person"** shall include any individual, firm, company, corporation, body, trust or foundation, or any association, partnership or unincorporated body (whether or not having separate legal personality);

- (iv) references to a "**fixed security**" mean a fixed security as defined by section 486 of the Companies Act 1985;
 - (v) any reference to the Security Trustee includes its permitted successors, transferees and assignees;
 - (vi) references to a document "**in the agreed form**" means a document in a form agreed by the Company and the Security Trustee and initialled by, or on behalf of, each of them for the purpose of identification as such; and
 - (vii) "**tax**" means all forms of taxation, duties, imposts and levies whatsoever in the nature of taxation whenever and wherever imposed, including (but without limitation) all stamp duties, imposts, duties, capital and revenue taxes and value added tax, and "**taxes**" and "**taxation**" shall be construed accordingly.
- (b) Any reference in this Charge to any Finance Document or any other agreement or document is a reference to that Finance Document or other agreement or document as it may have been, or may from time to time be, restated, amended, varied, supplemented, extended, novated or assigned, whether or not as a result of any of the same:
- (i) there is an increase or decrease in any indebtedness made available under that Finance Document or other agreement or document or an increase or decrease in the period for which any indebtedness is available or in which it is repayable;
 - (ii) any additional, further or substituted indebtedness to or for such indebtedness is provided;
 - (iii) any rate of interest, commission or fees or relevant purpose is changed;
 - (iv) the identity of the parties is changed;
 - (v) the identity of the providers of any security is changed;
 - (vi) there is an increased or additional liability on the part of any person; or
 - (vii) a new agreement is effectively created or deemed to be created.
- (c) Each undertaking of the Company (other than a payment obligation) contained in this Charge:
- (i) must be complied with at all times during the Security Period; and
 - (ii) is given by the Company for the benefit of the Security Trustee and each other Secured Party.
- (d) The Security Trustee holds the benefit of this Charge on trust for the Secured Parties in accordance with the Security Trust Deed.

1.3 Headings

The table of contents and the headings in this Charge are included for convenience only and shall be ignored in construing this Charge.

2. FLOATING CHARGE

2.1 Payment

The Company undertakes to the Security Trustee that it will pay and discharge the Secured Obligations when the same become due in accordance with the terms of the Finance Documents.

2.2 Floating Charge

In security for the payment and discharge of the Secured Obligations, the Company hereby grants a floating charge over the Secured Assets in favour of the Security Trustee.

2.3 Qualifying floating charge

Paragraph 14 of Schedule B1 to the Act applies to the floating charge created by or pursuant to this Charge (and such floating charge is a qualifying floating charge for the purposes of the Act).

2.4 Negative pledge and ranking

Unless otherwise agreed in writing by the Security Trustee and subject to section 464(2) of the Companies Act 1985:

- (a) the Company shall not create any fixed security or other floating charge over any part of the Secured Assets after its execution of this Charge except any fixed security in favour of the Security Trustee; and
- (b) this Charge shall rank in priority to any fixed security or other floating charge created by the Company after its execution of this Charge except any fixed security in favour of the Security Trustee.

3. PROTECTION OF SECURITY

3.1 Continuing security

This Charge is continuing and will extend to the ultimate balance of the Secured Obligations regardless of any intermediate payment or discharge in whole or in part. This Charge shall remain in full force and effect as a continuing security for the duration of the Security Period.

3.2 No prejudice

This Charge is in addition to, without prejudice to, and shall not merge with, any other right, remedy, guarantee or Security which the Security Trustee and/or any other Secured Party may at any time hold for all or any part of the Secured Obligations.

3.3 Right to enforce

This Charge may be enforced against the Company without the Security Trustee and/or any other Secured Party first having recourse to any other right, remedy, guarantee or Security held by or available to it or any of them.

3.4 Non impairment

The Company agrees that none of its obligations or the Security Trustee's rights, powers and discretions under this Charge shall be reduced, discharged or otherwise adversely affected by:

- (a) any variation, extension, discharge, compromise, dealing with, exchange or renewal of any Security or any right or remedy which the Security Trustee may have now or in the future from or against the Company or any other person in respect of any of the Secured Obligations; or
- (b) any failure, act or omission by the Security Trustee or any other person in taking up, perfecting or enforcing any Security or guarantee from or against the Company or any other person in respect of the Secured Obligations; or
- (c) any increase in or waiver or discharge of the Secured Obligations or any termination, amendment, variation, supplement, restatement, novation or replacement of any of the Finance Documents; or
- (d) any grant of time, indulgence, waiver or concession to the Company or any other person; or
- (e) any of the administration, receivership, liquidation, winding-up, insolvency, bankruptcy, incapacity, limitation, disability, discharge by operation of law or any change in the constitution, name of the Company or any other person; or
- (f) any invalidity, illegality, unenforceability, irregularity or frustration of the Secured Obligations; or
- (g) anything done or omitted to be done by the Security Trustee or any other person which but for this provision might operate to exonerate or discharge or otherwise reduce or extinguish the liability of the Company under this Charge.

4. REPRESENTATIONS AND WARRANTIES

4.1 Representations and warranties

- (a) The Company represents and warrants to the Security Trustee that:
 - (i) it is a limited liability corporation, duly incorporated and validly existing under the law of its jurisdiction of incorporation;
 - (ii) subject to the registration of this Charge with the Registrar of Companies in Edinburgh in accordance with section 878 of the Companies Act 2006, the obligations expressed to be assumed by it in this Charge are legal, valid, binding and enforceable obligations
 - (iii) (without limiting the generality of paragraph 4.1(a)(ii)) this Charge creates the security interests which it purports to create and those security interests are valid and effective;
 - (iv) it has the power to own its assets and carry on its business as it is being conducted;
 - (v) it has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, this Charge;

- (vi) the entry into and performance by it of, and the transactions contemplated by, this Charge do not and will not conflict with:
 - (A) any law or regulation applicable to it;
 - (B) its constitutional documents; or
 - (C) any agreement or instrument binding upon it or constitute a default or termination event (however described) under any such agreement or instrument;
- (vii) it has not except for liens or retention of title provisions arising in the ordinary course of its trading activities, granted or created any other security, charge or encumbrance over the Secured Assets or any interest therein, or agreed, conditionally or unconditionally, to do so; and
- (viii) it has not, save in the ordinary course of its trading activities, for market value, on an arms length basis and for consideration payable in cash on normal commercial terms, entered into any agreement or granted any option to sell or otherwise dispose of the Secured Assets or any interest therein, or agreed, conditionally or unconditionally, to do so.

5. UNDERTAKINGS

5.1 Duration and with whom made

The undertakings in this clause 5:

- (a) shall remain in force throughout the Security Period; and
- (b) are given by the Company to the Security Trustee and each other Secured Party.

5.2 Maintenance of Property

The Company will:

- (a) Repair

keep the Premises in good and substantial repair and condition and keep the Fixtures and all plant, machinery, implements and other effects for the time being owned by it and which are in or upon the Premises or elsewhere in a good state of repair and in good working order and condition (save for fair wear and tear);
- (b) Taxes and outgoings

pay as and when the same shall become payable all taxes, rates, duties, charges, assessments and outgoings whatsoever which shall be assessed, charged or imposed upon or payable in respect of the Secured Assets or any part thereof;
- (c) User

use the Premises only for such purpose or purposes as may for the time being be authorised as the permitted use or user thereof under or by virtue of the Planning Acts;

(d) Statutes

duly and punctually perform and observe all its obligations in connection with the Secured Assets under any present or future statute or any regulation, order or notice made or given thereunder; and

(e) Access

permit the Security Trustee and any person nominated by it at all reasonable times (provided that reasonable notice has been given by the Security Trustee) to enter upon the Premises and view the state of the same.

5.3 Negative Pledge and Disposals

Save as expressly permitted by the Finance Documents, until the Secured Obligations have been irrevocably paid and discharged in full, the Company shall not create, grant or extend or permit to subsist any security interest on any of the Secured Assets otherwise than in favour of the Security Trustee (save with the prior written consent of the Security Trustee).

6. ENFORCEMENT

6.1 Enforceable

This Charge shall be enforceable immediately upon, or at any time after:

- (a) the Company has failed to pay all or any of the Secured Obligations in accordance with clause 2 following a demand for payment by the Security Trustee;
- (b) any step is taken (including, without limitation, the making of an application or the giving of any notice) by the Company or by any other person to appoint an administrator in respect of the Company;
- (c) any step is taken (including, without limitation, the making of an application or the giving of any notice) by the Company or by any other person to wind up or dissolve the Company or to appoint a liquidator (whether provisional, interim or otherwise), trustee, receiver, administrative receiver or similar officer to the Company or any part of its undertaking or assets;
- (d) the making of a request by the Company for the appointment of a receiver or administrator;
- (e) the Company breaches any of the provisions of this Charge and that breach (if, in the reasonable opinion of the Security Trustee, is capable of remedy) has not been remedied to the satisfaction of the Security Trustee within 14 days of notice by the Security Trustee to the Company to remedy the breach.

6.2 Appointment of Receiver or administrator

- (a) At any time after this Charge has become enforceable the Security Trustee shall be entitled:
 - (i) to appoint one or more persons as a Receiver or Receivers in respect of the Secured Assets, or apply to the Court for such appointment;
 - (ii) to appoint one or more persons as an administrator of the Company;

- (iii) to make an administration application in respect of the Company; or
 - (iv) to give notice of intention to appoint an administrator in respect of the Company.
- (b) The appointment of a Receiver or Receivers or an administrator, or the giving of notice of intention to appoint an administrator shall be effected by the Security Trustee by written instrument or notice in accordance with and in such form as may be prescribed under the Act. If any such person so appointed as Receiver or administrator is removed from office by the Court or otherwise ceases to act, the Security Trustee shall be entitled (subject to the provisions of the Act) to appoint a replacement in the same manner.

6.3 Powers of Receiver

A Receiver appointed under this Charge shall have the following powers in addition to those specified in Schedule 2 of the Act:

- (a) to promote or procure the incorporation of any new company (whether or not a subsidiary of the Company), to transfer any part of the Secured Assets to such company for any form of consideration (including shares, debentures, loan stock or loan capital in such company), and/or to subscribe for or otherwise acquire shares, debentures, loan stock or loan capital in such company in name of the Company, or the Receiver, or its or his/her nominee or trustee;
- (b) subject to the articles of association, to convene extraordinary general meetings of the Company;
- (c) generally, without prejudice to the other provisions of this clause to exercise all the rights, powers and discretions in respect of the Secured Assets it would be entitled to exercise if it were the absolute owner thereof and to do all acts and things the Receiver may consider necessary or expedient for the realisation of the Secured Assets and the application of the proceeds in or towards satisfaction of or their retention as continuing security for the Secured Obligations; and
- (d) in respect of any of the Secured Assets situated in England and Wales (or any other jurisdiction) to exercise in addition to the foregoing powers, all the powers conferred by the Act or any other enactment or rule of law on receivers or receivers and managers (or analogous officers) in that jurisdiction.

6.4 Agent of Company

The Receiver shall be the agent of the Company for all purposes of and in all respects arising under this Charge and, except as otherwise provided by the Act, the Company alone shall be responsible for his/her acts, omissions, neglects and defaults and for all liabilities and obligations incurred by him/her, and his/her remuneration costs, charges and expenses.

6.5 Balance

The rights powers and discretions conferred on the Receiver under this clause are subject only to his/her obligation to account to the Company or any other person entitled thereto for any balance of the Secured Assets or their proceeds remaining in his/her hands after the Secured Obligations have been fully and unconditionally paid and discharged.

6.6 Third parties

- (a) No purchaser from or other person dealing with the Receiver in relation to the Secured Assets shall be concerned to enquire whether any of the powers exercised or purported to be exercised by him/her hereunder has become exercisable, whether any of the Secured Obligations remains outstanding, or generally as to the propriety or validity of the exercise or purported exercise of any power hereunder.
- (b) The receipt or discharge of the Receiver shall be an absolute discharge to any purchaser or other person dealing with the Receiver in relation to the Secured Assets and any such purchaser or third party shall not have any obligation to enquire after or see to the application of any payments made by it to the Receiver or at its direction.

7. APPLICATION OF PROCEEDS

- 7.1 Any monies received under the powers conferred by this Charge will, subject to the payment or repayment of any prior claims, be paid or applied in payment or discharge of the Secured Obligations (subject to the terms of section 60 of the Act) provided that the Receiver or administrator may retain any monies in his hands for so long as he thinks fit and the Security Trustee may, without prejudice to any other rights the Security Trustee may have at any time and from time to time, place and keep for such time as the Security Trustee may think prudent any monies received, recovered or realised under or by virtue of this Charge to or at a separate or suspense account to the credit either of the Company or as the Security Trustee thinks fit without any intermediate obligation on the part of the Security Trustee to apply such monies or any part of such monies in or towards the discharge of Secured Obligations.
- 7.2 Subject to clause 7.1, any monies received or realised by the Security Trustee from the Company or a Receiver under the Charge or any administrator may be applied by the Security Trustee to any item of account or liability or transaction in such order or manner as the Security Trustee may determine.

8. LIABILITY OF RECEIVER AND SECURITY TRUSTEE

The Receiver and the Security Trustee shall not in any circumstances be liable to the Company or any other person for any losses, damages, liabilities or expenses arising from or in connection with the application or enforcement of this Charge or any realisation, appropriation or application of the Secured Assets or from any act, default or omission of the Receiver or the Security Trustee, or his/her or its officers, employees or agents in relation to the Secured Assets or otherwise in connection with this Charge, except to the extent caused by the gross negligence or wilful default of the Receiver or the Security Trustee or his/her or its officers, employees or agents.

9. SET-OFF

9.1 Set-off rights

The Security Trustee and each other Secured Party may (but shall not be obliged to) set off any obligation which is due and payable by the Company and unpaid (whether under the Finance Documents or which has been assigned to the Security Trustee or such other Secured Party by the Company) against any obligation (whether or not matured) owed by the Security Trustee or such other Secured Party to the Company, regardless of the place of payment, booking branch or currency of either obligation.

9.2 Set-off rights after Security is enforceable

At any time after this Charge has become enforceable (and in addition to its rights under clause 9.1 (*Set-off rights*)), the Security Trustee and each other Secured Party may (but shall not be obliged to) set-off any contingent liability owed by the Company under any Finance Document against any obligation (whether or not matured) owed by the Security Trustee or such other Secured Party to the Company, regardless of the place of payment, booking branch or currency of either obligation.

9.3 Currency conversion for the purposes of set-off

If the obligations are in different currencies, the Security Trustee or such other Secured Party may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

9.4 Unliquidated or unascertained liabilities

If either obligation referred to in this clause 9 is unliquidated or unascertained, the Security Trustee or such other Secured Party may set off in an amount estimated by it in good faith to be the amount of that obligation.

10. DELEGATION

Each of the Security Trustee and any Receiver may delegate, by power of attorney (or in any other manner) to any person, any right, power or discretion exercisable by them under this Charge upon any terms (including power to sub-delegate) which it may think fit. Neither the Security Trustee nor any Receiver shall be in any way liable or responsible to the Company for any loss or liability arising from any act, default, omission or misconduct on the part of any delegate.

11. FURTHER ASSURANCES

11.1 Further action

The Company shall, at its own expense, promptly do all acts and execute all documents as the Security Trustee or a Receiver may reasonably specify (and in such form as the Security Trustee or a Receiver may reasonably require) for:

- (a) creating, perfecting or protecting the Security intended to be created by this Charge;
- (b) creating any fixed security or charge over any of the Secured Assets;
- (c) after the security created by this Charge has become enforceable pursuant to clause 6.1, facilitating the realisation of any Secured Asset;
- (d) facilitating the exercise of any rights, powers and remedies exercisable by the Security Trustee, any other Secured Party or any Receiver or any Delegate in respect of any Secured Asset or provided by or pursuant to the Finance Documents or by law; or
- (e) creating and perfecting security in favour of the Security Trustee or the Secured Parties over any property and assets of the Company located in any jurisdiction outside Scotland equivalent or similar to the Security intended to be created by or pursuant to this Charge.

This includes:

- (i) the re-execution of this Charge;
- (ii) the execution of any standard security, charge, transfer, conveyance, assignment, assignation or assurance of or over any property, whether to the Security Trustee or to its nominee; and
- (iii) the giving of any notice, order or direction and the making of any filing or registration,

which, in any such case, the Security Trustee may reasonably think expedient.

11.2 Finance Documents

The Company shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Security Trustee or the Secured Parties by or pursuant to the Finance Documents.

12. POWER OF ATTORNEY

12.1 Appointment

The Company hereby irrevocably appoints the Security Trustee, whether or not a Receiver has been appointed, and separately also the Receiver, as its attorney on its behalf and in its name or otherwise, at such times and in such a manner as the attorney may think fit:

- (a) to do anything which the Company is obliged to do (but has not done) under this Charge including, without limitation, to create any fixed security or charge over any of the Secured Assets; and
- (b) generally to exercise all or any of the rights, powers and discretions conferred on the Security Trustee or the Receiver in relation to the Secured Assets under this Charge.

12.2 Ratification

The Company hereby ratifies and confirms and agrees to ratify and confirm whatever its attorney may do or purport to do in the exercise or purported exercise of the power of attorney given by the Company under this clause.

12.3 Exercise of power

The appointment effected under clause 12.1 (*Appointment*) shall take effect immediately (in the case of the Receiver, upon his/her appointment), but the powers conferred shall only become exercisable upon the occurrence of an Event of Default (which upon the appointment of the Receiver shall be deemed to be the case) or if the Company does not fulfil any of its obligations under clause 11 (*Further assurances*) within five Business Days of notice from the Security Trustee or the Receiver to do so.

13. CURRENCY CONVERSION

All monies received or held by the Security Trustee or any Receiver under this Charge may be converted from their existing currency into such other currency as the Security Trustee or the Receiver considers necessary or desirable to cover the obligations and liabilities comprised in the Secured Obligations in that other currency at the spot rate of exchange of the

Bank of England. The Company shall indemnify the Security Trustee against all costs, charges and expenses incurred in relation to such conversion. Neither the Security Trustee nor any Receiver shall have any liability to the Company in respect of any loss resulting from any fluctuation in exchange rates after any such conversion.

14. MISCELLANEOUS

14.1 New accounts

- (a) If the Security Trustee or any other Secured Party receives, or is deemed to be affected by, notice, whether actual or constructive, of any subsequent Security affecting any Security Asset and/or the proceeds of sale of any Security Asset or any guarantee under the Finance Documents ceases to continue in force, it may open a new account or accounts for the Company. If it does not open a new account, it shall nevertheless be treated as if it had done so at the time when it received or was deemed to have received such notice.
- (b) As from that time all payments made to the Security Trustee or such other Secured Party will be credited or be treated as having been credited to the new account and will not operate to reduce any amount of the Secured Obligations.

14.2 Assignment

- (a) The Security Trustee may assign or transfer all or any part of its rights under this Charge pursuant to the resignation or removal of the Security Trustee in accordance with the Security Trust Deed. The Company shall, promptly upon being requested to do so by the Security Trustee, enter into such documents as may be necessary or desirable to effect such assignment or transfer.
- (b) The Company may not assign, transfer or otherwise deal with the benefit or burden of this Charge or any of its rights or obligations hereunder.

14.3 Non-reliance

Each of the parties acknowledges and agrees that in entering into this Charge it does not rely on, and shall have no remedy in respect of, any statement, representation, warranty or undertaking (whether negligently or innocently made) of any person (whether a party to this Charge or not) other than as expressly set out in this Charge.

14.4 Consent to registration

The Company consents to the registration of this Charge and of any certificate referred to in clause 17 (*Calculations and Certificates*) below for preservation and execution.

14.5 Expenses

All costs, charges and expenses incurred and all payments made by the Security Trustee or any Receiver appointed hereunder or any administrator in the lawful exercise of the powers hereby conferred whether or not occasioned by any act, neglect or default of the Company shall be payable by the Company on demand. All such costs, charges, expenses and payments shall be paid and charged as between the Security Trustee and the Company on the basis of a full indemnity and not on the basis of party and party or any other kind of taxation.

15. COUNTERPARTS AND DELIVERY

- (a) This Agreement may be executed in any number of counterparts in accordance with the provisions of The Legal Writings (Counterparts and Delivery) (Scotland) Act 2015, and this has the same effect as if the signatures on the counterparts were on a single copy of the Agreement.
- (b) Where executed in counterparts this Agreement shall not take effect until all of the counterparts are delivered and this Agreement shall be effective upon the date on which it is agreed as delivered by each of the parties or solicitors for any party on its behalf which is the date first stated above.

16. NOTICES

16.1 Notices and deemed receipt

Any demand or notice to be given under this Charge shall be in writing signed by or on behalf of the party giving it and shall be served by delivering it personally or sending it by pre-paid recorded delivery or registered post to the address and for the attention of the relevant party set out in clause 16.2 (*Addresses for notices*) (or as otherwise notified by that party thereunder). Any such notice shall be deemed to have been received:

- (a) if delivered personally, at the time of delivery; and
- (b) in the case of pre-paid recorded delivery or registered post, 24 hours from the date of posting,

provided that if deemed receipt occurs before 9.00am on a Business Day the notice shall be deemed to have been received at 9.00am on that day and if deemed receipt occurs after 5.00pm on a Business Day, or on a day which is not a Business Day, the notice shall be deemed to have been received at 9.00am on the next Business Day.

16.2 Addresses for notices

The addresses of the parties for the purposes of this clause 15 are:

The Security Trustee

Address: P.O. Box 656, East Wing Trafalgar, Les Banques, St Peter Port, Guernsey GY1 3PP

For the attention of: Kate Stubbington

The Company

Address: Unit 2, 51 York Street, Aberdeen AB11 5DP

For the attention of: The Directors

or such other address in the United Kingdom as may be notified in writing from time to time by the relevant party to the other.

16.3 No electronic service

For the avoidance of doubt no demand or notice given under this Charge shall be validly given if sent by e-mail.

17. CALCULATIONS AND CERTIFICATES

Any certificate of or determination by a Secured Party specifying the amount of any Secured Obligation due from the Company (including details of any relevant calculation thereof) is, in the absence of manifest error, conclusive evidence against the Company of the matters to which it relates.

18. PARTIAL INVALIDITY

All the provisions of this Charge are severable and distinct from one another and if at any time any provision is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of any of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

19. REMEDIES AND WAIVERS

No failure to exercise, nor any delay in exercising, on the part of the Security Trustee (or any other Secured Party), any right or remedy under this Charge shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise, or the exercise of any other right or remedy. The rights and remedies provided are cumulative and not exclusive of any rights or remedies provided by law.

20. AMENDMENTS AND WAIVERS

Any provisions of this Charge may be amended only if the Security Trustee and the Company so agree in writing and any breach of this Charge may be waived before or after it occurs only if the Security Trustee so agrees in writing. A waiver given or consent granted by the Security Trustee under this Charge will be effective only if given in writing and then only in the instance and for the purpose for which it is given.

21. RELEASE

21.1 Release

Upon the expiry of the Security Period (but not otherwise) the Security Trustee shall, at the request and cost of the Company, take whatever action is necessary to discharge (without recourse or warranty) the Security Assets from the Security created by this Charge.

21.2 Reinstatement

Where any discharge (whether in respect of the obligations of the Company or any security for those obligations or otherwise) is made in whole or in part or any arrangement is made on the faith of any payment, security or other disposition which is avoided or must be restored on insolvency, liquidation or otherwise (without limitation), the liability of the Company under this Charge shall continue as if the discharge or arrangement had not occurred. The Security Trustee may concede or compromise any claim that any payment, security or other disposition is liable to avoidance or restoration.

21.3 Retention of Security

If any payment or realisation in respect of the Secured Obligations is, in the Security Trustee's reasonable opinion, liable to be avoided or otherwise invalidated or adjusted by law, including any enactment or rule of law relating to insolvency, the Security Trustee shall be entitled to retain this Charge undischarged until the expiry of the period during which it may be challenged on any such ground.

21.4 Avoidance of payments

The Security Trustee's right to recover the Secured Obligations in full shall not be affected or prejudiced by any payment or realisation which is avoided or otherwise invalidated or adjusted by law, including any enactment or rule of law relating to insolvency, or by any release or discharge given by the Security Trustee on the faith of any such payment or realisation.

22. GOVERNING LAW

This Charge and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with the law of Scotland and in so far as not already subject thereto the parties irrevocably submit to the non-exclusive jurisdiction of the Scottish Courts.

IN WITNESS WHEREOF these presents consisting of this and the 15 preceding pages are executed as follows:

SUBSCRIBED for and on behalf of)
CASING TECHNOLOGIES GROUP)
LIMITED before the following witness on)
the 30th day of OCTOBER 2017)
at: ABERDEEN)

Signature

Name (block capitals)

DAUGLAS SEGGIE
Director

Witness signature

Witness name
(block capitals)

FIONA E. HENDERSON

Witness address

CMS Cameron McKenna Nabarro Olswang LLP
6 Queens Road
Aberdeen
AB15 4ZT

SUBSCRIBED for and on behalf of ENERGY)
VENTURES III L.P.)
at Aberdeen)
on 31st. October 2017)
acting by an attorney or duly authorised)
signatory of ENERGY VENTURES III (GP)
LIMITED as general partner to ENERGY
VENTURES III (GP) L.P. as general partner
of Energy Ventures III L.P. in the presence of
a witness:

Witness signature

Witness name
(block capitals)

Witness address



JACQUELINE BURKE

15 ALBERT STREET
ABERDEEN AB25 1XX

Signature

Name
(block capitals)

Attorney

TOMAS HUMES