

AUCTION PROCEDURES FOR CRUDE OIL STORAGE

OiltankingMOGS Storage Facility

Saldanha Bay South Africa

March 2nd, 2021

These auction procedures (the “**Auction Procedures**”) set forth the terms and conditions on which OiltankingMOGS Saldanha (OTMS) will offer to sell crude oil storage capacity at its storage facility in Saldanha Bay South Africa (the “**Facility**”) through an electronic auction.

Overview

Crude Oil storage capacity at the Facility may be offered for sale at any time by OTMS through an electronic auction (an “**Auction**”). Notice of an Auction will be sent to eligible auction participants. The principal terms on which crude oil storage capacity is offered for sale pursuant to an Auction (the “**Offered Storage Capacity**”) will be set forth Blending Storage and Handling Services Agreement that is made available to auction participants; *provided, however*, that if an auction participant has previously purchased storage at the Facility, the auction participant and OTMS may agree that the auction participant may purchase the storage on the same principal terms of such auction participant’s most recent Blending Storage and Handling Services Agreement (as updated to include any changes in operations or laws affecting the Facility and with such modifications as mutually agreed by such auction participant and OTMS).

The auction participant that has offered the highest price for the Offered Storage Capacity at the expiration of the Auction will have an exclusive right for a period of **seven (7)** days to negotiate and enter into a definitive agreement for the Offered Storage Capacity at such price.

All Auctions will be conducted on an electronic platform (the “**Auction Platform**”) that is hosted and operated by Matrix Global Holdings LLC and/or its affiliates (**Matrix**).

Eligible Auction Participants

To be eligible to participate in an Auction, a party must be authorized by OTMS to participate in such Auction. Once a party has been authorized by OTMS to participate in an Auction, information on how to access and participate in such Auction, together with access to documents related to such Auction, will be sent to such auction participant by Matrix. OTMS may at any time suspend or terminate the right of any party to participate in any Auction.

Auction Notice

In advance of any Auction, eligible auction participants will be notified by email of the date and time on which Offered Storage Capacity will be offered for sale through such Auction (an “**Auction Notice**”). An Auction Notice will also include the volume of crude oil storage capacity being offered for sale, the period during which such storage capacity may be used to store crude oil, and the minimum price for storage capacity. An Auction Notice may be sent by OTMS or Matrix.

Auction Process

Unless otherwise provided in an Auction Notice for an Auction, an Auction will remain open for ten (10) minutes, *provided* that if any bid is made during the last 30 seconds of an Auction, the Auction will be extended for additional 30 seconds, and such extensions will continue until no further bids are made during the last 30 seconds of the Auction.

An auction participant may make a valid (higher) bid at any time during an Auction. Each auction participant will always be able to see their most recent valid bid and the highest bid at such time. The Auction Platform will not display a current or best bid until a participant has made a bid in excess of the minimum price.

The bidder offering the highest price for Offered Storage Capacity at the expiration of the Auction will promptly be sent a confirmation notice (a “**Confirmation Notice**”)

Bids

Bids will be expressed as price per barrel (“**BBL**”) per month of the Offered Storage Capacity.

All bids will be made in US Dollars. Bids for Offered Storage Capacity can be made in increments of \$0.005 per BBL

Each bid for Offered Storage Capacity is irrevocable and cannot be withdrawn or reduced. OTMS reserves the right to cancel any bid that it reasonably determines was erroneously entered into the Auction Platform.

Definitive Agreement

By making a bid to purchase any Offered Storage Capacity, an auction participant agrees that, if it is the highest bidder for such storage capacity, (i) such auction participant will use reasonable best efforts to negotiate in good faith and enter into a definitive agreement with OTMS for such storage capacity as soon as reasonably practicable (but no later than **seven (7)** days) after the Auction, (ii) the price for such storage capacity shall be the highest price offered by such auction participant in such Auction, and (iii) the other terms of the definitive agreement for such storage capacity will be consistent with the Blending Storage and Handling Services Agreement for such storage capacity (or, if applicable, the terms of the winning bidder’s most recent Blending Storage and Handling Services Agreement).

Exclusive Right to Negotiate

The highest bidder for crude oil storage capacity offered for sale in an Auction shall have an exclusive right for **seven (7)** days to negotiate and enter into a definitive agreement to purchase and use such storage capacity; *provided, however*, that notwithstanding anything to the contrary in these Auction Procedures, OTMS may elect to terminate such **seven (7)** day negotiation period if OTMS determines that such bidder is unwilling or unable to perform any of its agreements under the preceding Section entitled “Definitive Agreement”.

In the event that a definitive agreement for the purchase and use of Offered Storage Capacity has not been entered into by the expiration or termination of the **seven (7)** day exclusive negotiation period, OTMS shall have the right to sell such storage capacity to any person or entity on any terms, which OTMS may elect, but shall not be obligated to, sell through an Auction.

Use of Auction Platform

By making a bid in any Auction, an auction participant accepts the terms of the Auction Procedures and agrees that neither OTMS nor Matrix (or any other person or entity) will have any liability or obligation for any failure of the auction technology, or any network, system or other technology, to perform as intended. If an auction participant believes that an error has occurred, such auction participant should promptly notify OTMS of the situation. However, under no circumstances will OTMS be obligated to sell or award any crude oil storage capacity to any auction participant except in accordance with these Auction Procedures.

In addition to the purchase price payable for the Offered Services, the purchaser of Offered Storage Capacity shall be obligated to pay an auction execution fee of \$0.01 per barrel of storage volume purchased. The total execution fee will equal to the total monthly volume of storage (in barrels) purchased *multiplied by* the number of months purchased *multiplied by* \$0.01. The execution fee payable for an Auction shall be payable to OTMS for the benefit of Matrix within ten (10) days after receipt of the Confirmation Notice for such auction.

Modification of Auction Procedures

The Auction Procedures may be modified or supplemented by OTMS at any time upon notice to auction participants. In addition, the Auction Procedures for any Auction may be modified or supplemented by the Auction Procedures for such Auction.

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