

ENVIRONMENTAL & SOCIAL REVIEW SUMMARY, Albania Bankers II # 33077

Overview of IFC/EBRD's Scope of Work:

The review of this current project, involving the expansion of Bankers' existing operations, consisted of appraising technical, environmental, health, safety and social information submitted by the project sponsor, and a field visit by IFC and EBRD environmental and social development specialists to Albania in October 2012. This was the fifth field visit to the Patos Marinza oilfield in IFC's regular ongoing supervision program for its existing investment in Bankers Petroleum ('Bankers', disclosed Feb. 25, 2009). Meetings were held with key Bankers personnel at the company offices in Fier, including among others the CEO, VP Health, Safety, Security & Environment (HSSE), Health & Safety Supervisor, Human Resources Manager, Security Manager, Environmental Manager, Social / Community Relations Managers and operations staff. Various sites were visited in the Patos Marinza oilfield and discussions were held with community members in two affected Communes.

IFC's documentation review focused on progress achieved against the existing IFC-EBRD Environmental & Social Action Plan (ESAP) as well as other performance indicators, e.g. recent (2012) staff and contractor Occupational Health & Safety (OHS) statistics, environmental incidents reported across the field, current security arrangements and the status of environmental permits. The ESAP status update included the outcome of multiple environmental baseline and monitoring studies, e.g. air emissions inventory and pollution modeling, soils, groundwater and surface water quality baseline and monitoring, noise, waste management, remediation; stakeholder engagement program outputs including grievance redress statistics, community investment program outputs, and future planning in these areas. Since IFC and EBRD invested in Bankers, the company has substantially increased its internal HSSE and Community Relations capacity and committed significant resources to addressing key issues identified during due diligence. Good progress has been made in both quantifying and mitigating a range of complex environmental and social issues and in fostering positive relations with surrounding communities.

Project Description:

Bankers Petroleum is a Canadian-based oil and gas exploration and production company, exclusively focused on Albania. In Albania, the company has full rights to operate and re-develop the Patos Marinza and Kucova oilfields, and an exploration license for Block "F", contiguous to Patos Marinza. In 2009, IFC and European Bank for Reconstruction and Development (EBRD) provided a financing package to help finance the development of its Albanian assets, and in particular, the Patos Marinza oilfield. The current Project consists of the company's capital investment program in Patos Marinza for 2013-14 that includes drilling new vertical and horizontal wells, re-activation and remediation of some of the existing wells, as well as testing and application of additional strategies aimed to enhance oil recovery from the oilfield.

The Patos Marinza field is a brownfield site, discovered in 1928 and put into production in the 1930s. Bankers' involvement in the field began in July 2004 when it took over the operation of a small number of wells and associated equipment and facilities from Albpetrol. Bankers' development plan for the field was approved in 2006, in which Bankers would take over the remaining wells in the field on a defined basis. In 2008, Bankers announced an addendum to the plan of development that entailed increased capital expenditures for vertical and horizontal infill drilling, as well as the initiation of waterflood development and thermal programs, to substantially increase production and reserves. IFC's first investment was in support of this expansion.

In addition to the expansion activities, Bankers will also continue with the environmental remediation work that it has undertaken since entering the field. When Bankers enters an existing site in the field which had previously been operated by Albpetrol, the considerable surface oil contamination arising from historic (pre-Bankers) operations is cleaned up before operations begin. This includes excavation and removal of the contaminated soils and other contaminated materials along with existing infrastructure which is replaced by newer and cleaner technology. Bankers undertook an extensive set of remediation trials with the support of an environmental loan from IFC and EBRD. Using international remediation methods coupled with the experience and technologies developed during these trials, Bankers successfully cleaned up 62 contaminated leases, 26 spill areas, and 5 pump stations in 2011. Some 200 contaminated well lease cleanups were completed in 2012 year in association with a water shutoff program at old Albpetrol wells. Leases are risk ranked based on contamination and proximity to sensitive receptors. A further 200 leases are planned for cleanup in 2013. Additional details on environmental remediation are provided in the Performance Standard 4 section below.

Identified Applicable Performance Standards:

While all Performance Standards are applicable to IFC investments, IFC's environmental and social due diligence indicates that this investment will have impacts which must be managed in a manner consistent with the following Performance Standards:

PS1: Social and Environmental Assessment and Management Systems

PS2: Labor and Working Conditions

PS3: Pollution Prevention and Abatement

PS4: Community Health, Safety and Security

PS5: Land Acquisition and Involuntary Resettlement

PS8: Cultural Heritage

Performance Standard 6 (Biodiversity Conservation and Sustainable Natural Resource Management) is not relevant as the project area is significantly degraded through oil activity pollution that pre-dated Bankers' involvement and is not rich in biodiversity. There are no recognized Indigenous Peoples in the area that would be affected by the Project and therefore Performance Standard 7 (Indigenous Peoples) is also not relevant.

E&S Categorization Rationale:

This is a brownfield investment with an existing client involving expansion of a Project which IFC has been visiting on a regular basis for the past four years. As mentioned above, IFC's most recent health, safety, social and environmental supervision visit to Bankers was completed in October 2012 with a resulting rating of Satisfactory. Bankers has made significant progress in addressing key environmental and social issues addressed by IFC during appraisal of the original investment, namely: establishment of strong internal E&S capacity and management systems; community engagement; community investment; air emissions monitoring and control; remediation; waste management; groundwater and soil contamination monitoring; public safety; and security arrangements.

Bankers has taken over and successfully remediated a significant portion of the heavily polluted Patos Marinza oilfield and has spent considerable time, effort and funds cleaning up Albpetrol leases and pollution hotspots and closing dangerous wells. The proposed expansion to the IFC loan facility will allow Bankers to continue to re-activate and clean-up existing Albpetrol wells,

drill new horizontal wells, mainly from existing pads, and further increase oil recovery via a range of modern techniques. As this Project will involve well understood field-specific impacts and mitigation measures which Bankers has been successfully implementing for several years, the Project is categorized B under IFC's Environmental & Social Review Procedure.

Description of Key Environmental and Social Issues and Mitigation:

Key environmental and social issues relating to the Project are summarized below along with specific information on how potential impacts will be addressed by the company.

PS 1: Assessment & Management of Environmental & Social Risks & Impacts

Bankers commissioned a comprehensive social baseline study in accordance with the existing Environmental & Social Action Plan (ESAP) and has incorporated social impact assessment and social action plans into all recent developments. As part of Bankers' Environmental & Social Management System (ESMS), additional impact assessments are prepared to support new development plans and expansions. Measures to address additional impacts and risks identified are incorporated into the ESMS on an ongoing basis. For example, ESIA processes and outcomes for renovation/rehabilitation of Albpetrol wells; new vertical and horizontal drilling; the thermal pilot project; remediation trials; pipeline construction and bridge/road construction were compiled into a Non-Technical Summary and disclosed in March-April 2012 together with an ESAP update and a Stakeholder Engagement Plan.

There are plans to build a new 35 km pipeline from Fier to the port of Vlore. A proposed route through the hills to the west of Fier has been identified, but formal route selection has not yet commenced as the project has not yet received internal approval. The timing of the construction of this pipeline has not been established and will depend on production levels and oil prices, but is currently estimated to be within a horizon of approximately four years. Preliminary internal investigations undertaken by Bankers HSEE and CR departments on the proposed route suggest that the pipeline will not have any significant adverse environmental or social impacts; nevertheless, a full ESIA will be conducted for this pipeline as part of the feasibility assessment.

Bankers has policies in place covering Health, Safety and Environment; Corporate Social Responsibility; and Security. Implementation is organized via the ESMS, referred to internally as the Health, Safety, Security and Environmental (HSSE) & Community Relations Management System. A Management System framework document describes how the HSSE aspects of Bankers' activities, including contractor activities, are integrated into all operations. The framework describes the key elements of a Management System (supported by international standards, plans and procedures) that are designed to ensure HSSE risks are controlled and continuous improvement in HSSE performance is achieved. The elements of the Management System are in line with environmental management system standard ISO 14001, the quality standard ISO 9001 and the occupational health and safety standard OSHAS 18001.

The ESMS is implemented by Bankers' experienced HSSE & Community Relations team headed by the VP HSSE and including back-to-back expatriate Environmental Managers, Community Relations Managers, Security Managers and Health & Safety Supervisors supported by Albanian personnel across each of these main areas of expertise. HSSE & Community Relations training, awareness and competence are key elements of the ESMS for Bankers' staff and contractors. Specific environmental awareness training and capacity building in important areas of corporate social responsibility have been developed and incorporated into Bankers' training plans to ensure competency levels are maintained in accordance with Bankers' policies, plans and procedures.

Monitoring and reporting to management and key stakeholders is a key element of Bankers' Management System. This includes regular inspections of equipment and activities including the audit of significant contractor activities such as well workovers and transportation activities to ensure that Bankers' procedures are being followed. Monitoring principally covers air emissions, ambient air quality, surface water quality, groundwater quality, soil contamination, noise levels, occupational health and safety of personnel, workplace air quality and noise levels, employee health surveillance, equipment safety, road safety management, community grievances and HSEE accident and incidents monitoring. The HSSE & Community Relations Department presents its findings and recommendations to Bankers senior management on a regular basis for discussion and guidance. Compliance monitoring reports are also shared with the Albanian regulatory authorities on a regular basis, according to an Annual Monitoring Plan issued and approved by the environmental regulatory body in Fier. By the end of 2012, Bankers held 23 active environmental permits from the Albanian Government covering various aspects of its facilities, programs and activities. All items concerning performance against the existing ESAP are shared and discussed with IFC and EBRD on a regular basis and Bankers submits an Annual Environmental & Social Monitoring report. This process will continue under the updated ESAP disclosed along with this document for the Bankers II project.

Stakeholder engagement has an important role to play in Bankers' operations. The company has developed and disclosed a Stakeholder Engagement Plan (SEP, developed February 2011, disclosed March-April 2012), including a Community Grievance Mechanism. Further information on stakeholder engagement and community investment is contained in the penultimate section of this document, 'Client's Community Engagement'.

Performance Standard 2: Labor and Working Conditions

As of December 31, 2012, Bankers employed 444 staff members, of whom 368 (83%) were Albanian citizens and the balance expatriates. In addition, Bankers employed 752 contractor workers. Bankers has a mature Human Resources function in place which follows the Albanian labor code and wider European Union labor laws and is consistent with IFC and EBRD requirements. The HR policy is spelled out in an employee handbook that is distributed to all employees. The handbook describes Bankers' basic principles of non-discrimination and equal opportunity, information on employee working conditions, ethical standards, disciplinary practices and a workforce grievance mechanism. The handbook also describes Bankers' policy and engagement on the protection of the environment and the health and safety of employees, customers, contractors and the general public.

All employees have written job descriptions and competency models. Bankers complies with Albanian working hours and enforces clear rules regarding rest periods and days-off. Salaries are paid to national personnel supplemented by a company and individual performance related bonus scheme. Additional benefits to Bankers' staff include life and medical insurance for all employees, as well as statutory paid maternity leave. Employees are free to join trade unions, however no Bankers staff currently belong to any union. Bankers has both staff and contractors' grievance mechanisms in place and operationalized.

Safety of the workforce is a priority for Bankers. Field locations currently operated by Bankers and their contractors have been designed with safety in mind in relation to equipment layout, firefighting provision, alarms, access and egress and close attention to the wearing of appropriate personnel protective equipment. Hazardous materials are adequately stored in custom built areas and Material Data Safety Sheets for each hazardous material stored are in place. A nurse or

doctor is based in the field 24 hours a day for emergencies and a fully equipped ambulance is available on site. As there is sour gas present in the Patos Marizna field, Bankers personnel are equipped with personal hydrogen sulfide (H₂S) monitors and H₂S contingency response measures and procedures are in place in the event of an emergency relating to excess H₂S.

The company has a Health & Safety Manual. Along with the regulations, standard operating procedures, communications procedures and documentation to be followed during project operations, the manual contains the approach to be taken for an effective risk analysis based approach to determining potential hazards prior to starting all project related activities and the implementation of standard approaches to the elimination or control of these hazards. All staff are provided with mandatory safety induction training when they start working for Bankers, and in addition staff and contractors are made aware of specific health and safety hazards through regular safety meetings, pre-job risk assessments, safety bulletins and specific procedures training. Contractors are required under their contracts to also have health and safety management procedures in place that are in line with Bankers' procedures.

Occupational Health & Safety (OHS) performance at Bankers during 2009, 2010 and 2011 was strong and exceeded international benchmarks for the sector, despite a single contractor fatality that occurred in 2011. Although no fatalities were reported in 2012, the Lost Time Injury Frequency (LTIF) rate climbed to a level above Bankers' expectations. Bankers has developed a Health & Safety Workplan covering Q4, 2012 and 2013 to remedy this issue, including tightening up its monitoring, reporting and follow-up roles and procedures. Implementation of this plan is captured in the attached ESAP.

An Emergency Response Plan is in place that contains the responsibilities and response procedures to be carried out by Bankers' Emergency Management Team in the event of an emergency. Fire response is through internal systems supported by the local emergency services. Bankers commissioned Major Accident Hazard (MAH) and Hazard Identification (HAZID) studies for the Patos Marizna field in 2011 and is in the process of implementing the associated action items. An additional fire and explosion risk survey was conducted in mid-2012 and associated actions have been added to Bankers' corrective action registry.

Performance Standard 3: Resource Efficiency and Pollution Prevention

Air emissions: Associated gas produced with the oil is collected where feasible and used as fuel gas for power generation and for the tank heaters attached to each oil storage tank to heat the oil/water mixture from the wells and aid separation. There is a shortage of associated gas in the field as volumes are low (c.150scf/bbl oil) and power generation in the field is frequently supplemented directly from the national grid or from diesel generators and LPG is often used for the tank heaters. Associated gas from single well sites placed into temporary production, and not connected to the central processing areas, is also used as fuel for the adjacent storage tank heaters. Small volumes of excess gas at these satellite locations are vented. Venting of gas also occurs directly from the storage tank vents.

Bankers commissioned an air emissions inventory as part of its ESAP commitments following the original IFC-EBRD supported project. Air emissions from Bankers' operations at the Patos Marizna field are principally related to three treatment facilities (Central Treatment Facility and Pads D and H); soil storage areas; waste sludge pits ('ecopits') containing hydrocarbon wastes; wells and well batteries including well burners, oil tank vent pipes, pumps and generators; and diesel engines on drilling and service rigs. Key emissions involve nitrogen dioxide (NO₂), particulate matter, sulfur dioxide (SO₂), carbon monoxide (CO), volatile organic compounds

(VOCs), H₂S and mercaptans. In addition to the emissions inventory, the company commissioned quality baseline and monitoring/modeling reports in 2011-12 to better understand its footprint and mitigate any non-compliant emissions sources. The final draft air emissions modeling report (January 2013) indicates fairly widespread exceedances of applicable air quality standards for NO₂, PM_{2.5} and total reduced sulphur (TRS, mainly associated with mercaptans and thiol venting) and more limited exceedances for SO₂, PM₁₀ and benzene within parts of the Patos Marinza oilfield. As per the attached ESAP, Bankers will develop and implement a field-level air emissions management program to systematically address these findings and ensure that its air emissions comply with relevant Albanian, EU and IFC EHS Guidelines limits within a reasonable period of time. The company will also confirm that emissions do not pose health and safety risks for workers or community members in higher risk scenarios and take further precautionary measures if and where necessary. GHG emissions for the field – the largest onshore oilfield in Europe – have been estimated at 625,000 tons CO_{2Eq}/annum. As part of its air emissions control program alluded to above, Bankers aims to reduce its GHG emissions intensity over time and will estimate and report on GHG emissions on an annual basis in order to further that aim.

Waste management: Bankers commissioned an inventory of its waste streams to meet the existing ESAP. The main wastes produced include: domestic waste; sanitary waste water; process waste water; produced sand; oil contaminated soils, drilled cuttings and spent drilling fluids. Procedures for handling, storage and transportation of hazardous materials and waste are in place, and a waste management plan is in effect. Paper, cardboard, non-oily plastics, metal, tyres and packaging waste (wood/cardboard) are segregated, and in some cases bailed, by Bankers, then recycled by approved contractors. Food waste from field operations, confidential paperwork and oil-contaminated wastes are incinerated by Bankers whilst small volumes of domestic waste from the administration and office operations in Fier are collected by the municipality and landfilled. Establishment of a dedicated in-field waste disposal site is being considered. The use of two in-field incinerators has allowed Bankers to reduce the backlog of oil-contaminated waste on site. As per the attached ESAP, additional studies will be undertaken to confirm that the associated air emissions meet acceptable norms.

Process waste water is principally related to produced water that is separated from the oil. These waters are treated to reduce the oil and sand content before they are transferred to one of several dedicated disposal wells in the field and injected downhole into a suitable formation. No produced water is discharged to surface waters. Hazardous materials on site include oil, fuels and chemicals used in well interventions, well work-overs and in the oil production process. Specific dedicated storage areas for hazardous chemicals and fuel storage with secondary containment are available on site. Bankers has a standard working procedure for spills and releases of oil or chemicals which includes a response to transportation incidents that result in a spill.

Quantities of produced sand are produced with the oil. These oily sands, or sludges, are removed from the storage tanks by high-pressure water jet, excavated from the tanks and transferred for disposal into an oily waste pit. There are now 7 such pits in the Patos Marinza field, two of which were in use and close to capacity prior to Bankers operations. In addition to storing produced sand, the pits have been used to store the processed wastes from lease remediation. Bankers has a process in place to progressively remediate these pits to create freeboard and reduce the risks of groundwater contamination.

Monitoring: Bankers has installed 130 groundwater monitoring wells in the field area adjacent to production facilities and sludge pits. Quarterly groundwater monitoring is being conducted by a specialist consultancy. Groundwater has been impacted by contaminants in several locations over the life of the field, though a quantitative risk assessment commissioned by Bankers indicates that

there are currently no significant risks posed to staff or local communities by contaminated groundwater. Bankers have commissioned noise monitoring reports for new infrastructure development. Handheld noise instruments are used to monitor noise and Bankers is investigating the purchase of stationary noise monitoring equipment. Based on the final air emissions modeling reports referred to above and a pending air monitoring recommendations report, Bankers will re-design and implement its regular air monitoring program.

Performance Standard 4: Community Health, Safety and Security

An estimated 10,000 people live within or just outside the boundaries of the Patos Marinza oilfield. Closest to the operations at Patos Marinza there are nine Communes containing 26 villages with homes in the oilfield and another six nearby villages some of whose inhabitants own agricultural land within the block. Bankers' operations are conducted using modern equipment and technology and the design of facilities and operational procedures, including the handling and storage of hazardous materials, follow good international industry safety practices.

Bankers' facilities and operations do not pose a significant health and safety risk to communities in the area under normal routine activities. To date, there have been no community fatalities related to Bankers' operations in Patos Marinza and one serious injury caused by a vehicle collision with a horse-drawn cart in 2011. Health and safety risks to community members are mainly related to derelict Albpetrol equipment, abandoned facilities and pre-existing pollution in the field. Bankers' progressive interventions in the Patos Marinza field have steadily reduced these health and safety risks to the communities. Old abandoned Albpetrol wells are generally uncapped, unfenced and in a poor state, often surrounded by pools of leaked oil and associated sludge. As Bankers takes over these wells, they are substantially remediated and made safe, reducing associated risks to neighbouring community members. Bankers also fences all 'sour' (H₂S producing) wells within its remit as these pose specific health risks, whether or not it intends to use these as producing wells. By using horizontal drilling techniques, Bankers has been able to decrease the footprint of its operations by creating clusters of wells on a single pad, instead of multiple individual vertical wells each with its own footprint.

Significant volumes of oil from existing production were previously regularly exported from the Patos Marinza field by road tanker for sale at one of two refineries near to the Patos Marinza field or to ships anchored at Vlore. Bankers subsequently built an export pipeline from the Central Treatment Facility (CTF) to the town of Fier, substantially reducing truck traffic through local villages and consequently reducing the risk of community traffic incidents. The reduction in truck traffic passing through these villages has been estimated as 80 trucks per day.

Bankers has emergency procedures in place and the emergency preparedness and response planning has involved the local authorities. Risks to local communities that might exist in the event of an emergency in the field have been established and Bankers will assist the local authorities in the preparation of any additional response arrangements that would involve the communities. Bankers is working closely with the Red Cross in the project area to design and implement a community health and safety awareness building program, including dissemination of information leaflets highlighting the risks of interacting or interfering with oil extraction infrastructure. Implementation of this program began in the fourth quarter of 2012, in close collaboration with the Community Relations team, targeting affected communities.

Security incidents in the oilfield usually involve theft of fuel and removal of equipment. Bankers' facilities are secured by security personnel and in some cases by fencing. Security personnel are contracted from a private, licensed local security firm. Bankers undertook a security risk

assessment for the entire field in 2011 as required under the existing ESAP. Two back-to-back Security Managers have been recruited in addition to a Security Coordinator and a Security Assistant. There is also a contracted guard force comprised of 286 security guards, including the five supervisory guards who are armed. A Security Work Plan has been put in place which envisages watch guards to be formed from members of the communities for community watch. A Security Action Plan is in force and is updated on a regular basis. Additional CCTV and lighting will be introduced in 2013 at higher risk installations.

Performance Standard 5: Land Acquisition and Involuntary Resettlement

No physical displacement has resulted from Bankers operations to date and none is being considered for the expansion of operations in Patos Marinza, although limited economic displacement has occurred. The use of horizontal drilling techniques minimizes land take, allowing multiple wells to be placed on a single larger wellpad away from homes, versus the previous Albpetrol method of multiple vertical wells spread through inhabited areas. Land registry records are available which list privately owned land parcels in the area and leasing arrangements are based on a willing buyer-willing seller relationship. In some cases Bankers has taken over permanent 1,000 m² leases from Albpetrol at individual existing wells to which local landowners have no claim and frequently these leases are enlarged through annually renewable leases. Bankers has a Land Manager dealing with land acquisition and has published a standard compensation rate schedule for land which it rents or purchases. As required under the existing ESAP, Bankers has developed a Resettlement Policy Framework covering all potential future resettlement scenarios resulting from its activities. This includes, *inter alia*, the formal consultation and grievance mechanism for affected people, compensation measures and rates and procedures for documenting consultative processes and record keeping.

Performance Standard 8: Cultural Heritage

Much of the Patos Marinza oilfield has been heavily impacted by oil operations and habitation. Nevertheless, there are cultural features such as gravesites and cemeteries in the area and Bankers includes cultural heritage investigations in its impact assessment process for new projects. Any affected cultural heritage will either be moved or, if warranted, removed from harm using appropriate techniques. Bankers has a Chance Find Procedure integrated into its ESMS to ensure that contractors are aware of related risks and remedies. Additionally, Bankers has initiated the creation of a small museum area near the CTF to display historical equipment related to oil and gas production over the years. This display will be made available to the public to commemorate the long history of production in the region.

Client's Community Engagement

Community engagement in the Patos Marinza oilfield was largely absent prior to Bankers' arrival. Following IFC and EBRD advice, Bankers developed a Stakeholder Engagement Plan tied to its Social Management System. The Plan was most recently revised and disclosed in early 2012. Bankers has established a significant Community Relations team that employs back-to-back Managers, a senior Community Relations and Grievance Officer, a Community Relations Co-ordinator, two Community Relations Officers, a Translator and a local consultant from the Regional Development Agency. Bankers also built a Community Information Center in Marinza, near the CTF, in order to provide in-field access to community relations staff and information on health and safety, employment opportunities, project information, vocational training opportunities and to provide a convenient venue to report and resolve grievances. The Center was

constructed in the spring of 2012 and officially opened on June 1st 2012. It has been visited frequently since that time by community members. Bankers plans 'Village Days' in 2013 to further progress the exchange of information with affected communities.

One major role of this team has been to compile and implement the Stakeholder Engagement Plan, including aspects such as stakeholder analysis, key issue identification and targeted measures aimed at engaging with each main group. Implementation activities have included, for example, the preparation, disclosure and consultation on a Non-Technical Summary of recent ESIA studies, the Stakeholder Engagement Plan and the ESAP. This process, involving hundreds of stakeholders and multiple meetings, was advertised in local newspapers and in municipal offices, and via distribution of information leaflets. It was also fed by the outputs of the earlier Social Baseline Study for the field, which involved over 700 household questionnaires and 35 focus group discussions with over 500 primary stakeholders, including women, men and youth in affected villages, as well as a series of consultations with mayors, village leaders and community members concerning project impacts and management measures between 2010-2012.

The key concern amongst local communities during these meetings has been employment. Aside from direct employment opportunities – which are lower than under previous Albpetrol management – Bankers is developing vocational training programs and other economic development support initiatives, in consultation with local stakeholders. Other concerns raised have included disturbances from dust, noise, air pollution; health and safety of pedestrians, cyclists and children walking on narrow sidewalks; road damage from heavy use and possible damage to adjacent properties caused by vibrations. Bankers is acting on these concerns on an ongoing basis and feeding the results back to affected communities. A key element of the stakeholder engagement process is the existence and use of the Community Grievance Mechanism which Bankers actively maintains and reports on to senior management.

The occurrence of earthquakes has created a number of concerns amongst certain community members, who attribute tremors to Bankers' sub-surface activities. This has at times resulted in acts of vandalism affecting company property and production. In response, Bankers has compiled a Public Information Document dealing with the nature of earthquakes and disseminated this to communities. The Community Relations team also met with local leaders in all of the affected areas of operation to discuss related matters, including analytical findings from Bankers' geologists. Albania's National Agency of Natural Resources (AKBN) has now taken up the issue and formed an independent committee to monitor and evaluate / address these concerns.

A second major role of the Community Relations team has been to develop, disclose, consult on and implement its Community Investment Strategy, which was developed in 2012 and is currently being implemented. The Strategy has two main components, namely a) Economic Development & Job Creation Initiatives and b) Community Quality of Life Improvements. The team developed this Strategy based on economic baseline analysis, a vocational training needs assessment, the outcomes of focal groups (women, farmers and others), key informant interviews with multiple agencies and networking and partnerships with local Government, the UNDP and others. The first component is focused on agricultural support initiatives, English language and vocational training and entrepreneurship together with support for the most vulnerable families. The second component is focused on training community members on health & safety and life skills, schoolyard tree planting, community gardens, parks and recreation projects, improvements in local healthcare and educational facilities and road improvement projects.

LOCAL ACCESS OF PROJECT DOCUMENTATION

English and Albanian versions of the Environmental and Social Review Summary and the Environmental and Social Action Plan will be disclosed by the Company and made available to the public locally in the city halls of Fier and Patos, as well as in the city halls of the communes of Kuman and Zharrez, which will cover the communities of Dukas (Patos); Marinza and Kuman (Kuman); and Zharres, Sheqishte, Verbas, Beline, and Novosele (Zharrez).

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