

ASSIGNMENT AGREEMENT

S. C. Amromco Energy SRL

and

Oracle Energy Corp.

Nadlac and Bordei Verde Vest Blocks

Onshore Romania

April 18, 2012

ASSIGNMENT AGREEMENT

THIS ASSIGNMENT AGREEMENT is dated as of April 18, 2012 by and between

S.C. Amromco Energy S.R.L., a limited liability company duly organized and existing under the laws of Romania, having its registered office in Ploiesti, 152K Republicii Blvd. floors 2, 3, 4 and attic, registered with the Prahova Commerce Register under no. J/29/858/2004, sole registration code no. R16354101 (hereinafter called “Amromco”), and

Oracle Energy Corp., a corporation organized and existing under the laws of British Columbia, with its principle offices at 1008 Homer Street, Suite 318, Vancouver, BC, Canada V6B 2X1 (hereinafter referred to as “Oracle”).

Amromco and Oracle, and their respective successors and assignees (if any), may sometimes individually be referred to herein as a “Party” or collectively as the “Parties”.

RECITALS:

WHEREAS, Amromco and Oracle are parties to a Farmout Agreement dated August 14, 2009 (as amended, the “Farmout Agreement”), pursuant to which Amromco acquired from Carpathian Energy Companie Petroliera SRL (“Carpathian”) sixty-seven and one-half percent (67.5%) of Carpathian’s one-hundred percent (100%) interest in the rights, benefits, costs and obligations under the Contract (as hereinafter defined) and Oracle acquired six and one-half percent (6.5%) of Carpathian’s one-hundred percent (100%) interest in the rights, benefits, costs and obligations under the Contract;

WHEREAS, pursuant to the terms of the Joint Operating Agreement (as hereinafter defined), Amromco acquired, effective March 26, 2011, from Carpathian’s twenty-six percent (26%) interest in the rights, benefits, costs and obligations under the Contract, an additional twenty-three and seventy-two one-hundredths percent (23.72%) interest, and Oracle acquired an additional two and twenty-eight one-hundredths percent (2.28%) interest, in the rights, benefits, costs and obligations under the Contract;

WHEREAS, the Parties have been informed that NAMR has not yet approved the above transfers from Carpathian to Amromco and Oracle, so that the NAMR record interests presently held by the parties in the Contract remain Amromco 67.5%, Carpathian 26%, and Oracle 6.5%; and

WHEREAS, Oracle desires to assign and transfer to Amromco all of its interest in the rights, benefits, costs and obligations under the Contract, and Amromco desires to accept the assignment and transfer of such interest from Oracle pursuant to the terms and conditions set forth in this Agreement.

NOW THEREFORE, in consideration of the premises and the mutual promises, representations, warranties, conditions and agreements set forth herein, and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

ARTICLE 1. DEFINITIONS

As used in this Agreement, the following capitalized words and terms shall have the meanings ascribed to them below.

“Affiliate” means a company, partnership or other legal entity which controls, or is controlled by, or which is controlled by an entity which controls, a Party. Control means the ownership directly or indirectly of more than fifty (50) percent of the voting rights in a company, partnership or legal entity.

“Agreement” means this Assignment Agreement together with Exhibit “A” attached hereto.

“Amromco” has the meaning set forth in the introductory paragraph of this Agreement.

“Blocks” means the Bordei Verde Vest Block and the Nadlac Block, as identified in the Contract and more particularly described in Annexes “A” and “B” and Schedules 1 and 2 of the Contract.

“Conditions Precedent” means the conditions set forth in Article 2.4.

“Contract” means the Master Concession Agreement insofar and only insofar as it relates to the Blocks.

“Effective Date” has the meaning set forth in Article 2.6.

“Government” means the Government of Romania.

“Instrument of Assignment” means an instrument of assignment, the form of which is attached as Exhibit “A.”

“Joint Operating Agreement” means the joint operating agreement dated August 14, 2009 and effective March 19, 2010 governing operations carried out by the Parties under the Contract.

“Laws / Regulations” means those laws, statutes, rules and regulations governing activities under the Contract, including the Petroleum Law, the Methodological Norms, Government Ordinance No. 195 of 2005 Concerning the Protection of Environment, approved by Law no. 265 of 2006, as subsequently amended and supplemented and the Waters Law No. 107/1996, as subsequently amended and supplemented.

“Master Concession Agreement” means the Concession Agreement for Petroleum Exploration, Development and Production originally concluded with NAMR and Petrom S.A. and approved by Government Decision No. 223 dated March 26, 1999.

“Methodological Norms” means the Methodological Norms for the application of the Petroleum Law as in effect on the date of this Agreement.

“Nadlac Overriding Royalty” means the 13.5% “ORRI” payable under the terms of an agreement dated August 6, 2003 between Rompetrol S.A. and Carpathian, under which Carpathian acquired the interest in the Nadlac Block subsequently transferred to Amromco and Oracle.

“**NAMR**” has the meaning set forth the Petroleum Law and includes such other person or body which is duly appointed to act on behalf of the Government as competent authority under the Petroleum Law.

“**Oracle**” has the meaning set forth in the introductory paragraph of this Agreement.

“**Oracle’s Interest**” has the meaning set forth in Article 2.1.

“**Participating Interest**” means the undivided percentage interest of a party in the costs, obligations, rights and benefits deriving from the Contract and the Joint Operating Agreement.

“**Petroleum Law**” means the Petroleum Law no. 238 of 2004, as subsequently amended and supplemented.

“**Purchase Price**” has the meaning set forth in Article 3.

Any capitalized term used in this Agreement and not specifically defined in this Agreement shall have the same meaning as in the Contract.

ARTICLE 2. ASSIGNMENT OF INTEREST

2.1. Agreement to Assign Interest

- (a) For purposes of this Agreement, (i) Oracle shall be deemed under Article 8 of the Joint Operating Agreement to have elected not to accept an additional two and twenty-eight one-hundredths percent (2.28%) Participating Interest, constituting Oracle’s proportionate share of the twenty-six percent (26%) Participating Interest held by Carpathian prior to Carpathian’s default under the Joint Operating Agreement, and (ii) Amromco shall be deemed to have elected to accept all of Carpathian’s twenty-six percent (26%) Participating Interest. Accordingly, on the date hereof Oracle holds a six and one-half percent (6.5%) Participating Interest (“Oracle’s Interest”) and Amromco holds a ninety-three and one-half percent (93.5%) Participating Interest.
- (b) Subject to the terms of this Agreement, Oracle agrees to assign, transfer and convey to Amromco one hundred percent (100%) of Oracle’s Interest, and Amromco agrees to accept the assignment, transfer and conveyance of all of Oracle’s Interest from Oracle.
- (c) As of the Effective Date, Oracle shall hold no Participating Interest.
- (d) Oracle’s Interest shall be deemed to include all of Oracle’s right, title or interest to Joint Property held under the Joint Operating Agreement and any other real or personal property acquired and used by the Parties or Carpathian or their respective Affiliates or agents in connection with operations under the Contract. Oracle shall make and provide to Amromco such conveyances, bills of sale and other instruments or documents as may be necessary or as may be reasonably requested by Amromco, either before or after the Effective Date, to evidence Amromco’s interest in Joint Property or such other real or personal property.

2.2. Instrument of Assignment

The assignment, transfer and conveyance of Oracle's Interest shall be evidenced by the Instrument of Assignment which shall be executed concurrently with execution and delivery of this Agreement and shall become effective on the Effective Date.

2.3. Joint Operating Agreement

- (a) The Parties agree that the Joint Operating Agreement shall terminate on the Effective Date. As provided in the Joint Operating Agreement, termination shall be without prejudice to any rights and obligations arising out of or in connection with the Joint Operating Agreement which have vested, matured or accrued prior to such termination.
- (b) As from the date of this Agreement, Amromco shall submit no further cash calls to Oracle, and Oracle shall have no right to any Entitlement under the Joint Operating Agreement. Oracle shall have no right to participate in meetings of the Operating Committee and decisions of the Operating Committee shall not require the vote of Oracle. Amromco shall have no obligation to provide Oracle with information or access pursuant to the Joint Operating Agreement. There shall be no adjustment to the accounts of the Parties by reason of the application of Article 2.1(a).
- (c) In the event this Agreement is terminated pursuant to Article 2.6, the accounts of the Parties shall be reconciled and each Party shall immediately pay to the other Party such amounts as would have been due under the Joint Operating Agreement had the Parties not pursued the contemplated transaction under this Agreement. In such case, Oracle shall be liable for its Participating Interest share of costs accrued subsequent to the date of this Agreement; provided, however, that Oracle's liability with respect to costs accrued between the date of this Agreement and the termination date shall not exceed its Entitlement, if any, accrued under the Joint Operating Agreement subsequent to the date of this Agreement.
- (d) For the avoidance of doubt, in the event of termination of this Agreement pursuant to Article 2.6, Oracle's Participating Interest shall be deemed as between the Parties to have been eight and seventy-eight one-hundredths percent (8.78%), and Amromco's Participating Interest shall be deemed to have been ninety-one and twenty-two one-hundredths percent (91.22%), during the entire period this Agreement remained in effect. Upon termination, the Parties shall make any necessary conveyances and shall take such other steps as may be appropriate to obtain any necessary approvals of NAMR so that the record interests of the Parties are as set forth in the preceding sentence.

2.4. Conditions Precedent

The assignment, transfer and conveyance of Oracle's Interest shall be subject to the satisfaction of each of the following Conditions Precedent:

- (a) the adoption of resolutions by the Oracle shareholders approving the execution and performance of this Agreement and the consummation of the transactions contemplated hereunder;
- (b) the adoption of resolutions by the appropriate management body of Amromco approving the execution and performance of this Agreement and the consummation of the transactions contemplated hereunder;
- (c) the Canadian TSX Venture Exchange's approval of Oracle's execution and performance of this Agreement and the consummation of the transactions contemplated hereunder; and
- (d) the NAMR's unconditional approval of the assignment, transfer and conveyance of Oracle's Interest to Amromco, it being understood and agreed that if in connection with its approval the NAMR requires that a new concession be issued to Amromco, this condition will be deemed to be satisfied only on the effective date of such concession agreement.

The items referred to in Article 2.4(a), (b) and (c) shall be in form and substance acceptable to both Parties. The item referred to in Article 2.4(d) shall be in form and substance acceptable to Amromco in its sole discretion, and Amromco alone shall have the right but not the obligation to waive at any time satisfaction of the Condition Precedent set forth in Article 2.4(d). Oracle shall use its best commercial efforts to expeditiously complete all actions within its control to satisfy the Conditions Precedent set forth in Articles 2.4(a) and (c), and Amromco shall use its best commercial efforts to expeditiously complete all actions within its control to satisfy the Conditions Precedent set forth in Articles 2.4(b) and (d). Each Party shall keep the other Party informed of its progress in satisfying the Conditions Precedent within its control. Each Party shall cooperate and lend all reasonable assistance to the other Party in connection with satisfaction of the Conditions Precedent.

2.5. NAMR Approval

Immediately upon satisfaction of the Conditions Precedent set forth in Articles 2.4(a), (b) and (c), the Parties shall jointly submit to NAMR the application required under the Methodological Norms to obtain approval of the assignment, transfer and conveyance of Oracle's Interest to Amromco and thereby satisfy the Condition Precedent set forth in Article 2.4(d). The Parties shall include with such application all such further instruments and documents as are specified under the Petroleum Law, the Methodological Norms or the Contract, or as may be reasonably requested by the NAMR in connection with such application. Amromco shall have no obligation to accept any material condition (including relinquishment of any portion of the Blocks) or modification in terms imposed or required by NAMR in connection with the approval of such application other than those which are customarily imposed or required under Laws / Regulations.

2.6. Effective Date; Right to Terminate

- (a) The Instrument of Assignment and the assignment, transfer and conveyance by Oracle to Amromco of Oracle's Interest shall become effective on the date the Conditions Precedent set forth in Article 2.4 are satisfied and the Purchase Price is paid ("Effective Date"). If for any reason the Effective Date shall not have occurred within one hundred eighty (180) days after the date of this Agreement, each Party shall have the continuing right so long as the Effective Date has not occurred to immediately terminate this Agreement by giving notice to the other Party; provided, however, that such period shall be extended by a period of one (1) year if the Government's approval of the assignment, transfer and conveyance of Oracle's Interest is subject to the issuance to Amromco of a new concession agreement covering the Nadlac Block and/or the Bordei Verde Vest Block. Except as otherwise provided herein, following termination, neither Party shall have any further liability or obligation to the other Party under this Agreement except liability arising from a Party's failure to use its best commercial efforts under Article 2.4.
- (b) Oracle shall give Amromco not less than fifteen (15) days prior notice of its intention to exercise its right to terminate this Agreement pursuant to Article 2.6(a). Notwithstanding the provisions of Article 2.6(a), if Amromco at any time prior to termination elects to waive satisfaction of the Condition Precedent set forth in Article 2.4(d), the "Effective Date" as between the Parties shall be the date of such waiver. In such case, Oracle shall be deemed insofar as necessary for administrative purposes under Laws / Regulations to hold Oracle's Interest or any portion thereof not approved for transfer in trust for the exclusive benefit of Amromco until such time as the NAMR has approved the assignment, transfer and conveyance of the entirety of Oracle's Interest to Amromco.

ARTICLE 3. CONSIDERATION

In consideration of Oracle's assignment, transfer and conveyance of Oracle's Interest to Amromco, Amromco shall pay to Oracle within ten (10) days after the Effective Date the sum of U.S. Dollars Four Hundred Thousand (U.S.\$400,000) (the "Purchase Price"), representing a return of the U.S. Dollars Fifty Thousand (U.S.\$50,000) security deposit previously paid by Oracle plus an additional U.S. Dollars Three Hundred Fifty Thousand (U.S.\$350,000) cash consideration. Payment shall be made into a bank account designated by Oracle. Any Canadian taxes imposed in connection with such payment or on the transfer of Oracle's Interest shall be solely for the account of Oracle.

ARTICLE 4. REPRESENTATIONS AND WARRANTIES

4.1. Representations and Warranties of both Parties

Amromco and Oracle (each a "Warrantor") each make the following representations and warranties to the other Party:

- (a) Warrantor has all requisite power and authority to enter into and perform this Agreement and consummate the transactions contemplated herein.
- (b) Warrantor's execution, delivery and performance of this Agreement (and all documents and instruments to be executed and delivered by it pursuant to this Agreement) have been duly and validly authorized by all necessary company action, and this Agreement constitutes the valid and binding obligation of Warrantor.

4.2. Oracle's Representations and Warranties

Oracle makes the following representations and warranties to Amromco:

- (a) Oracle is the holder and owner of a six and one-half percent (6.5%) legal and beneficial interest in the Contract, has not transferred to any third party any legal, equitable or other rights, obligations or liabilities under the Contract, and has good and marketable title to such interest in the Contract, free of all liens, claims, burdens or encumbrances other than those in favor of any parties named under the Joint Operating Agreement and with respect to the Nadlac Overriding Royalty.
- (b) Oracle has complied with Laws / Regulations in relation to the performance of its obligations under or in relation to the Contract and the Blocks.
- (c) There are no claims, demands, actions, suits, Government inquiries, or proceedings pending, or to Oracle's knowledge, threatened, with respect to Oracle, Oracle's interest in the Contract, or Oracle's rights, obligations or the ownership of property in connection with the Contract or the Blocks, nor to the best of its knowledge are there any judgments, decrees, injunctions, orders, or awards outstanding with respect to the same, which could reasonably be expected to hinder or impede the consummation of the transactions contemplated in this Agreement.

4.3. Effectiveness of Representations and Warranties

The representations and warranties set forth in this Article 4 shall be true and correct in all material respects as of the date of this Agreement and the Effective Date.

4.4 Status of Farmout Agreement

The Parties each hereby acknowledge and agree that the obligations of the Parties under the Farmout Agreement have been fulfilled.

ARTICLE 5. INDEMNITIES

5.1. Indemnity - Representations and Warranties

Each Party ("Indemnitor") hereby agrees to defend, indemnify and hold harmless each other Party and their respective Affiliates, and its and their directors, officers, employees and agents from and against any claim, loss or damage arising out of or connected with, directly or indirectly, Indemnitor's breach of its representations and warranties set out in Article 4.

5.2. Joint Operating Agreement Indemnities

Notwithstanding termination of the Joint Operating Agreement, the Parties' indemnity and liability obligations shall be as provided in the Joint Operating Agreement with respect to any claim, loss or damage arising out of, or connected with, directly or indirectly, operations, activities and occurrences in or in relation to the Blocks or the Contract prior to the Effective Date.

ARTICLE 6. CONFIDENTIALITY

Notwithstanding termination of the Joint Operating Agreement, all geophysical, geological, engineering or other technical, financial or administrative data or information with respect to this Agreement, the Joint Operating Agreement and the Contract ("Information") shall be held in confidence by Oracle in accordance with the confidentiality provisions contained in Article 15 of the Joint Operating Agreement, and such provisions are hereby incorporated by reference into this Agreement

ARTICLE 7. APPLICABLE LAW AND DISPUTE RESOLUTION

Notwithstanding termination of the Joint Operating Agreement, the provisions of Article 18.1 and 18.2 ("Applicable Law; Dispute Resolution") thereof shall apply with respect to all disputes arising under this Agreement, and such provisions are hereby incorporated by reference into this Agreement.

ARTICLE 8. NOTICES

All notices authorized or required between the Parties shall be in writing, in English and delivered in person or by registered mail, any nationally recognized overnight delivery service, courier service or by any electronic means of transmitting written communications which provides written confirmation of complete transmission, and addressed to such persons as are designated below. Notices shall be deemed to be given when received by the Party to which such notice is addressed. Each Party shall have the right to change its address at any time and/or designate that copies of all such notices be directed to another person at another address, by giving notice thereof to the other Party.

S.C. Amromco Energy S.R.L.

One Park 10 Plaza
16225 Park Ten Place, Suite 850
Houston, Texas 77084
Attn: David Rutledge

Facsimile: 281-398-6476
Email: drutledge@amromco.com
Telephone: 281-398-6522

Oracle Energy Corp.
Suite 318-1008 Homer Street
Vancouver, B.C.

Canada V6B 2X1
Attn: Mr. Nasim Tyab

Facsimile: 604-568-8500
Email: Nasim@oracleenergy.com [mailto:](mailto:Nasim@oracleenergy.com)
Telephone: 604-558-0976

ARTICLE 9. GENERAL

9.1. Successors and Assigns

The terms, covenants and conditions contained in this Agreement are binding upon and inure to the benefit of Amromco and Oracle and their respective successors and assigns. Any assignment, conveyance or other transfer of all or any part of a Party's interest in this Agreement shall require the prior written consent of the other Party, which consent shall not be unreasonably withheld.

9.2. Amendments; Waivers

No amendment or modification of this Agreement will be effective or binding on either Party unless in writing and signed by both Parties. Except as expressly provided in this Agreement, neither Party shall be deemed to have waived, released or modified any of its rights under this Agreement unless such Party has expressly stated in writing that it waives, releases or modifies such rights.

9.3. Interpretation

- (a) The headings used in this Agreement are for convenience only and may not be considered in the interpretation or construction of this Agreement.
- (b) As used in this Agreement, "*include*" and "*including*" mean include or including without limiting the generality of the description preceding such term and are used in an illustrative sense and not a limiting sense.
- (c) In the event of a conflict between the provisions set forth in the body of this Agreement and any Exhibit, the provisions set forth in the body of this Agreement shall prevail.
- (d) Provisions of the Joint Operating Agreement which are incorporated by reference into this Agreement shall be valid and effective for purposes of this Agreement notwithstanding the termination of the Joint Operating Agreement.

9.4. Counterpart Execution

This Agreement may be executed in counterparts each of which when executed and delivered shall be an original but both of which together shall constitute one and the same instrument.

9.5. Further Assurances

The Parties each agree to take such further actions and to execute and deliver such further documents and instruments as are reasonably requested by the other Party for carrying out the purposes of this Agreement or of any document or instrument delivered pursuant to this Agreement.

9.6. Entirety

This Agreement constitutes the entire agreement between the Parties relating to the subject matter hereof and supersedes all prior and contemporaneous negotiations, understandings, letters of intent, and agreements (whether written or oral) between the Parties.

IN WITNESS WHEREOF, this Agreement has been executed by the duly authorized representatives of the Parties as of the day and year first above written.

S.C. Amromco Energy S.R.L.

By: /s/David Rutledge
Name: David Rutledge
Title: CO-CEO

Oracle Energy Corp.

By: /s/Nasim Tyab
Name: Nasim Tyab
Title: President

EXHIBIT "A"

Form of Instrument of Assignment

INSTRUMENT OF ASSIGNMENT

This Instrument of Assignment is dated the 18th day of April, 2012, by and between **S.C. Amromco Energy S.R.L.**, a limited liability company duly organized and existing under the laws of Romania (hereinafter referred to as "**Amromco**") and **Oracle Energy Corp.**, a corporation organized and existing under the laws of British Columbia (hereinafter referred to as "**Oracle**"). Amromco and Oracle, and their respective successors and assignees (if any), may sometimes individually be referred to herein as a "Party" or collectively as the "Parties".

RECITALS:

WHEREAS, Oracle is a party to and holds six and one-half percent (6.5%) interest in the rights, benefits, costs and obligations under the Contract and the Joint Operating Agreement;

WHEREAS, Oracle desires to assign, transfer and convey all of its interest in the Contract and Joint Operating Agreement to Amromco, and

WHEREAS, Amromco desires to accept the assignment, transfer and conveyance of such interest in the Contract and Joint Operating Agreement from Oracle.

NOW THEREFORE, in consideration of the premises and the mutual promises, representations, warranties, conditions and agreements set forth in the Assignment Agreement of even date herewith ("Assignment Agreement"), and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Oracle hereby assigns, transfers and conveys to Amromco one hundred percent (100%) of Oracle's six and one-half percent (6.5%) interest in the rights, benefits, costs and obligations under the Contract and the Joint Operating Agreement, and Amromco hereby accepts the assignment, transfer and conveyance of such interest from Oracle.
2. As the result of the foregoing assignment, transfer and conveyance, Oracle holds no interest in the rights, benefits, costs and obligations under the Contract.
3. Amromco hereby assume all the rights, duties and obligations under the Contract which apply to the "Title Holder" thereunder and agree to be bound by all covenants contained in the Contract.

4. Subject to the Assignment Agreement, this Instrument of Assignment and the assignment, transfer and conveyance provided for herein shall become effective on the Effective Date as defined in Articles 2.6(a) and (b) of the Assignment Agreement.
5. Any capitalized term used in this Instrument of Assignment shall have the same meaning as in the Assignment Agreement.
6. This Instrument of Assignment may be executed in counterparts each of which when executed and delivered shall be an original but both of which together shall constitute one and the same instrument

IN WITNESS WHEREOF, this Instrument of Assignment has been executed by the duly authorized representatives of the Parties as of the day and year first above written.

S.C. Amromco Energy S.R.L

By: _____
Name: _____
Title: _____

Oracle Energy Corp.

By: _____
Name: _____
Title: _____