

MEMORANDUM OF UNDERSTANDING
(hereinafter referred to as "MOU")

between

Memorial University of Newfoundland
(hereinafter referred to as the "University")

and the

Geological Survey of Canada
Earth Sciences Sector
Department of Natural Resources, Canada
(hereinafter referred to as "GSC")

(hereinafter jointly referred to as the "Participants")

concerning

Collaboration in the Field of Geoscience Related to Offshore Petroleum

WHEREAS the Participants, recognize the importance of enduring petroleum exploration and production to the sustainable development and economic health of Newfoundland and Labrador;

WHEREAS the Participants, recognize the need for intensifying fundamental and applied research in the field of geoscience, in particular offshore petroleum geoscience and hazards to infrastructure during exploration, development and production in order to strengthen the region's global competitiveness for attracting petroleum industry investment and in order to support sound decision making on issues related to social, environmental, and economic development;

WHEREAS the Participants on the basis of this MOU, are mutually interested in developing and reinforcing their cooperation through joint investigations and scientific exchanges of mutual interest in the field of geoscience in order to advance their individual programs;

WHEREAS the Participants in this MOU desire to contribute to the development of scientific co-operation between the University and the GSC, reinforcing and strengthening the institutional links between the two organizations.

The Participants, therefore, have reached the following understanding:

Article One

The objective of this MOU is to establish a framework for cooperation between the Participants on the basis of equality, overall reciprocity and mutual benefits.

Article Two

This MOU is general in nature and is neither comprehensive nor exhaustive. When the Participants intend to undertake a form of cooperation as described in this MOU, the Participants will execute an Implementing Arrangement that will set forth the timing and scope of the specific form of cooperation and any other matters on which agreement may be desirable such as funding, intellectual property, and liability.

Article Three

Cooperation under this MOU may include the following areas of interest where aligned with each Participant's extant programs:

1. Regional structural and stratigraphic architecture of the offshore sedimentary basins;
2. Crustal and tectonic regional studies;
3. Petroleum system and exploration related studies;
4. Integrated potential fields and seismic interpretation studies;
5. Marine surficial and shallow subsurface regional studies;
6. Geohazards as constraints to development studies; and
7. Other areas of interest as mutually agreed upon in writing by the Participants.

Article Four

Cooperation under this MOU is subject to and dependent upon the availability of funds and resources from each Participant, and may include the following forms:

1. Exchange of scientists and/or technical personnel to work on collaborative projects of mutual interest;
2. Exchange of non-exclusive scientific and/or technical information;
3. Education and training;
4. Organization and support of joint presentations and/or publications;
5. Encouragement of petroleum exploration and resource research in Newfoundland and Labrador;
6. Liaison and coordination (both nationally and internationally) with geoscientists in government, industry, academia, and other research organizations where appropriate; and
7. Other forms of cooperation as mutually agreed upon in writing by the Participants.

Article Five

The scientific and technical results of cooperative projects conducted under this MOU will be shared and published or held in confidence in accordance with the specific terms identified in the associated Implementing Arrangements.

Article Six

In order to implement cooperation under this MOU, the Participants will designate appropriate representatives to identify cooperative activities and details of implementation.

Article Seven

No cost incurred by one Participant shall be assumed by the other Participant unless otherwise agreed to

in writing under an Implementing Arrangement pursuant to this MOU. All costs or estimated costs will be detailed in the Implementing Arrangements.

Article Eight

This MOU will become effective upon signing by both Participants and remain in effect for four (4) years, unless extended or terminated. This MOU may be amended or extended by mutual written agreement, and may be terminated at any time by either Participant upon three (3) months written notice to the other Participant.

Termination of this MOU does not affect the implementation of any existing Implementing Arrangements between the Participants. Termination or amendment of the Implementing Arrangements will be in accordance with the provisions of each specific Arrangement.

Article Nine

This MOU does not create any legally binding obligations between the Participants.

Signed at ST. JOHN'S on the 6TH day of July, 2004.

Accepted on behalf of the GSC by: Accepted on behalf of the University by:

Dr. Irwin Itzkovitch
Assistant Deputy Minister
Earth Sciences Sector
Natural Resources Canada

Dr. Christopher Loomis
Vice-President (Research)
Memorial University of Newfoundland