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To the bondholders in:

NO 001 063596.4

FRN Farstad Shipping ASA Senior Unsecured Bond Issue
2012/2017 ("FAR03")

Oslo, 10 February 2017

Information to Bondholders – Technical extension of Maturity Date

Nordic Trustee ASA (the "**Bond Trustee**") acts as trustee for the bondholders (the "**Bondholders**") in the above mentioned bond issue (the "**Bond**" or the "**Bond Issue**") issued by Farstad Shipping ASA as issuer (the "**Company**" or the "**Issuer**"), pursuant to the terms of the bond agreement (the "**Bond Agreement**") dated 10 February 2012 between the Issuer and the Bond Trustee.

Reference is made to a press release from the Company dated 6 February 2017 and the Restructuring as defined and further set out therein.

The maturity date for the Bond Issue is 15 February 2017 ("**Maturity Date**"). As part of the proposed Restructuring, the Bond Issue will be fully converted into equity in the Issuer and therefore the Issuer will not redeem the Bonds on the Maturity Date. Provided fulfilment of relevant conditions, the Restructuring will be completed after the Maturity Date. Based on this, the maturity date in VPS will for purely practical reasons be extended to 30 July 2017.

In addition to facilitate the contemplated Restructuring, the technical extension of the maturity date will make trading and transactions connected to the Bonds easier and eliminate uncertainty with regards to the individual Bondholders' ability to prove their full holding with respect to the voting at bondholders' meetings. The Maturity Date of 15 February 2017 is still the contractual maturity date - i.e. the date on which the amounts under the Bonds formally become due and payable.

While interest will continue to accrue pursuant to the Bond Agreement, it will not be established a separate coupon claim in VPS on the Maturity Date. Provided completion of the Restructuring, Bonds and interest accrued to and including 31. December 2016 ("**Interest Accrued**") will be converted into shares in the Issuer at a future record date (the "**Record Date**"). Holders of the Bonds at the Record Date will receive shares in the Issuer based on their holding of Bonds and Interest Accrued thereon without giving consideration to who were holders of the Bond at past record dates or interest payment dates.

Further information will be given in due course.

Yours sincerely
Nordic Trustee ASA



Morten S. Bredesen