

Denne melding til obligasjonseierne er kun utarbeidet på engelsk. For informasjon vennligst kontakt Nordic Trustee ASA

To the Bondholders in:

ISIN NO 001066204.2 - FRAM EXPLORATION ASA - 13 per cent Senior Secured Convertible Bond Issue 2012/2015

Oslo, March 16, 2017

Summons (the "Summons") to Bondholders' Meeting –consent to sale of compressor

Nordic Trustee ASA (the "**Bond Trustee**") acts as trustee for the holders of bonds (the "**Bondholders**") in the "13 per cent Senior Secured Convertible Bond Issue 2012/2015" with ISIN NO 001066204.2 (the "**Bond Issue**"), where Fram Exploration ASA (the "**Company**" or the "**Issuer**") is the issuer.

All capitalized terms used herein shall, unless otherwise defined in this Summons, have the meanings assigned to them in the loan agreement for the Bond Issue (the "**Loan Agreement**"), as amended by an amendment agreement dated 24 April 2013 and further amended by an amendment agreement no. 2 dated 20 February 2015 (jointly the "**Amendment Agreements**"). The Loan Agreement and the Amendment Agreements are jointly referred to herein as the "**Bond Agreement**" and the bonds issued thereunder are referred to as the "**Bonds**").

The information in this summons regarding the Issuer, the described proposals and the market conditions are provided by the Issuer, and the Bond Trustee expressly disclaims all liability whatsoever related to such information.

1. BACKGROUND

The Issuer's financial position continues to be very strained, and the Issuer thus is seeking to sell a non-operational compressor (Toromont Caterpillar Model G3516LE with Ariel compressor On skid serial number: WPW01048, AR2273-3063 and 42138) in storage in Mesa County, Colorado (the "**Compressor**"), and the Issuer formally seek consent from the Bondholders to such a sale to be able to carry license maintenance and key operational costs. The consent of the Bondholders is required under the Bond Agreement as the Compressor is pledged as security for the outstanding amount under the Bond Agreement in accordance with the terms of a Mortgage, Security, Agreement, Assignment of Production and Proceeds, Financing Statement and Fixture Filing between Fram Americas, LLC and Norsk Tillitsmann ASA (now Nordic Trustee ASA) dated October 30, 2012 (the "**Security Agreement**").

The purpose of this Summons is to request approval from the Bondholders to sell the Compressor with an estimated value of no more than US\$200,000 Investment Equipment L.C.C. in accordance with a Sales Agreement entered into between Fram Americas LLC and Investment Equipment LCC (the "**Sale and Purchase Agreement**"). The sale of the Compressor is expected to complete before end of March 2017. If the Bondholders' Meeting approve the sale of the Compressor, it will be necessary for the Bond Trustee to enter into documentation to release the Security Agreement upon the completion of the sale of the Compressor. The Issuer is therefore requesting that the Bondholders agree to instruct and give

authority to the Bond Trustee to enter into any necessary security releases and any ancillary documentation required to effect the release of the security over the Compressor in connection with the Sale and Purchase Agreement.

Loyz Energy Limited, a major bondholder, has undertaken to vote in favour of the proposal set out in clause 2 below.

2. THE PROPOSAL

Based on the foregoing, the, the Issuer has requested that the Bond Trustee put forward a proposal (the "**Proposal**") for the Bondholders' Meeting to:

- a) approve the sale of the Compressor in accordance with the terms of the Sale and Purchase Agreement; and
- b) approve that the security interest created over the Compressor under the Security Agreement is released by the Bond Trustee.

As a condition for the Proposal to become effective, the Issuer shall deliver to the Bond Trustee (the "**Conditions**"):

1. A signed copy of the Sale Purchase Agreement; and
2. a signed confirmation from the board of directors of the Issuer to the Bond Trustee where it is confirmed that the sale of the Compressor under the Sale and Purchase Agreement is made on i) arms' length basis with an unrelated party, ii) on commercial terms favourable for the Issuer.

EVALUATION OF THE PROPOSAL

2.1. The Bond Trustee's evaluation

The Bond Trustee puts forward the Proposal set out herein without any further evaluations or recommendation. The Bondholders must independently evaluate, based on the available information, whether the proposal is acceptable.

2.2. The Issuer's evaluation

The board of directors of the Issuer is of the opinion and confirms that the sale of the Compressor is made on arms' length basis to an unrelated third party on commercial terms favourable for the Issuer.

3. SUMMONS FOR BONDHOLDERS' MEETING.

The Bondholders are hereby summoned to a Bondholders' Meeting:

Time: March 31, 2017 at 13:00

Place: The premises of Nordic Trustee ASA,
Haakon Vlls gt 1, 0161 Oslo - 6th floor

- Agenda:** 1. Approval of the Summons.
2. Approval of the agenda.
3. Election of two persons to co-sign the minutes together with the chairman.
4. Consent to the Proposal:

It is proposed that the Bondholders' meeting resolve the following:

The Proposal (as described in section 2 of the summons of this Bondholders' meeting) is approved by the Bondholders' Meeting.

The Bondholders' meeting irrevocably grants the Bond Trustee the authority, on the Bondholders' behalf to enter into or execute any agreement, instrument or other document, and to take any and all such other act that may be required or appropriate, in the Bond Trustee's absolute discretion, to carry out the decisions made by the Bondholders' meeting and to accomplish the Proposal under the laws of Norway.

* * *

In order to have a quorum, at least half (1/2) of the Voting Bonds must be represented at the meeting. To approve the Proposal, Bondholders representing at least 2/3 of the Voting Bonds represented in person or by proxy at the meeting must vote in favour of the resolution. If the Proposal is not adopted, the Bond Agreement will remain unchanged.

Please find attached a Bondholder's Form from the Securities Depository (VPS), indicating your bondholding at the printing date. The Bondholder's Form will serve as proof of ownership of the Bonds and of the voting rights at the Bondholders' meeting. (If the Bonds are held in custody - i.e. the owner is not registered directly in the VPS - the custodian must confirm; (i) the owner of the Bonds, (ii) the aggregate nominal amount of the Bonds and (iii) the account number in VPS on which the Bonds are registered.)

The individual bondholder may authorise Nordic Trustee ASA to vote on its behalf, in which case the Bondholder's Form also serves as a proxy. A duly signed Bondholder's Form, authorising Nordic Trustee ASA to vote, must then be returned to Nordic Trustee ASA in due time before the meeting is scheduled (by scanned e-mail, telefax or post - please see the first page of this letter for further details).

In the event that Bonds have been transferred to a new owner after the Bondholder's Form was made, the new Bondholder must bring to the Bondholders' meeting or enclose with the proxy, as the case may be, evidence which the Bond Trustee accepts as sufficient proof of the ownership of the Bonds.

For practical purposes, we request those who intend to attend the Bondholders' meeting, either in person or by proxy other than to Nordic Trustee ASA, to notify Nordic Trustee ASA by telephone or by e-mail (as set out at the first page of this letter) within 16:00 hours (4 pm) (Oslo time) the Business Day before the meeting takes place.

Yours sincerely

Nordic Trustee ASA



Attachment 1: Bondholder's Form