

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

To the bondholders in:

ISIN: NO 001 0689763 - 9.50 per cent. Iona Energy Company (UK) Limited Senior Secured Callable Bond Issue 2013/2018

Oslo, 14 November 2017

Payment to Bondholders of proceeds in relation to the Huntington Claim

Nordic Trustee AS acts as bond trustee (the “**Bond Trustee**”) for the bondholders (the “**Bondholders**”) in the above mentioned bond issue (the “**Bond Issue**”) where Iona Energy Company (UK) Limited is the issuer (the “**Issuer**”).

All capitalised terms used herein and not otherwise defined herein shall have the meanings assigned thereto in the bond loan agreement for the Bond Issue originally dated 26 September 2013 (as amended on 3 June 2014, and as amended and restated on 17 April 2015, 10 March 2017 and 13 April 2017) (the “**Bond Agreement**”).

Payment of proceeds in relation to the Huntington Claim

Reference is made to Clause 9.4 of the Bond Agreement. The Bond Trustee has received the proceeds in relation to the Huntington Claim and will make an extraordinary distribution to the Bondholders as described below:

Record Date: 16 November 2017 (end of business)
Settlement Date: 20 November 2017
Repayment Amount: **USD 2,588,092** an amount equal to 483.55505% flat of the face value of the respective Bondholders’ holding of Bonds will be paid as an extraordinary payment under the Bond Issue.

This payment is neither a redemption of any of the Bonds (no adjustment will be made to the principal amount under the Bond Issue) nor a payment of interest or premium in respect of them.

Clarifications in respect of outstanding Bonds

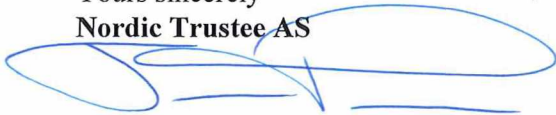
As at the date of this notice, and following the payment of the Deferred Bond Repayment Amount (less the Final MIP Amount) to Bondholders on 12 July 2017 (as to this, please refer to the notice from the Bond Trustee published on 5 July 2017), Bonds in a principal amount of USD 525,000 have been left outstanding in the VPS. Bonds have been left outstanding in this manner solely so that there is a definitive record in the VPS of each Bondholder’s entitlement to its pro rata share of the Extraordinary Proceeds. Pursuant to the Bond Agreement, the Issuer shall have no further liability in

respect of the above outstanding Bonds as it has satisfied its obligation to pay the Deferred Bond Repayment Amount (being the final repayment of principal under the Bond Agreement).

Bondholders are entitled to receive the full amount of all Extraordinary Proceeds from the Bond Trustee pursuant to Clause 9.4 of the Bond Agreement and therefore, future recoveries of Bondholders in respect of the Extraordinary Proceeds will not be capped at the principal amount of Bonds then outstanding. In order to ensure that Bondholders will receive the full amount of Extraordinary Proceeds they are entitled to, the Bond Trustee will structure future distributions of Extraordinary Proceeds to Bondholders as extraordinary payments (i.e. payments that are neither a redemption of any of the Bonds nor a payment of interest or premium in respect of them).

Yours sincerely

Nordic Trustee AS



Vivian Trøsch