

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

To the bondholders in:

**ISIN: NO0010708209 - Harkand Finance Inc. Senior Secured Callable Bond Issue
2014/2019**

Oslo, 2 August 2016

Notice to Bondholders – issuance of Recovery Bonds

Nordic Trustee is Bond Trustee for the bond issue mentioned above (the “**Original Bonds**”).

Reference is made to the summons dated 9 May 2016 (the “**Summons**”) for written bondholders’ resolutions which were resolved 9 May 2016 and the notice to Bondholders dated 22 July 2016 from the Bond Trustee (the “**Notice**”). Capitalized terms used herein shall have the same meaning ascribed to them in the Notice, unless otherwise stated herein.

The Bondholders will on 3 August 2016 receive Recovery Bonds in the aggregate amount of USD 249,552,788, being the total outstanding amount under the Original Bonds, including default interest and call premium. The Recovery Bonds will be distributed on a pro rata basis. The ISIN of the Recovery Bonds will be NO 001 076955.7.

The Original Bonds will be redeemed as soon as possible thereafter. In preparation for the redemption and the issuance of Recovery Bonds, the outstanding interest, default interest and call premium under the Original Bonds are added to the Original Bonds as PIK Bonds before the redemption takes place.

Yours sincerely
Nordic Trustee ASA


Fredrik Lundberg