

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

**To the bondholders of:**

**ISIN:** NO 001 0820616, Sand Hill Petroleum B.V. 9.00 per cent. senior secured EUR 70,000,000 callable bond issue 2018/2022

Oslo, 8 August 2022

**Notice of a Written Resolution**

**1. INTRODUCTION**

Nordic Trustee AS acts as trustee (the "**Bond Trustee**") for the holders of bonds (the "**Bondholders**") in the above captioned bond issue with ISIN NO 001 0820616 with total outstanding amount of EUR 60,881,627 (the "**Bonds**") issued by Sand Hill Petroleum B.V. as issuer (the "**Issuer**" or the "**Company**") pursuant to certain bond terms originally dated 12 April 2018 (as amended, supplemented and amended and restated from time to time, the "**Bond Terms**"). The Issuer and its subsidiaries are referred to as the "**Group**".

Capitalised terms used herein and not otherwise defined herein shall have the same meanings ascribed to such terms in the Bond Terms, as the context requires.

The Bond Trustee has issued this notice of a Written Resolution pursuant to a request from Bondholders representing at least 1/10 of the Voting Bonds and the Issuer, in accordance with the terms of the Bond Terms.

*The information in this notice ("**Notice**") regarding the Issuer and the Group and the market conditions is provided by the Issuer and the transaction description is provided by the Ad Hoc Committee (as defined below), and the Bond Trustee expressly disclaims all liability whatsoever related to such information.*

**2. BACKGROUND**

**2.1 Background**

Reference is made to the ongoing discussions between the Company and the ad hoc committee of Bondholders (the "**Ad Hoc Committee**"), which at the date of this Notice represents approximately 77% of the Outstanding Bonds. For further details on the ongoing discussions and the Company's financial details, please see the update notice dated 30 June 2021, the notices of Written Resolutions of 3 April 2020, 6 October 2021, 29 November 2021, 6 December 2021, 20 December 2021, 7 April 2022, 27 April 2022, 17 May 2022, 1 June 2022 and 28 June 2022, and the Company's 2021 Annual Financial Statements and the Interim Accounts for the quarter ending 31 March 2022, all available under the Company's ticker at [www.newsweb.no](http://www.newsweb.no).

The Ad Hoc Committee has since May 2020 been discussing sale of up to 100% of the shares in the Company to be formalised through a final sale and purchase agreement for the shares to be agreed between the relevant stakeholders (the "**SPA**") and redemption of the Bonds (the "**Transaction**").

In accordance with the Written Resolution dated 28 June 2022, the Bondholders resolved to extend the Maturity Date to 30 September 2022, conditional upon (among other things) that a share purchase agreement regarding the sale of the shares in the Company was signed no later than 12 July 2022. The deadline was since extended twice pursuant to the power of attorney granted to the Bond Trustee as part of the Written Resolution dated 28 June 2022, last until 11 August 2022. It is unlikely that this deadline will be met.

To further facilitate a share sale process, which is taking additional time, it is proposed a further extension of the Maturity Date as further described below. It is contemplated that a new Written Resolution will be required to resolve the amount (together with any costs incurred by the Bond Trustee) to fully redeem the Bonds.

## **2.2 Extension of the Maturity Date**

The Company is currently not in a position to fully repay the Bonds. The Company envisages that a share purchase agreement documenting a sale of the shares in the Company could be signed by 31 August 2022, and that the commitments by a buyer under such share and purchase agreement will enable the Company to settle the Bonds with an amount to be finally approved by Bondholders through a new Written Resolution.

To facilitate a share sale process and final redemption of the Bonds, the Ad Hoc Committee is of the view that it is in the best interest of the Bondholders to continue to extend the Maturity Date to 30 September 2022 (the "**New Maturity Date**") conditional upon:

- a) that a share purchase agreement regarding the sale of the shares in the Company has been signed no later than 31 August 2022; and
- b) that the Bondholders no later than 7 September 2022, by way of a Written Resolution have approved the mechanics and amount, together with cost accrued for the Bond Trustee (including legal and financial advisor costs), applicable to finally settle the Bonds, unless the Bonds will be redeemed in full, including all amounts and costs outstanding as of today.

In the event that any of the conditions listed above are not met, the Bonds shall immediately mature, and the New Maturity Date shall become ineffective, unless the Bondholders have resolved otherwise within a period of 5-five-business days thereafter.

Until the New Maturity Date (and for the purpose of paragraph a) above), interest will be calculated in accordance with provisions of Clause 9.1 (*Calculation of interest*) of the Bond Terms. In the event that the New Maturity Date becomes ineffective as described above, upon the occurrence of any Event of Default under the Bond Terms or if the Bonds are not redeemed on the New Maturity Date, default interest shall accrue on all Overdue Amounts from and including 13 April 2022 in accordance with Clause 8.2 (*Default interest*) of the Bond Terms.

For the sake of good order, each of the Bond Trustee and the Bondholders shall retain the right to accelerate the Bonds as per Clause 14.2 (*Acceleration of the Bonds*) and Clause 14.3 (*Bondholders' instructions*) upon the occurrence of an Event of Default. For the sake of clarity, following approval of this Written Resolution, non-repayment of the Bonds due to the SPA (as defined above) not being signed by 11 August 2022 shall not constitute an Event of Default and no other Maturity Date than described herein shall apply.

## **2.3 Appointment of the Bond Trustee as the attorney of all Bondholders**

The Ad Hoc Committee recognises that from the date hereof and until the Transaction is concluded, a number of decision are to be made, documents to be drafted and negotiated, waivers, adjustments, amendments to the Bond Terms requested, etc., all of which will require Bondholders' consent and approval. The Ad Hoc Committee also recognises that certain decisions need to be made on shorter notice and that it might be cumbersome for the Company and the Bondholders if new Bondholders' Meetings are to be held on a frequent basis in the above time period.

To progress the ongoing work streams and process in a smooth and efficient manner, the Ad Hoc Committee proposes that the Bond Trustee is appointed as the Bondholders attorney-in-fact with authority to:

- extend the Maturity Date with a total of 30 calendar days; and

- any of the deadlines set out in item 2.2 (*Extension of the Maturity Date*) above with a total of 30 calendar days,

that the Bond Trustee deem necessary, required or appropriate for the purpose of progressing and concluding the ongoing discussions, restructuring and refinancing and the Transaction, always provided that such action is approved in writing by Bondholders representing no less than 50% of the outstanding Bonds.

This power of attorney shall be valid until the earlier of completion of the Transaction or the termination of the Governance Agreement.

For the avoidance of doubt, an extension as described above may be granted in one or more turns.

### **3. THE PROPOSALS**

On the basis of the above, it is proposed that the Bondholders adopt a resolution whereby the below proposals (the "**Proposals**") are approved pursuant to Written Resolutions:

- A. *The Bondholders agree to extend the Maturity Date to 30 September 2022 provided that the conditions set out in section 2.2 (Extension of the Maturity Date) are satisfied as described.*
- B. *The Bondholders approve of and grant to the Bond Trustee a power of attorney as further described in item 2.3 (Appointment of the Bond Trustee as the attorney of all Bondholders), always to be exercised in accordance with the instructions of Bondholders representing no less than 50% of the outstanding Bonds. Such power of attorney to remain valid until the earlier of completion of the Transaction or the termination of the Governance Agreement.*
- C. *The Bondholders authorise and instruct the Bond Trustee to take such steps on behalf of the Bondholders as may be necessary or desirable in connection with the Proposals, including without limitation to prepare, finalise and enter into the necessary agreements and other documentation (including without limitation any security confirmations or amendments to the Transaction Security and Transaction Security Documents) deemed appropriate, and for and on behalf of the Bondholders, take such further actions and negotiate, agree, enter into, sign and execute such agreements and documents that are required to complete and give effect to the Proposals.*

Other than the amendments prompted by the Proposals, the terms and conditions of the Bond Terms will remain unchanged and will continue to apply in their existing form.

### **4. EVALUATION OF THE PROPOSALS**

The Proposals are put forward to the Bondholders without further evaluation or recommendation from the Bond Trustee, and the Bond Trustee emphasises that each Bondholder should cast its vote based on its own evaluation of the Proposals. Nothing herein shall constitute a recommendation to the Bondholders by the Bond Trustee. The Bondholders must independently evaluate whether the Proposals are acceptable and vote accordingly. The Bond Trustee urges each Bondholder to seek advice in order to evaluate the Proposals.

## 5. WRITTEN RESOLUTIONS

Based on the above, the Issuer has approached the Bond Trustee to request a Written Resolution. For the avoidance of doubt, no Bondholders' Meeting will be held.

For a vote to be valid, the Bond Trustee must have received it by post, courier or email to the address indicated in the enclosed form attached in Schedule 2 (the "**Voting Form**") no later than 11 August 2022 at 17.00 hours (Oslo time) (the "**Voting Deadline**").

**It is proposed that the Bondholders resolve the following Proposal by way of Written Resolution (the "Proposed Resolution"):**

*"The Bondholders approve the Proposals as described in section 3 (The Proposals) of this Notice on the conditions set out therein."*

To approve the Proposed Resolution, 1) either Bondholders representing at least 2/3 of the Voting Bonds must vote in favour of the Proposed Resolution prior to the expiry of the Voting Period, or 2) at least 2/3 of bonds voting is in favour and at least 50 % of the Voting Bonds have voted by the end of the Voting Period. The Bondholders may vote "In Favour" of or "Against" the Proposed Resolution. A Written Resolution is passed when the requisite majority has been achieved for the Proposed Resolution, even if the Voting Deadline has not yet expired. A Written Resolution may also be passed if the sufficient number of negative votes is received prior to the expiry of the Voting Deadline, in which case the resolution is that the Proposed Resolution is not approved.

The effective date of a Written Resolution passed prior to the expiry of the Voting Deadline is the date when the Proposed Resolution is approved by the last Bondholder that resulted in the necessary voting majority being achieved.

Votes which are submitted may be altered or withdrawn before the end of the Voting Period or before the Bond Trustee has provided a notice of the Written Resolution.

Yours sincerely,  
Nordic Trustee AS

for   
Jørgen Andersen

Schedule:

Schedule 1 – Voting Form

**Schedule 1  
Voting Form**

**NO 001 0820616                      Sand Hill Petroleum B.V. 9.00 per cent. senior secured EUR  
70,000,000 callable bond issue 2018/2022**

The undersigned holder or authorised person/entity, votes in the following manner:

The Proposed Resolution as defined in the Notice of a Written Resolution dated 8 August 2022

**In favour** of the Proposed Resolution

**Against** the Proposed Resolution

ISIN <b>NO 001 0820616</b>	Amount of bonds owned
Custodian Name	Account number at Custodian
Company	Day time telephone number
	E-mail

Enclosed to this form is the complete printout from our custodian/VPS<sup>1</sup>, verifying our bondholding in the bond issue as of \_\_\_\_\_ 2022.

We acknowledge that Nordic Trustee AS in relation to the Written Resolution for verification purpose may obtain information regarding our holding of Bonds on the above stated account in the securities register VPS.

\_\_\_\_\_  
Place, date

\_\_\_\_\_  
Authorized signature

***Return by mail:***  
*Nordic Trustee AS  
PO Box 1470 Vika  
N-0116 Oslo  
Norway*

Telephone:     +47 22 87 94 00  
E-mail:         mail@nordictrustee.com

<sup>1</sup> If the Bonds are held in custody other than in the VPS, evidence provided from the custodian confirming that (i) you are the owner of the Bonds, (ii) in which account number the Bonds are held, and (iii) the amount of Bonds owned.