

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, 17 May 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 65,881,627 (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 and 27 April 2022 and the Company's Interim Accounts for the quarter ending 31 December 2021, all available under the Company's ticker at www.newsweb.no.

Prior to the Written Resolution of 27 April 2022, the Ad Hoc Committee was presented with an offer dated 18 January 2022 submitted by certain members of the Company's management on behalf of themselves and a certain financial investor regarding acquisition of the shares in the Company subject to a final sale and purchase agreement for the shares to be agreed between the relevant stakeholders (the "**SPA**").

On 28 April 2022, the Bondholders approved the Written Resolution of 27 April 2022 resolving the extension of the Maturity Date to 30 September 2022 and the full redemption of the Bonds and outstanding accrued interest against (a) the Bond Trustee's receipt of EUR 42,905,327 (the "**Redemption Amount**") and (b) payment of all outstanding costs, fees and any other amount (including all legal and financial advisor's fees) incurred by the Bond Trustee.

The Written Resolution was conditional upon the SPA being signed no later than 16 May 2022, which did not take place. Accordingly, the condition for extending the Maturity Date to 30 September 2022 or approval of the full redemption of the Bonds by way of payment of the Redemption Amount together with payment of the Bond Trustee's cost is not met and such extension or redemption is ineffective.

To further facilitate a share sale process it is proposed an 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 the 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. It is expected that a share purchase agreement documenting a sale of the shares in the Company could be signed by 31 May 2022, and that the commitments by a buyer under such share and purchase agreement will enable the Company to redeem the Bonds with an amount to be finally approved by Bondholders through a 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 extend the Maturity Date to 30 September 2022 (the "**New Maturity Date**") conditional upon:

- a) that the Company by no later than 25 May 2022 (i) partially redeems the Bonds with an amount of EUR 5 million, together with interest (9% in accordance with provisions of Clause 9.1 (*Calculation of interest*) of the Bond Terms) accrued on this partial redemption amount from 13 April 2022 until payment of the partial redemption amount and (ii) pay any accrued and unpaid costs (including the legal and financial advisory fees) as 20 May 2022 for the Bond Trustee (such amount to be invoiced in its entirety by the Bond Trustee, and be paid by the Company without making use of the retainer fee received by the Bond Trustee in accordance with the conditions set out in the Written Resolutions dated 7 April 2022 and approved 8 April 2022);
- b) that a share purchase agreement regarding the sale of the shares in the Company has been signed no later than 31 May 2022; and
- c) that the Bondholders no later than 6 June 2022, by way of a Written Resolution have approved the amount, together with cost accrued for the Bond Trustee (including legal and financial advisor costs), applicable to finally redeem the bonds, unless the Bonds will be redeemed in full with 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 16 May 2022 shall not constitute an Event of Default and no other Maturity Date than described herein shall apply.

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 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 in the Bondholders' Meeting 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 23 May 2022 at 13.00 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


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 17 May 2022

In favour of the Proposed Resolution

Against the Proposed Resolution

ISIN NO 001 0820616	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/VPS¹, 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

¹ 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.