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To the bondholders in the

ISIN NO 001 0711948 - 9 per cent NorAm Drilling Company AS (formerly Global Rig Company AS) Senior Secured Callable Bond Issue 2014/2019

Oslo, 16 September 2016

SUMMONS TO BONDHOLDERS' MEETING – WAIVER OF COVENANTS

Nordic Trustee ASA (the “**Bond Trustee**”) acts as trustee for the bondholders of the bonds (the “**Bonds**”) in the above mentioned bond issue (the “**Bond Issue**”) where NorAm Drilling Company AS (formerly Global Rig Company AS) (the “**Issuer**”, and together with its subsidiaries, the “**Group**”) is the issuer.

All capitalized terms used herein shall have the meaning assigned to them in the bond agreement dated 3 June 2014, as amended and restated by an amendment and restatement agreement dated 30 October 2015, and made between the Bond Trustee and the Issuer (the “**Bond Agreement**”), unless otherwise stated herein.

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

1 CURRENT TRADING AND MARKET UPDATE

The Issuer has currently 9 land based oil and gas drilling rigs, of which 6 are currently in operation spread across Louisiana, New Mexico and Texas (together, the “**Rigs**” (as such term is defined in the Bond Agreement)). The Rigs are currently owned by the Issuer's wholly owned subsidiary NorAm Drilling Company (a US subsidiary).

By 1 November 2016, the Group will have 8 of its 9 drilling rigs operating. Six rigs are currently operating under short-term (3-month) contracts or well-to-well type contracts. Two of the Group's idle rigs have been contracted to begin work in the middle of October 2016 and 1 November 2016, respectively. One is on another short-term contract through the end of 2016 and the other is on a 14-month contract that will carry through year-end 2017. All eight rigs under contract are in the Permian Basin, which includes west Texas and southeastern New Mexico. Throughout the current market downturn, the Permian Basin has been the most active amongst all the major US onshore basins and is expected to remain so through the first half of 2017.

The Issuer has throughout the current period of market downturn continued to monitor its Bond covenants, in particular ratios based on minimum cash and equity, which continue to be impacted by

the prevailing oil price. The low commodity price environment means that the Group's current forecasts, utilizing the oil price forward curve, project non-compliance with certain of its Bond covenants, and the Issuer has concluded that there will likely be a covenant breach in relation to the Equity Ratio covenant in the third quarter of 2016 and a breach in relation to the Liquidity covenant in connection with the scheduled amortization in December 2016.

In order to allow the Issuer a stable platform and necessary time to assess and explore options with Bondholders regarding a strategic review of the Group's capital structure, the Issuer is seeking the Bondholders' consent for a temporary waiver of the Liquidity covenant and Equity Ratio covenant as described herein.

While the Issuer faces a likely covenant breach, the Issuer has sufficient cash to pay, and intends to pay, the scheduled instalment and interest payment due on 3 December 2016 under the Bond Agreement.

2 WAIVERS

The Issuer proposes that the Bondholders temporarily waive the covenant set out in clause 13.7 (a) (Equity Ratio) and that the requirement to maintain a minimum Liquidity set out in clause 13.7 (b) is reduced from USD 10.0 million to USD 7.0 million (the "**Waivers**").

The Issuer proposes that the Waivers are granted for a period until 30 June 2017, and that the abovementioned clauses after such point in time shall continue to apply with full force and effect as set out in the Bond Agreement.

3 PROPOSAL

The Issuer has requested the Bond Trustee convene a Bondholders' Meeting for the Bond Issue in order to consider and if thought fit, approve the below proposed temporary waivers and amendments (together, the "**Proposal**"):

- (a) For the period to and including 30 June 2017 (the "**Waiver Expiry Date**"), the Bondholders' Meeting authorises and instructs the Bond Trustee to waive any actual or prospective Event of Default occurring on or before the Waiver Expiry Date that results from any or a combination of the following (each a "**Specified Default**"):
 - (i) the failure by the Issuer to comply with the Equity Ratio covenant set out in clause 13.7 (a) of the Bond Agreement and clause; and
 - (ii) the failure by the Issuer to comply with the Liquidity covenant as set out in clause 13.7(b) of the Bond Agreement, subject to Group maintaining a liquidity of minimum USD 7.0 million.
- (b) The Bondholders' Meeting authorises and instructs the Bond Trustee not to declare the Bonds in default and due for immediate payment, or take any measure to recover amounts due under the Bonds, or otherwise take any action to accelerate the Bonds or enforce payment of any amounts due thereunder or any Bond Security securing the Bonds, as a result of or in connection with a Specified Default on or before the Waiver Expiry Date.
- (c) The Bond Trustee shall be authorised:

- (i) to do all things and take such steps on behalf of the Bondholders as may be necessary or desirable in connection with the Proposal, including, without limitation, negotiating and approving the final terms of, and entering into, any and all documentation and agreements deemed necessary or desirable by the Bond Trustee; and
- (ii) at its discretion, to consent to amendments to the terms and conditions of the Proposal on behalf of the Bondholders where such amendments (A) are of minor or technical nature; (B) are otherwise consistent with the Proposal and are required in order to implement the Proposal; or (C) would not adversely affect the position of the Bondholders.

The Issuer has discussed the proposed Waivers of the Bond Agreement with certain of the larger Bondholders, and Bondholders holding in aggregate more than 50% of the Bond have undertaken that they will vote in favour of the proposal.

4 SUMMON FOR BONDHOLDERS' MEETING

Bondholders are hereby summoned to a Bondholders' Meeting:

Time: 30 September 2016 at 13:00 hours (Oslo time)

Place: The premises of Nordic Trustee ASA,
Haakon VII's gate 1, 0161 Oslo - 5th 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. Request for adoption of proposal:

It is proposed that the Bondholders' Meetings resolves the following:

"The Bondholders' Meeting approves the Proposal as described in section 3 in the summons to this Bondholders' Meeting.

To approve the above resolution, Bondholders representing more than 2/3 of the Bonds represented in person or by proxy at the Bondholders' Meeting must vote in favour of the resolution. In order to have a quorum, at least half (1/2) of the voting Bonds must be represented at the meeting. If the Proposal is not approved by the Bondholders, the Bond Agreement will be in full force and effect.

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 the Bond Trustee to vote on its behalf, in which case the Bondholder's Form also serves as a proxy. A duly signed Bondholder's Form, authorising the Bond Trustee to vote, must then be returned to the Bond Trustee in due time before the meeting is scheduled (by scanned e-mail, telefax or post to mail@nordictrustee.com, +47 22 87 94 10, or Nordic Trustee ASA, PO Box 1470 Vika, 0116 Oslo, Norway).

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 the Bond Trustee, to notify the Bond Trustee by telephone or by e-mail (at set out at the first page of this letter) within 16:00 hours (4 pm) (Oslo time) the Banking Day before the meeting takes place.

Yours sincerely
Nordic Trustee ASA


Fredrik Lundberg

Enclosed: Appendix 1: Bondholder's Form