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Detta meddelande till obligationsinnehavarna är endast utformat på engelska. För mer information, kontakta Nordic Trustee & Agency AB (publ)

## To the bondholders in:

**ISIN: SE0005392834 - PA Resources AB (publ) 13.5 % Senior Unsecured Fixed Rate Bond Issue 2013/2016 ("SEK Bonds")**

**ISIN: NO0010605728 - PA Resources AB (publ) 12.25% Senior Unsecured Callable Bond 2011/2016 ("NOK Bonds")**

19 July 2017

## Request for funding to perform conversion of bonds to equity

Nordic Trustee ASA acts as bond trustee for the bondholders in the above mentioned NOK Bonds, and Nordic Trustee & Agency AB (publ) acts as bond trustee for the bondholders in the above mentioned SEK Bonds. The bond trustees are jointly referred to as the Bond Trustees herein. Both the NOK Bonds and the SEK Bonds are issued by PA Resources AB (the "**Issuer**"). The bondholders of the NOK Bonds and SEK Bonds are jointly referred to as Bondholders herein.

In a notice to Bondholders dated 8 February 2017 and as updated in a notice from the Issuer dated 20 January 2017 (the "**Notice**") attached thereto, it is evident that the total outstanding amount under the NOK and SEK Bonds will not be repaid.

An equitisation mechanism, defined and described in the summons to a bondholders' meeting with respect to the NOK Bonds and in the notice of a written procedure with respect to the SEK Bonds, both dated 17 September 2015, provides that the resulting Residual Bond Claims (as defined therein) shall be converted to equity in the Issuer on certain conditions.

The Issuer was put into formal liquidation (*Sw: likvidation*) in accordance with the Swedish Companies Act (*Sw: Aktiebolagslag (2005:551)*) on 4 October 2016, and the Swedish law firm Wistrand was appointed liquidator (*Sw: likvidator*) (the "**Liquidator**"), pursuant to a resolution adopted by the shareholders in the Issuer at a general meeting 27 September 2016, in order to save costs and to avoid formal bankruptcy proceedings under Swedish laws.

The Bond Trustees have been informed that certain Bondholders have sought to explore if any values could be realised from the accumulated tax deficit of the Issuer. According to the Liquidator, any such potential values is at best highly uncertain, and the Issuer does not have any available liquidity to perform further evaluation into any possible value realisation thereof. The Liquidator has furthermore informed the Bond Trustees that the Issuer lacks sufficient funds for the equitization process unless additional funds are provided.

If any Bondholder should be interested in providing funding to perform further evaluation in respect of the tax deficit and possibly also to reverse the formal liquidation process in order for the Issuer to fund and to be in a position to perform the equitisation, we kindly ask such Bondholder to contact its bond trustee before 31 August 2017.

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Should no such funding be offered before the deadline above and also provided before the completion of the liquidation process, (or if the Issuer should become bankrupt under Swedish bankruptcy laws), the tax deficit may have to be written off and the equitisation will not be carried out due to lack of funds.

### **Contact details**

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Yours sincerely,

**Nordic Trustee ASA and Nordic Trustee & Agency AB (publ)**