

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

To the bondholders in:

**ISIN: NO0010819485 - Point Resources AS 8.5 % open callable senior unsecured USD
300,000,000 bonds 2018/2024**

Oslo, 23 October 2018

Notice of a Written Resolution

1. INTRODUCTION

Nordic Trustee AS is appointed as Bond Trustee for the above mentioned bond issue with ISIN NO0010819485 (the “**Bond Issue**”).

Unless otherwise stated, capitalised terms used herein shall have the meaning assigned to them in the bond terms for the Bond Issue originally dated 19 March 2018 (the “**Bond Terms**”).

The Issuer has requested that the Bond Trustee issue this request for a Written Resolution pursuant to Clause 16.5 (Written Resolutions) of the Bond Terms to consider approval of the Proposed Resolution (as defined below).

The information in this notice for Written Resolution regarding the Issuer, market conditions and the described transactions are provided by the Issuer, and the Bond Trustee expressly disclaims all liability whatsoever related to such information. Bondholders are encouraged to read this notice in its entirety.

2. BACKGROUND

As stated in the press release dated 2 July 2018, Eni Norge AS (“**ENI Norge**”) and Point Resources AS (“**Point**” or the “**Company**” or the “**Issuer**”) announced an agreement to merge the two companies (the “**Merger**”) and rename the company Vår Energi AS. Following the Merger, Vår Energi AS will be jointly owned by Eni (69.6%) and by HitecVision (30.4%). The Company further informed the Bondholders on 3 July 2018 that the companies would review the debt capital structure of the combined entity and approach creditors and credit market in due course. The Merger process is well advanced and closing is expected to take place at the latest by the end of 2018 and with a target date of making a final filing on 10 December 2018 for the registration of the Merger with the Norwegian Register of Business Enterprises (the “**Register**”). The actual completion date of the Merger will depend on the handling time as applied by the Register, and due to the Register’s practice, it may not be possible to fix this date in advance.

According to the Bond Terms clause 14.13, Point Resources Holding AS (the “**Parent**”) (being the 100% direct owner of Point before completion of the Merger) shall maintain its 100% direct control and ownership in Point. Consequently, Point would following the completion of the Merger be in a

technical default under the Bond Terms as the Parent will no longer hold 100% of the shares in the Company.

In order to avoid such technical breach, the Company will approach the Bondholders with the following alternatives:

- (i) *First:* In this notice seek the Bondholders' approval for an early full redemption of the Bonds through inclusion of a new call option under the Bond Terms. The price for redeeming the Bonds under the merger call option will be 115.044% of the Nominal Amount for each redeemed Bond plus accrued and unpaid interest. The call price for the merger call option has been calculated based on the US Treasury + a premium of 50bps make-whole price ("**Alternative 1**");
- (ii) *Second:* In the event Alternative 1 is not approved by a requisite majority of the Bondholders, the Company will launch a conditional cash tender offer, offering Bondholders the option to tender their holdings of Bonds at a price of 114.690% of the Nominal Amount plus accrued and unpaid interest, calculated based on the US Treasury + a premium of 65bps ("**Alternative 2**"). A separate conditional cash tender offer form will be provided if this Alternative 2 is undertaken. The tender offer will, however, not constitute an offer to purchase any securities in the United States or any other jurisdiction in which offers or sales would be prohibited or otherwise restricted by applicable law; and
- (iii) *Third:* In the event neither Alternative 1 nor Alternative 2 results in the Bonds being redeemed in full, the Company will in accordance with the Bond Terms transfer a sufficient amount to the Defeasance Account ("**Alternative 3**"). The Company has received time deposit offers from banks with fixed interest rates equivalent to corresponding USD SWAP plus a margin, which, from Point's perspective, makes Alternative 3 economically comparable to the offer presented to the Bondholders under Alternative 1.

Notwithstanding the foregoing, the Issuer may at its discretion (if applicable with written notice to the Bond Trustee and the Bondholders on www.stamdata.com) decide to change the order of implementation or execution of the above alternatives (or to implement or execute them simultaneously, if required).

The amendments required to implement Alternative 1 above are further described in section 3 (PROPOSAL) below.

The Issuer has been calculating the prices above based on spreads, a settlement date of 10 December 2018 has been assumed, while the US Treasury rates¹ as of close of business 19 October 2018 have been applied. The actual settlement date for the merger call option may occur at any time in the period from and including 10 December 2018 to and including 31 December 2018.

3. PROPOSAL

3.1 *The Proposal*

In accordance with Clauses 16.1 and 16.5 of the Bond Terms, the Issuer has approached the Bond Trustee to issue this request for a Written Resolution in order to obtain the Bondholders' approval to the proposed amendments to the Bond Terms as described below.

¹ Source: US Department of the Treasury's webpage: <https://www.treasury.gov/resource-center/data-chart-center/interest-rates/Pages/TextView.aspx?data=yield>

The Issuer proposes to implement Alternative 1 by making the amendments to, and requesting the waivers from, the Bond Terms as follows (the “**Proposal**”):

3.1.1 *Amendments to the Bond Terms*

As of the Effective Date (as defined below), a new clause 10.2 (*Voluntary early redemption – Call Option*) subsection (a) (v) shall be included in the Bond Terms as follows:

Original wording (unchanged):

“10.2. (a) The Issuer may redeem the Outstanding Bonds (in part or in whole) (the “**Call Option**”) on any Business Day from and including:”

New proposed subsection (a) (v) (in addition to subsections (i) – (iv) unchanged):

“10 December 2018 to, and including 31 December 2018 (the “**Merger Call Option Period**”) at a price of 115.044 per cent. of the Nominal Amount for each redeemed Bond (however so that the Issuer under this subsection (v), notwithstanding anything to the contrary under these Bond Terms, may exercise the Call Option by written notice to the Bond Trustee and the Bondholders (before or within the Merger Call Option Period) no less than three (3) Business Days prior to the proposed Call Option Repayment Date, which shall fall within the Merger Call Option Period).”

Original wording (unchanged):

“plus, in each case, accrued and unpaid interest on redeemed Bonds.”

The amendments to the Bond Terms as set out above shall be documented by an amendment agreement to the Bond Terms (the “**Bond Terms Amendments**”) to be entered into by the Issuer and the Bond Trustee, and be effective as of the signing by the parties of the Bond Terms Amendments (the “**Effective Date**”).

3.1.2 *Waiver*

Following the Merger Completion, any breach of the Issuer's or the Parent's undertakings in Clause 14 or any other obligations under the Bond Terms resulting from the filing or completion of the Merger shall be suspended during the Merger Call Option Period (set out in Clause 10.2 (*Voluntary early redemption – Call Option*) subsection (a) (v)) (the “**Waiver**”). The Waiver shall become effective immediately upon the Proposed Resolution being approved.

For the purpose of this Waiver, the term “**Merger Completion**” means the date the Merger has been registered with the Register and is effective in accordance with the Norwegian Companies Act (*No: aksjeloven*), expected to be within the Merger Call Option Period.

3.2 *The Proposed Resolution*

Based on the foregoing, the Issuer hereby proposes the following (the “**Proposed Resolution**”):

“The Bondholders approve the Bond Terms Amendments and the Waiver as described in Section 3.1 above.

The Bond Trustee is hereby authorised to prepare, approve, finalise and enter into, execute and/or agree appropriate amendment documentation as well as any other documentation

necessary or advisable in relation to the above, in each case in the absolute discretion of the Bond Trustee.”

4. EVALUATION OF THE PROPOSED AMENDMENTS

4.1 THE ISSUER’S EVALUATION

For bonds without a call option, the Company believes it is market practice to use a make-whole US Treasury + 50bps price to determine the call price and this should be regarded as a fair and natural price for redeeming the Bonds. As explained above in relation to Alternative 2, the Company will launch a conditional cash tender offer in the event the Proposal in this notice for a Written Resolution is not implemented to allow for all Bondholders to sell their Bonds prior to cash being transferred to the Defeasance Account (if the Bonds are not redeemed in full through the conditional cash tender offer).

4.2 FURTHER INFORMATION

For further information about the Issuer, please visit the Issuer’s website www.pointresources.no.

The Issuer has engaged Pareto Securities AS as the Issuer’s financial advisor (the “**Advisor**”) with respect to the Proposal. Accordingly, Bondholders may contact Pareto Securities AS Fixed Income Sales at +47 22 87 87 70 for further information.

The Advisor is acting solely for, and relying on information from, the Issuer in connection with the Proposal. No due diligence investigations have been carried out by the Advisor with respect to the Issuer, and the Advisor does not assume any liability in connection with the Proposal (including but not limited to the information contained herein).

4.3 NON-RELIANCE

The request is put forward to the Bondholders without further evaluation or recommendations from the Bond Trustee. Nothing herein shall constitute a recommendation to the Bondholders by the Bond Trustee or any of its advisors. The Bondholders must independently evaluate whether the proposed changes are acceptable and vote accordingly.

It is recommended that the Bondholders seek counsel from their legal, financial and tax advisers regarding the effect of the Proposal.

5. WRITTEN RESOLUTION

Bondholders are hereby provided with a voting request for a Written Resolution pursuant to Clause 16.5 of the Bond Terms. For the avoidance of doubt, no physical 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 at Schedule 1 (the “**Voting Form**”) no later than 6 November 2018 at 13.00 hours (Oslo time) (the “**Voting Deadline**”).

Notwithstanding the Voting Deadline, and subject to the provisions of Clause 16.5 (g) of the Bond Terms, the Proposed Resolution will become effective automatically upon receipt of affirmative votes by or on behalf of the Bondholders who at the date of this notice represent such majority of votes as would be required if the Proposed Resolution was voted on at a Bondholders' Meeting (which, for the avoidance of doubt, is 2/3 of the Voting Bonds pursuant to Clause 16.1 (f) of the Bond Terms) at which all Bondholders entitled to attend and vote thereat were present and voting.

* * *

Yours sincerely
Nordic Trustee AS


Fredrik Lundberg

Enclosed: Voting Form

SCHEDULE 1 – VOTING FORM

Voting Form
NO 0010819485

Point Resources AS 8.5 % open callable senior unsecured USD
300,000,000 bonds 2018/2024

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 23 October 2018

- ☐ **In favour** of the Proposed Resolution
☐ **Against** the Proposed Resolution

ISIN ISIN NO 001 0819485	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/VPS², verifying our bondholding in the bond issue as of _____ 2018.

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:

Nordic Trustee AS
PO Box 1470 Vika
N-0116 Oslo

Telefax: +47 22 87 94 10
Telephone: +47 22 87 94 00
E-mail: mail@nordictrustee.com

² 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.