

To the bondholders in:

**ISIN NO 001 0838857 – 10.00% Green Dragon Gas Ltd. Senior Secured Callable Bond  
Issue 2014/2017**

Oslo, 6 August 2020

**Information to bondholders – Funding for enforcement action**

**1 INTRODUCTION**

Nordic Trustee AS acts as bond trustee (the "**Bond Trustee**") for the bondholders in the above mentioned bond issue (the "**Bond Issue**") where G3 Exploration Limited (formerly known as Green Dragon Gas Ltd.) is the issuer (the "**Issuer**").

All capitalised terms shall have the meanings given to them in the bond agreement for the Bond Issue originally dated 19 November 2014 (as amended by the amendment and waiver agreement no. 1 dated 31 May 2017) (the "**Bond Agreement**") unless otherwise defined herein.

**2 BACKGROUND**

The Issuer has been in default under the Bond Agreement since 20 November 2017, when it failed to fulfil its obligation to repay the Bonds at 102% of par, together with all accrued and unpaid interest. Since 9 September 2019, Nordic Trustee has taken a number of steps to enforce the rights of the Bondholders under the Bond Agreement, including issuing payment demands and—when these payment demands went unmet—appointing receivers over the Issuer's shares in Greka Gas China Ltd (the "**Receivers**"). Following the Issuer's challenge of the appointment of the Receivers, as well as the discovery of additional breaches of the Bond Agreement and related finance documents, on 18 November 2019 the Bond Trustee filed a winding-up petition with respect to the Issuer with the courts of the Cayman Islands (the appointment of the Receivers and the filing of the winding-up petition collectively referred to as the "**Enforcement Action**"). The winding-up petition was opposed by the Issuer and is currently the subject of ongoing proceedings before the courts of the Cayman Islands, with the next hearing scheduled for 12 October 2020.

**3 FUNDING PROPOSAL**

The Bond Trustee now requires funding (the "**Enforcement Funding**") to cover the past and future costs of the Enforcement Action, as well as past and future fees and expenses payable to the Bond Trustee and its advisors in accordance with the terms of the finance documents. All Bondholders are hereby offered the opportunity to participate in the provision of the Enforcement Funding to the Bond Trustee on a pro rata basis, subject to any legal restrictions and such Bondholders providing evidence of their current holdings of Bonds as of a record date to be determined.

The Bond Trustee hereby requests that any Bondholders who are interested in participating in the provision of the Enforcement Funding to the Bond Trustee submit non-binding expressions of interest in participating in the Enforcement Funding by returning the form attached hereto to the Bond Trustee by close of business on Tuesday 20 August 2020. Details of the proposed funding terms can be made available on request to Bondholders who submit a non-binding expression of interest.

Yours sincerely  
Nordic Trustee AS

  
Fredrik Lundberg  
E-mail: [mail@nordictrustee.com](mailto:mail@nordictrustee.com)

### Non-Binding Expression of Interest

**ISIN: NO 001 0838857 - 10.00% G3 Exploration Ltd. (formerly known as Green Dragon Gas Ltd.) Senior Secured Callable Bond Issue 2014/2017**

The undersigned holder or authorised person/entity, is:

☐ **Interested** in participating in the Enforcement Funding

ISIN <b>NO 001 0838857</b>	Amount of bonds owned
Custodian name	Account number at Custodian
Company	Day time telephone number
	Email

.....

Place, date

.....

Authorised signature

**Return:**

Nordic Trustee AS

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