

Securities Note

DNO ASA

9.25% senior unsecured callable USD 400,000,000 bond issue 2024/2029

ISIN: NO0013243766



Date: 6th November 2024

Joint Global Coordinators and Bookrunners:



Joint Bookrunner:



IMPORTANT INFORMATION

This Securities Note has been approved by the Financial Supervisory Authority of Norway (the "Norwegian FSA") (Finanstilsynet), as competent authority under Regulation (EU) 2017/1129. The Norwegian FSA only approves this Securities Note as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129. Such approval should not be considered as an endorsement of the quality of the securities that are the subject of this Securities Note. The investors should make their own assessment as to the suitability of investing in the securities.

The Securities Note has been prepared in connection with the listing of the Bonds on the Oslo Stock Exchange. This Securities Note together with the Registration Document and Summary constitutes the Prospectus. The Prospectus is valid for a period of up to 12 months following its approval by the Norwegian FSA. New information that is significant for the Issuer or its subsidiaries may be disclosed after the Securities Note has been made public, but prior to listing of the securities. Such information will be published as a supplement to the Securities Note pursuant to Regulation (EU) 2017/1129. On no account must the publication or the disclosure of the Securities Note give the impression that the information herein is complete or correct on a given date after the date on the Securities Note, or that the business activities of the Issuer or its subsidiaries may not have been changed.

The information contained herein is current as at the date hereof and subject to change, completion and amendment without notice. Neither the publication nor distribution of this Securities Note shall under any circumstances imply that there has been no change in the Group's affairs or that the information herein is correct as at any date subsequent to the date of this Securities Note.

No person is or has been authorized by the Company to give any information or to make any representation not contained in or not consistent with this Securities Note or any other information supplied in connection with the Bonds and, if given or made, such information or representation must not be relied upon as having been authorized by the Company.

The distribution of this Securities Note in certain jurisdictions may be restricted by law. This Securities Note does not constitute an offer of, or an invitation to purchase, any of the Bonds in any jurisdiction. This Securities Note may not be distributed or published in any jurisdiction except under circumstances that will result in compliance with applicable laws and regulations. Persons in possession of this Securities Note are required to inform themselves of and observe any such restrictions. In addition, the Bonds are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under applicable securities laws and regulations. Any failure to comply with these restrictions may constitute a violation of applicable securities laws.

The content of this Securities Note is not to be construed as legal, credit, business or tax advice. Each investor should consult its own legal, credit, business or tax adviser as to legal, credit, business or tax advice. In making an investment decision, investors must rely on their own examination of the Group and the Bonds, including the merits and risks involved.

The Bonds may not be a suitable investment for all investors. Each potential investor in the Bonds must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor may wish to consider, either on its own or with the help of its financial and other professional advisers, whether it:

- (i) has sufficient knowledge and experience to make a meaningful evaluation of the Bonds, the merits and risks of investing in the Bonds and the information contained or incorporated by reference in this Securities Note or any applicable supplement;
- (ii) has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Bonds and the impact the Bonds will have on its overall investment portfolio;
- (iii) has sufficient financial resources and liquidity to bear all of the risks of an investment in the Bonds, including where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understands thoroughly the terms of the Bonds and is familiar with the behavior of financial markets; and
- (v) is able to evaluate possible scenarios for economic and other factors that may affect its investment and its ability to bear the applicable risks.

Legal investment considerations may restrict certain investments. The investment activities of certain investors are subject to legal investment laws and regulations or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) Bonds are legal investments for it, (ii) Bonds can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of any Bonds. Each potential investor should be aware that the tax legislation of the investor's Member State and the Issuer's country of incorporation may have an impact on the income received from the Bonds. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Bonds under any applicable risk-based capital or similar rules.

The Bonds have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons (as defined in Regulation S under the U.S. Securities Act) except in accordance with Regulation S under the U.S. Securities Act or pursuant to an exemption from the registration requirements of the U.S. Securities Act.

This Securities Note shall be governed by and construed in accordance with Norwegian law. The courts of Norway, with Oslo District Court as legal venue, shall have exclusive jurisdiction to settle any dispute which may arise out of or in connection with this Securities Note.

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1 RISK FACTORS

All investments in interest bearing securities have risk associated with such investment. The risk is related to the general volatility in the market for such securities, varying liquidity in a single bond issue as well as company specific risk factors. The Bonds may not be a suitable investment for all investors. Each potential investor in the Bonds must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should have sufficient knowledge and experience to make a meaningful evaluation of the Bonds, the merits and risks of investing in the Bonds. An investment in the Bonds entails significant risks and is suitable only for investors who understand the risk factors associated with this type of investment and who can afford a loss of all or part of their investment. In case of bankruptcy of the Issuer the bondholders risk losing their entire investment.

The market value of the Bonds may fluctuate

The market value of the Bonds may decrease or fluctuate significantly and may not always reflect the creditworthiness of the Company. A number of factors outside the Group's control may impact its performance and the price of the Bonds. The most significant of these factors are: the performance, outlook and financial position of the Group, a change in market sentiment regarding the Bonds or the Group, the annual yield as compared to yields on other financial instruments, volatility in oil and gas pricing and the stability of the markets and regions in which the Group operates, including the ability to transport products to the markets. If any of these factors actually occurs, it could have a material and adverse effect on the pricing of the Bonds.

Change of control - the Company's ability to redeem the Bonds with cash may be limited

Upon the occurrence of a change of control event, each individual bondholder shall have a right of pre-payment of the Bonds as set out in the Bond Terms. However, it is possible that the Company may not have sufficient funds to make the required redemption of Bonds, resulting in an event of default under the Bond Terms, which ultimately can have a material adverse effect on the Group's financial condition and which in turn could have a negative effect on the trading price of the Bonds, the recovery on the Bonds and the terms of which the Bonds may be refinanced (and whether the Bonds are refinaneable).

Exchange rate risks and exchange controls relating to the Bonds

The Company will pay principal and interest on the Bonds in USD. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "Investor's Currency") other than USD. These include the risk that exchange rates may significantly change (including changes due to devaluation of USD or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to USD would decrease (i) the Investor's Currency - equivalent yield on the Bonds, (ii) the Investor' s Currency - equivalent value of the principal payable on the Bonds and (iii) the Investor's Currency - equivalent market value of the Bonds.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

The terms and conditions of the Bond Terms will allow for modification of the Bonds or waivers or authorizations of breaches and substitution of the Company which, in certain circumstances, may result in less favorable bond terms and/or enforcement decisions contrary to the preferences of bondholders

The Bond Terms will contain provisions for calling meetings of bondholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all bondholders, including bondholders who did not attend and vote at the relevant meeting and bondholders who voted in a manner contrary to the majority. Certain significant modifications may be made following approval of a quorum of one or more persons holding or representing not less than two-thirds in aggregate nominal amount of the Bonds for the time being outstanding, including modifying the date of maturity of the Bonds or any date for payment of interest thereof, reducing or cancelling the amount of principal or the rate of interest payable in respect of the Bonds or altering the currency of payment of the Bonds.

Further, the trustee for the Bonds (the "Bond Trustee") may, without the consent of the bondholders, agree to certain modifications of the Bond Terms and other finance documents which, in the opinion of the Bond Trustee, are proper to make.

Modification of the Bonds or waivers or authorizations of breaches and substitution of the Company may therefore result in less favorable Bond Terms than those originally agreed and may also result in decisions not to accelerate the Bonds and take enforcement action, which in turn can have negative effect on the value of the Bonds and the

prospects of being repaid.

Secondary market in the Bonds and liquidity risk

The Bonds may have no established trading market when issued, and one may never develop. Notwithstanding the fact that the Bonds are admitted to trading, active trading in the Bonds may not occur and a liquid market for trading in the Bonds may not be available even if the Bonds are listed. Therefore, investors may not be able to sell their Bonds easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market.

Lack of liquidity in the secondary market may adversely affect the market value of the Bonds.

The Bonds may be subject to optional redemption by the Company, which may have a material and adverse effect on the value of the Bonds

The Bonds will be subject to optional redemption by the Company at their outstanding principal amount, plus accrued and unpaid interest to the date of redemption, plus a premium calculated in accordance with the terms and conditions of the Bond Terms. This is likely to limit the market value of the Bonds. It may not be possible for bondholders to reinvest proceeds at an effective interest rate as high as the interest rate on the Bonds.

Mandatory prepayment events may lead to a prepayment of the Bonds in circumstances where an investor may not be able to reinvest the prepayment proceeds at an equivalent rate of interest

The terms and conditions of the Bond Terms will provide that the Bonds shall be subject to mandatory prepayment by the Company on the occurrence of certain specified events. Following any early redemption after the occurrence of a mandatory prepayment event, it may not be possible for bondholders to reinvest such proceeds at an effective interest rate as high as the interest rate on the Bonds. Furthermore, the Company may potentially not have immediately available funds to complete a mandatory prepayment which ultimately can result in the occurrence of an event of default and acceleration under the Bond Terms.

2 PERSONS RESPONSIBLE

Persons responsible for the information

Persons responsible for the information given in the Prospectus are as follows:

DNO ASA
Dokkveien 1,
0250 Oslo,
Norway

Declaration by persons responsible

DNO ASA confirms that the information contained in the Prospectus is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

Oslo, 6th November 2024

DNO ASA

Competent Authority Approval

This Securities Note has been approved by the Financial Supervisory Authority of Norway (the “Norwegian FSA”) (Finanstilsynet), as competent authority under Regulation (EU) 2017/1129. The Norwegian FSA only approves this Securities Note as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129. Such approval should not be considered as an endorsement of the quality of the securities that are the subject of this Securities Note. The investors should make their own assessment as to the suitability of investing in the securities.

3 INFORMATION ABOUT THE BONDS

ISIN:	NO0013243766.
The Bonds:	DNO ASA 9.25% senior unsecured callable USD 400,000,000 bond issue 2024/2029.
Security Type:	Senior unsecured callable bonds with fixed rate.
Issuer:	DNO ASA, a company existing under the laws of Norway with company registration number 921 526 121 and LEI code 5967007LIEEXZXH3K072.
Maximum Issue Amount:	USD 600,000,000
Initial Bond Issue:	USD 400,000,000
Outstanding Bonds:	USD 400,000,000
Initial Nominal Amount of each Bond:	USD 1,000 - each and among themselves pari passu ranking.
Securities Form:	The Bonds are electronically registered in book-entry form with the CSD.
Issue Date:	4 June 2024.
Interest Accrual Date:	Issue Date.
Interest Bearing To:	Maturity Date.
Maturity Date:	4 June 2029, adjusted according to the Business Day Convention.
Interest Rate:	9.25 percentage points per annum.
Interest Payment Date:	Means the last day of each Interest Period, the first Interest Payment Date being 4 September 2024 and the last Interest Payment Date being the Maturity Date.
Interest Period:	Means, to adjustment in accordance with the Business Day Convention, the period between 4 March, 4 June, 4 September and 4 December each year, provided however that an Interest Period shall not extend beyond the Maturity Date.
Interest:	<p>Each Outstanding Bond will accrue interest at the Interest Rate on the Nominal Amount for each Interest Period, commencing on and including the first date of the Interest Period, and ending on but excluding the last date of the Interest Period.</p> <p>Interest shall be calculated on the basis of a 360-day year comprised of twelve (12) months of thirty (30) days each (30/360-days basis), unless:</p> <ul style="list-style-type: none">(i) the last day in the relevant Interest Period is the 31st calendar day but the first day of that Interest Period is a day other than the 30th or the 31st day of a month, in which case the month that includes that last day shall not be shortened to a 30-day month; or(ii) the last day of the relevant Interest Period is the last calendar day in February, in which case February shall not be lengthened to a 30-day month. <p>Interest shall fall due on each Interest Payment Date for the corresponding preceding Interest Period and, with respect to accrued interest on the principal amount then due and payable, on each Repayment Date.</p>
Business Day Convention:	Means that if the last day of any Interest Period originally falls on a day that is not a Business Day, no adjustment will be made to the Interest Period.
Issue Price:	100 % of the Nominal Amount.

Yield: Investors wishing to invest in the Bonds after the Issue Date must pay the market price for the Bonds in the secondary market at the time of purchase. Depending on the development in the bond market in general and the development of the Issuer, the price of the Bonds may have increased (above par) or decreased (below par). If the price has increased, the yield for the purchaser in the secondary market will be lower than the Interest Rate of the Bonds and vice versa. Dependent on the market price. Yield to Maturity is 9.25 percent p.a. assuming an issue price of 100 percent and price at Maturity of 100 percent.

The yield is calculated in accordance with «Anbefaling til Konvensjoner for det norske sertifikat- og obligasjonsmarkedet» <https://finansfag.no/publikasjoner/>¹ prepared by Norske Finansanalytikeres Forening in March 2022.

Business Day: Means a day on which both the relevant CSD settlement system is open, and the relevant settlement system for the Bond Currency is open.

Redemption of Bonds: The Outstanding Bonds will mature in full on the Maturity Date and shall be redeemed by the Issuer on the Maturity Date at a price equal to 100 per cent. of the Nominal Amount.

Voluntary early redemption - Call Option:

- (a) The Issuer may redeem the Outstanding Bonds (in whole or in part) (the "Call Option") on any Business Day from and including:
 - (i) the First Call Date to, but not including, the Interest Payment Date falling forty-two (42) months after the Initial Issue Date at a price equal to 103.70 per cent. of the Nominal Amount for each redeemed Bond;
 - (ii) the Interest Payment Date falling forty-two (42) months after the Initial Issue Date to, but not including, the Interest Payment Date falling forty-eight (48) months after the Initial Issue Date at a price equal to 102.775 per cent. of the Nominal Amount for each redeemed Bond;
 - (iii) the Interest Payment Date falling forty-eight (48) months after the Initial Issue Date to, but not including, the Interest Payment Date falling fifty-four (54) months after the Initial Issue Date at a price equal to 101.85 per cent. of the Nominal Amount for each redeemed Bond; and
 - (iv) the Interest Payment Date falling fifty-four (54) months after the Initial Issue Date to, but not including, the Maturity Date at a price equal to 100 per cent. of the Nominal Amount for each redeemed Bond.
- (b) Any redemption of Bonds pursuant to the Call Option shall include accrued but unpaid interest on the redeemed Bonds.
- (c) Any redemption of Bonds pursuant to Clause 10.2 (a) above shall be determined based upon the redemption prices applicable on the Call Option Repayment Date.
- (d) The Call Option may be exercised by the Issuer by written notice to the Bond Trustee and the Bondholders at least ten (10) Business Days prior to the proposed Call Option Repayment Date. Such notice sent by the Issuer is irrevocable and shall specify the Call Option Repayment Date.
- (e) Any Call Option exercised in part will be used for pro rata payment to the Bondholders in accordance with the applicable regulations of the CSD.

Mandatory repurchase due to a Put Option Event:

- (a) Upon the occurrence of a Put Option Event each Bondholder will have the right (the "Put Option") to require that the Issuer shall, subject to paragraph (b) below, offer to redeem Bonds up to an amount equal to the net cash proceeds (after repayment of transaction costs (including taxes) and any relevant Financial Indebtedness pertaining directly to the financing of the Tawke PSC)

¹ Disclaimer - the information on the website does not form part of this Securities Note unless information is incorporated by reference into the Securities Note
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- received from the sale of participating interest below the 50 per cent. participating interest level (the "Put Amount").
- (b) On the occurrence of a Put Option Event, the Issuer shall:
 - (i) offer to redeem Bonds up to the Put Amount at 100 per cent. of the Nominal Amount (plus accrued interest on the redeemed Bonds up to and including the settlement date for such put option) for, and limited to, a thirty (30) calendar days period from the date the proceeds for the disposal(s) are received, with the effect that the Put Option must be exercised within such thirty (30) calendar days period; and
 - (ii) publish a notice of such offer as soon as possible following the occurrence of a Put Option Event and no later than on the date when the proceeds are received; and such offer to be valid for the abovementioned thirty (30) calendar days period.
 - (c) If the aggregate amount of exercised Put Options exceeds the Put Amount, there shall be a pro-rata reduction among such Bondholders and all redeemed Bonds shall be cancelled and discharged.
 - (d) If:
 - (i) a Put Option Event is triggered by multiple transactions, the Put Amount shall be measured based on the average value of the transactions resulting in such Put Option Event; and
 - (ii) further divestments are undertaken after a Put Option Event has occurred, such divestments will trigger a new Put Option Event for each such divestment with offer of redemption equal to such additional Put Amount(s);
 (for avoidance of doubt, proceeds from participating interest above 50 per cent. shall not be included in the calculation of any Put Amount).
 - (e) Any amount not applied for redemption of Bonds in connection with the Put Option may be retained by the Group and applied for general corporate purposes.
 - (f) The Put Option Repayment Date will be the fifth Business Day after the end of the thirty (30) calendar days exercise period referred to in paragraph (b) above, however so that the settlement of the Put Option will be based on each Bondholder's holding of Bonds at the Put Option Repayment Date.

Mandatory repurchase due to a Change of Control Event:

- (a) Upon the occurrence of a Change of Control Event, each Bondholder will have the right (the "**Change of Control Put Option**") to require that the Issuer purchases all or some of the Bonds held by that Bondholder at a price equal to 101 per cent. of the Nominal Amount (plus accrued interest).
- (b) The Change of Control Put Option must be exercised within thirty (30) calendar days after the Issuer has given notice to the Bond Trustee and the Bondholders that a Change of Control Event has occurred pursuant to the Bond Terms Clause 12.4 (*Change of Control Event*). Once notified, the Bondholders' right to exercise the Change of Control Put Option will not be affected by any subsequent events related to the Issuer.
- (c) Each Bondholder may exercise its Change of Control Put Option by written notice to its account manager for the CSD, who will notify the Paying Agent of the exercise of the Change of Control Put Option. The Change of Control Repayment Date will be the fifth Business Day after the end of the thirty (30) calendar days exercise period referred to in the Bond Terms clause 10.4 paragraph (b), however so that the settlement of the Change of Control Put Option will be based on each Bondholder's holding of Bonds at the Change of Control Repayment Date.
- (d) If Bonds representing more than 90 per cent. of the Outstanding Bonds have been repurchased pursuant to the Bond Terms Clause 10.4 (Mandatory repurchase due to a Change of Control Event), the Issuer is entitled to repurchase all the remaining Outstanding Bonds at the price stated in paragraph (a) above by notifying the remaining Bondholders of its intention to do so no later than twenty (20) calendar days after the Change of Control Repayment Date.

Such prepayment may occur at the earliest on the fifteenth (15th) calendar day following the date of such notice.

Early redemption option due to a tax event:	If the Issuer is or will be required to gross up any withheld tax imposed by law from any payment in respect of the Bonds under the Finance Documents pursuant to Clause 8.4 (Taxation) as a result of a change in applicable law implemented after the date of these Bond Terms, the Issuer will have the right to redeem all, but not only some, of the Outstanding Bonds at a price equal to 100 per cent. of the Nominal Amount. The Issuer shall give written notice of such redemption to the Bond Trustee and the Bondholders at least twenty (20) Business Days prior to the Tax Event Repayment Date, provided that no such notice shall be given earlier than sixty (60) Business Days prior to the earliest date on which the Issuer would be obliged to withhold such tax were a payment in respect of the Bonds then due.
Put Option Event:	Means if the Group's participating interest in the Tawke PSC is reduced below 50 per cent. in a single or a series of transactions (including by a reduction of the shareholding in Subsidiaries).
Change of Control Event:	Means a person or group of persons under the same Decisive Influence gaining Decisive Influence over the Issuer.
Redemption:	Matured interest and matured principal will be credited to each Bondholder directly from the CSD. Claims for interest and principal shall be limited in time pursuant the Norwegian Act relating to the Limitation Period Claims of 18 May 1979 no 18, p.t. 3 years for interest rates and 10 years for principal.
Status of the Bonds:	The Bonds shall constitute senior debt obligations of the Issuer. The Bonds will rank pari passu between themselves and at least pari passu with all other obligations of the Issuer (save for such claims which are preferred by bankruptcy, insolvency, liquidation or other similar laws of general application) and shall rank ahead of subordinated debt.
Transaction Security:	The Bonds are unsecured.
Information Undertakings:	For information regarding Information Undertakings, please see the Bond Terms Clause 12.
General and Financial Undertakings:	For information regarding General and Financial Undertakings, please see the Bond Terms Clause 13.
Negative Pledge:	The Issuer shall not, and shall procure that no other Group Company will, create or allow to subsist any Security over any of its present or future assets (including shares in the other Group Companies) or its revenues other than Permitted Security.
Events of Default and Acceleration of the Bonds:	Information regarding Events of Default and Acceleration of the Bonds, please see the Bond Terms Clause 14.
Use of proceeds:	The Net Proceeds from the Initial Bond Issue – approximately USD 395 million - shall be applied to partly refinance the Existing Bonds and for other general corporate purposes.
Approvals:	The Bonds have been issued in accordance with the Issuer's board approval dated 23 May 2024.
Listing:	An application for listing will be sent to Oslo Børs. Listing will take place as soon as possible after the Prospectus has been approved by the Norwegian FSA.
Bond Terms:	The Bond Terms has been entered into between the Issuer and the Bond Trustee. The Bond Terms regulate the Bondholder's rights and obligations in relation to the issue. The Bond Trustee enters into the Bond Terms on behalf of the Bondholders and is granted authority to act on

behalf of the Bondholders to the extent provided for in the Bond Terms. When Bonds are subscribed / purchased, the Bondholder has accepted the Bond Terms and is bound by the terms of the Bond Terms.

Information regarding Bondholders' meeting and the Bondholder's right to vote are described in the Bond Terms Clause 15.

For information regarding the role of the Bond Trustee, see Bond Terms Clause 16.

The Bond Terms is attached to this Securities Note.

Documentation:	Registration Document, Securities Note, Summary and the Bond Terms.
Availability of the Documentation:	www.dno.no
Bond Trustee:	Nordic Trustee AS, P.O. Box 1470 Vika, 0116 Oslo, Norway.
Joint Global Coordinator and Bookrunners:	DNB Markets, a part of DNB Bank ASA, Dronning Eufemias gate 30, 0191, Oslo, Norway; and Pareto Securities AS, Dronning Maudsgt. 3, 0115 Oslo, Norway, together with the Joint Bookrunner, the "Managers").
Joint Bookrunner:	Arctic Securities AS, Haakon VIIIs gate 5, 0161, Oslo, Norway.
Paying Agent:	Pareto Securities AS, Dronning Maudsgt. 3, 0115 Oslo, Norway. The Paying Agent is in charge of keeping the records in the Securities Depository.
Listing Agent:	Nordic Trustee Services AS, P.O. Box 1470 Vika, Norway.
Central Securities Depository (CSD):	The central securities depository in which the Bonds are registered, being Euronext Securities Oslo (Verdipapirsentralen ASA (VPS)), P.O. Box 1174 Sentrum, 0107 Oslo, Norway.
Market-Making:	There is no market-making agreement entered into in connection with the Bonds.
Governing law:	The Bond Terms and Bonds are governed by the laws of the Relevant Jurisdiction, without regard to its conflict of law provisions.
Relevant Jurisdiction:	The country in which the Bonds are issued, being Norway.
Fees, Expenses and Tax legislation:	<p>The Issuer shall pay any stamp duty and other public fees accruing in connection with issuance of the Bonds or the Security Documents, but not in respect of trading of the Bonds in the secondary market (except to the extent required by applicable laws), and the Issuer shall deduct before payment to the Bondholders at source any applicable withholding tax payable pursuant to law. At present, there is no withholding tax on bonds in Norway.</p> <p>The tax legislation of the investor's Member State and of the Issuer's country of incorporation may have an impact on the income received from the securities.</p>
Fees:	<p>Total expenses related to the issue of NO0013243766 is:</p> <p>Prospectus fee (FSA): NOK 108,000 Listing fee 2024 (Oslo Børs): NOK 12,388 Registration fee (Oslo Børs): NOK 20,000 Listing Agent: NOK 50,000 Bond Trustee: NOK 170,000 Managers: USD 4,800,000 Lawyers: approx. NOK 600,000</p>
Transfer Restrictions:	The Bonds are freely transferable and may be pledged, subject to the

following:

- (i) Bondholders will not be permitted to transfer the Bonds except (a) subject to an effective registration statement under the U.S. Securities Act, (b) to a person that the Bondholder reasonably believes is a QIB within the meaning of Rule 144A that is purchasing for its own account, or the account of another QIB, to whom notice is given that the resale, pledge or other transfer may be made in reliance on Rule 144A, (c) in an offshore transaction in accordance with Regulation S under the U.S. Securities Act, including a transaction on the Oslo Børs, and (d) pursuant to any other exemption from registration under the Securities Act, including Rule 144 thereunder (if available).
- (ii) Bondholders may be subject to purchase or transfer restrictions with regard to the Bonds, as applicable from time to time under local laws to which a Bondholder may be subject (due e.g. to its nationality, its residency, its registered address, its place(s) for doing business). Each Bondholder must ensure compliance with local laws and regulations applicable at own cost and expense.

Notwithstanding the above, a Bondholder which has purchased the Bonds in contradiction to mandatory restrictions applicable may nevertheless utilize its voting rights under the Bond Terms provided that the Issuer shall not incur any additional liability by complying with its obligations to such Bondholder.

4 ADDITIONAL INFORMATION

4.1 Interest of natural and legal persons involved in the issue of the Bonds

The persons involved in the issue of the Bonds have no interest, nor conflicting interests, that are material to the issue of the Bonds.

4.2 Listing of the Bonds

An application for listing of the Bonds on the Oslo Stock Exchange will be sent as soon as possible after the Registration Document, Securities Note and Summary has been approved by the Norwegian FSA. The Bonds are not admitted to trading on any other regulated or equivalent market.

4.3 Auditor

The Company's independent auditor is Ernst & Young AS with registration number 976 389 387, and business address at Stortorvet 7, 0155 Oslo, Norway. Ernst & Young AS has not audited, reviewed or produced any report on any other information provided in this Securities Note.

5 DEFINITIONS AND GLOSSARY

Due to the extensive number of definitions, and unless otherwise defined in this Securities Note, capitalized terms used in this Securities Note shall have the meaning given to such terms in Clause 1.1 "Definitions" in the Bond Terms (attached as Appendix 1 to this Securities Note).

"**Bond Terms**" means the Bond Terms dated 31st May 2024.

"**Company**" means DNO ASA.

"**Group**" means the Company and its (directly or indirectly owned) Subsidiaries from time to time.

"**Norwegian FSA**" means the Financial Supervisory Authority of Norway (*Nw: Finanstilsynet*).

"**Prospectus**" means the Registration Document, Securities Note and Summary together.

"**Registration Document**" means the Issuers Registration Document dated 6th November 2024.

"**Securities Note**" means this document dated 6th November 2024.

"**Summary**" means the Summary dated 6th November 2024.

Statement from the Listing Agent:

Nordic Trustee Services AS, acting as Listing Agent, has assisted the Issuer in preparing this Securities Note. The Listing Agent has not verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and the Listing Agent expressly disclaims any legal or financial liability as to the accuracy or completeness of the information contained in this Securities Note or any other information supplied in connection with Bonds issued by the Issuer or their distribution. The statements made in this paragraph are without prejudice to the responsibility of the Issuer. Each person receiving this Securities Note acknowledges that such person has not relied on the Listing Agent nor on any person affiliated with it in connection with its investigation of the accuracy of such information or its investment decision.

APPENDIX A:
THE BOND TERMS

BOND TERMS

FOR

DNO ASA

9.25% senior unsecured callable USD 400,000,000 bond issue

2024/2029 ISIN NO 0013243766

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ATTACHMENT 1 COMPLIANCE CERTIFICATE

BOND TERMS between	
ISSUER:	DNO ASA, a company existing under the laws of Norway with company registration number 921 526 121 and LEI code 5967007LIEEXZXH3K072; and
BOND TRUSTEE:	Nordic Trustee AS, a company existing under the laws of Norway with company registration number 963 342 624 and LEI code 549300XAKTM2BMKIPT85.
DATED:	31 May 2024
These Bond Terms shall remain in effect for so long as any Bonds remain outstanding.	

1. INTERPRETATION

1.1 Definitions

The following terms will have the following meanings:

"**Acceptable Bank**" means (i) a bank or financial institution which has a rating for its long-term unsecured and non-credit-enhanced debt obligations of BBB or higher by Standard & Poor's Rating Services or Fitch Ratings Ltd or Baa2 or higher by Moody's Investors Service Limited or a comparable rating from an internationally recognized credit rating agency or (ii) such other bank or financial institution reasonably acceptable to the Bond Trustee.

"**Accounting Standard**" means GAAP.

"**Additional Bonds**" means the debt instruments issued under a Tap Issue, including any Temporary Bonds.

"**Affiliate**" means, in relation to any person:

- (a) any person which is a Subsidiary of that person;
- (b) any person who has Decisive Influence over that person (directly or indirectly); and
- (c) any person which is a Subsidiary of an entity who has Decisive Influence over that person (directly or indirectly).

"**Annual Financial Statements**" means the audited consolidated annual financial statements of the Issuer for any financial year, prepared in accordance with the Accounting Standard, such financial statements to include a profit and loss account, balance sheet, cash flow statement and report of the board of directors.

"**Attachment**" means any schedule, appendix or other attachment to these Bond Terms.

"**Bond Currency**" means the currency in which the Bonds are denominated, as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

"**Bond Terms**" means these terms and conditions, including all Attachments which shall form an integrated part of these Bond Terms, in each case as amended and/or supplemented from time to time.

"**Bond Trustee**" means the company designated as such in the preamble to these Bond Terms, or any successor, acting for and on behalf of the Bondholders in accordance with these Bond Terms.

"**Bond Trustee Fee Agreement**" means the agreement entered into between the Issuer and the Bond Trustee relating among other things to the fees to be paid by the Issuer to the Bond Trustee for the services provided by the Bond Trustee relating to the Bonds.

"**Bondholder**" means a person who is registered in the CSD as directly registered owner or nominee holder of a Bond, subject however to Clause 3.3 (*Bondholders' rights*).

"**Bondholders' Meeting**" means a meeting of Bondholders as set out in Clause 15 (*Bondholders' decisions*).

"**Bonds**" means (i) the debt instruments issued by the Issuer pursuant to these Bond Terms, including any Additional Bonds, and (ii) any overdue and unpaid principal which has been issued under a separate ISIN in accordance with the regulations of the CSD from time to time.

"**Business Day**" means a day on which both the relevant CSD settlement system is open, and the relevant settlement system for the Bond Currency is open.

"**Business Day Convention**" means that if the last day of any Interest Period originally falls on a day that is not a Business Day, no adjustment will be made to the Interest Period.

"**Call Option**" has the meaning ascribed to such term in Clause 10.2 (*Voluntary early redemption – Call Option*).

"**Call Option Repayment Date**" means the settlement date for the Call Option determined by the Issuer pursuant to paragraph (d) of Clause 10.2 (*Voluntary early redemption – Call Option*) or a date agreed upon between the Bond Trustee and the Issuer in connection with such redemption of Bonds.

"**Cash**" means, at any time, cash in hand or at bank and (in the latter case) credited to an account in the name of a Group Company with an Acceptable Bank and to which a Group Company is alone (or together with other Group Companies) beneficially entitled and for so long as the cash is freely available and unrestricted (and whereby any provisions for restricting or prioritizing payments shall only be relevant hereto when such provisions actually restricts payments from being made).

"**Cash Equivalents**" means, at any time:

- (a) certificates of deposit maturing within one year and issued by a bank or financial institution which has an international rating for its long-term unsecured and non-credit-enhanced debt obligations of A1 (or similar), or in case of a bank or financial institution which is also a lender under the Group's debt facilities, Baa2 (or similar) or higher by Moody's Investors Service Limited or a comparable rating from an internationally recognised credit rating agency; or

- (b) marketable debt securities held for cash management purposes which are issued in a jurisdiction in which any member of the Group is incorporated, by any member state of the OECD and which can be realized promptly,

in each case, to which any Group Company is alone (or together with other Group Companies) beneficially entitled at that time and which is not issued or guaranteed by any Group Company.

"Change of Control Event" means a person or group of persons under the same Decisive Influence gaining Decisive Influence over the Issuer.

"Change of Control Repayment Date" means the settlement date for the Change of Control Event pursuant to Clause 10.4 (*Mandatory repurchase due to a Change of Control Event*).

"Compliance Certificate" means a statement substantially in the form as set out in Attachment 1 hereto.

"CSD" means the central securities depository in which the Bonds are registered, being Verdipapirsentralen ASA (VPS).

"Decisive Influence" means a person having, as a result of an agreement and/or through the direct and/or indirect ownership of shares and/or other ownership interests in another person:

- (a) a majority of the voting rights in that other person; or
- (b) a right to elect or remove a majority of the members of the board of directors of that other person.

"Default Notice" means a written notice to the Issuer as described in Clause 14.2 (*Acceleration of the Bonds*).

"Default Repayment Date" means the settlement date set out by the Bond Trustee in a Default Notice requesting early redemption of the Bonds.

"Equity Ratio" means the ratio of Total Equity to Total Assets.

"Event of Default" means any of the events or circumstances specified in Clause 14.1 (*Events of Default*).

"Exchange" means:

- (a) Oslo Børs (the Oslo Stock Exchange); or
- (b) any regulated market as such term is understood in accordance with the Markets in Financial Instruments Directive 2014/65/EU (MiFID II) and Regulation (EU) No. 600/2014 on markets in financial instruments (MiFIR).

"Existing Bonds" means the outstanding bond issue DNO04 with ISIN NO0011088593.

"Finance Documents" means these Bond Terms, the Bond Trustee Fee Agreement and any other document designated by the Issuer and the Bond Trustee as a Finance Document.

"Financial Indebtedness" means any indebtedness for or in respect of:

- (a) moneys borrowed (and debit balances at banks or other financial institutions);
- (b) any amount raised by acceptance under any acceptance credit facility or dematerialized equivalent;
- (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument including the Bonds;
- (d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with the Accounting Standard as applicable at the Initial Issue Date, be treated as a finance or capital lease;
- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
- (f) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account);
- (g) any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of an underlying liability of a person which is not a Group Company which liability would fall within one of the other paragraphs of this definition;
- (h) any amount paid up or credited as paid up on any redeemable share capital;
- (i) any amount of any liability under an advance or deferred purchase agreement, if (a) the primary reason behind entering into the agreement is to raise finance or (b) the agreement is in respect of the supply of assets or services and payment is due more than one hundred and twenty (120) calendar days after the date of supply;
- (j) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing or otherwise being classified as a borrowing under the Accounting Standard; and
- (k) without double-counting, the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (j) above.

"Financial Reports" means the Annual Financial Statements and the Interim Accounts.

"Financial Support" means any loans, guarantees, Security securing obligations of another person or other financial assistance (whether actual or contingent).

"First Call Date" means the Interest Payment Date falling thirty-six (36) months after the Initial Issue Date.

"GAAP" means generally accepted accounting practices and principles in the country in which the Issuer is incorporated including, if applicable, IFRS.

"Group" means the Issuer and its (directly or indirectly owned) Subsidiaries from time to time.

"Group Company" means any person which is a member of the Group.

"**IFRS**" means the International Financial Reporting Standards, and guidelines and interpretations issued thereto by the International Accounting Standards Board (or any predecessor and successor thereof), in force from time to time and to the extent applicable to the relevant financial statement.

"**Initial Bond Issue**" means the amount to be issued on the Initial Issue Date as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

"**Initial Issue Date**" means 4 June 2024.

"**Initial Nominal Amount**" means the Nominal Amount of each Bond on the Initial Issue Date as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

"**Insolvent**" means that a person:

- (a) is unable or admits inability to pay its debts as they fall due;
- (b) suspends making payments on any of its debts generally; or
- (c) is otherwise considered insolvent or bankrupt within the meaning of the relevant bankruptcy legislation of the jurisdiction which can be regarded as its centre of main interest as such term is understood pursuant to Regulation (EU) 2015/848 on insolvency proceedings (as amended from time to time).

"**Interest Payment Date**" means the last day of each Interest Period, the first Interest Payment Date being 4 September 2024 and the last Interest Payment Date being the Maturity Date.

"**Interest Period**" means, subject to adjustment in accordance with the Business Day Convention, the period between 4 March, 4 June, 4 September and 4 December each year, provided however that an Interest Period shall not extend beyond the Maturity Date.

"**Interest Rate**" means 9.25 percentage points per annum.

"**Interim Accounts**" means the unaudited consolidated quarterly financial statements of the Issuer for the quarterly period ending on each of 31 March, 30 June, 30 September and 31 December in each year, prepared in accordance with the Accounting Standard.

"**ISIN**" means International Securities Identification

"**Issuer**" means the company designated as such in the preamble to these Bond Terms.

"**Issuer's Bonds**" means any Bonds which are owned by the Issuer or any Affiliate of the Issuer.

"**Leasing Obligation**" means any liability in respect of any current or future lease or hire purchase contract which would, in accordance with the Accounting Standard as applicable at the Initial Issue Date, be treated as an operational lease.

"**Liquidity**" means the aggregate book value of the Cash and Cash Equivalents.

"**Managers**" means Pareto Securities AS and DNB Bank Markets (a part of DNB Bank ASA) as joint global coordinators and bookrunners and Arctic Securities AS as joint bookrunner (each a "**Manager**").

"**Material Adverse Effect**" means a material adverse effect on:

- (a) the ability of the Issuer to perform and comply with its obligations under any of the Finance Documents; or
- (b) the validity or enforceability of any of the Finance Documents.

"**Maturity Date**" means 4 June 2029, adjusted according to the Business Day Convention.

"**Maximum Issue Amount**" means the maximum amount that may be issued under these Bond Terms as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

"**Net Proceeds**" means the proceeds from the issuance of the Bonds (net of fees and legal cost of the Managers and, if required by the Bond Trustee, the Bond Trustee fee, and any other cost and expenses incurred in connection with the issuance of the Bonds).

"**Nominal Amount**" means the nominal value of each Bond at any time. The Nominal Amount may be amended pursuant to paragraph (j) of Clause 16.2 (*The duties and authority of the Bond Trustee*).

"**Outstanding Bonds**" means any Bonds not redeemed or otherwise discharged.

"**Overdue Amount**" means any amount required to be paid by the Issuer under any of the Finance Documents but not made available to the Bondholders on the relevant Payment Date or otherwise not paid on its applicable due date.

"**Partial Payment**" means a payment that is insufficient to discharge all amounts then due and payable under the Finance Documents.

"**Paying Agent**" means Pareto Securities AS, or any other legal entity appointed by the Issuer to act as its paying agent with respect to the Bonds in the CSD.

"**Payment Date**" means any Interest Payment Date or any Repayment Date.

"**Permitted Security**" means:

- (a) Security granted in relation to Financial Indebtedness, provided that no Financial Indebtedness is secured against the Tawke PSC.
- (b) any lien arising by operation of law in the ordinary course of business;
- (c) any netting or set-off arrangement entered into by any Group Company in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances of any Group Companies (if applicable);
- (d) any Security arising under any retention of title, hire purchase or conditional sale arrangement or arrangements having similar effect in respect of goods supplied to any Group Company in the ordinary course of trading and on the supplier's standard or usual terms and not arising as a result of any default or omission by any such Group Company; and
- (e) any Security for obligations or liability incurred by any Group Company in the ordinary

course of business or as part of any acquisition or divestment by any Group Company.

"Put Amount" has the meaning ascribed to such term in Clause 10.3 (*Mandatory repurchase due to a Put Option Event*).

"Put Option" has the meaning ascribed to such term in Clause 10.3 (*Mandatory repurchase due to a Put Option Event*).

"Put Option Event" means if the Group's participating interest in the Tawke PSC is reduced below 50 per cent. in a single or a series of transactions (including by a reduction of the shareholding in Subsidiaries).

"Put Option Repayment Date" means the settlement date for the Put Option pursuant to Clause 10.3 (*Mandatory repurchase due to a Put Option Event*).

"Quarter Date" means each 31 March, 30 June, 30 September and 31 December.

"Relevant Jurisdiction" means the country in which the Bonds are issued, being Norway.

"Relevant Record Date" means the date on which a Bondholder's ownership of Bonds shall be recorded in the CSD as follows:

- (a) in relation to payments pursuant to these Bond Terms, the date designated as the Relevant Record Date in accordance with the rules of the CSD from time to time; or
- (b) for the purpose of casting a vote with regard to Clause 15 (*Bondholders' Decisions*), the date falling on the immediate preceding Business Day to the date of that Bondholders' decision being made, or another date as accepted by the Bond Trustee.

"Repayment Date" means any date for payment of instalments in accordance with Clause 10.1 (*Redemption of Bonds*), any Call Option Repayment Date, any Change of Control Repayment Date, any Default Repayment Date, any Put Option Repayment Date, any Tax Event Repayment Date or the Maturity Date.

"Securities Trading Act" means the Securities Trading Act of 2007 no.75 of the Relevant Jurisdiction.

"Security" means any encumbrance, mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

"Subsidiary" means a company over which another company has Decisive Influence.

"Summons" means the call for a Bondholders' Meeting or a Written Resolution as the case may be.

"Tap Issue" has the meaning ascribed to such term in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

"Tap Issue Addendum" has the meaning ascribed to such term in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

"**Tawke PSC**" means the production sharing contract for the Tawke block in the Kurdistan Region of Iraq dated 13 March 2008 among the Kurdistan Regional Government, DNO Iraq AS (a Subsidiary of the Issuer) and Genel Energy International Ltd (in which DNO Iraq AS' participating interest is 75 per cent. as of the Initial Issue Date).

"**Tax Event Repayment Date**" means the date set out in a notice from the Issuer to the Bondholders pursuant to Clause 10.5 (*Early redemption option due to a tax event*).

"**Temporary Bonds**" has the meaning ascribed to such term in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

"**Total Assets**" means the aggregate book value of the Group's total assets treated as assets in accordance with the Accounting Standard less the amount of any Leasing Obligations treated as assets in accordance with the Accounting Standard.

"**Total Equity**" means the aggregate book value of the Group's total equity treated as equity in accordance with the Accounting Standard.

"**Voting Bonds**" means the Outstanding Bonds less the Issuer's Bonds.

"**Written Resolution**" means a written (or electronic) solution for a decision making among the Bondholders, as set out in Clause 15.5 (*Written Resolutions*).

1.2 Construction

In these Bond Terms, unless the context otherwise requires:

- (a) headings are for ease of reference only;
- (b) words denoting the singular number will include the plural and vice versa;
- (c) references to Clauses are references to the Clauses of these Bond Terms;
- (d) references to a time are references to Central European Time unless otherwise stated;
- (e) references to a provision of "law" are a reference to that provision as amended or re-enacted, and to any regulations made by the appropriate authority pursuant to such law;
- (f) references to a "regulation" includes any regulation, rule, official directive, request or guideline by any official body;
- (g) references to a "**person**" means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, unincorporated organization, government, or any agency or political subdivision thereof or any other entity, whether or not having a separate legal personality;
- (h) references to Bonds being "**redeemed**" means that such Bonds are cancelled and discharged in the CSD in a corresponding amount, and that any amounts so redeemed may not be subsequently re-issued under these Bond Terms;
- (i) references to Bonds being "**purchased**" or "**repurchased**" by the Issuer means that such

Bonds may be dealt with by the Issuer as set out in Clause 11.1 (*Issuer's purchase of Bonds*).

- (j) references to persons "acting in concert" shall be interpreted pursuant to the relevant provisions of the Securities Trading Act; and
- (k) an Event of Default is "continuing" if it has not been remedied or waived.

2. THE BONDS

2.1 Amount, denomination and ISIN of the Bonds

- (a) The Issuer has resolved to issue a series of Bonds up to USD 600,000,000 (the "**Maximum Issue Amount**"). The Bonds may be issued on different issue dates and the Initial Bond Issue will be in the amount of USD 400,000,000. The Issuer may, provided that the conditions set out in Clause 6.3 (*Tap Issues*) are met, at one or more occasions issue Additional Bonds (each a "**Tap Issue**") until the Nominal Amount of all Additional Bonds equals in aggregate the Maximum Issue Amount less the Initial Bond Issue (excluding the Nominal Amount of any previously redeemed Bonds). Each Tap Issue will be subject to identical terms as the Bonds issued pursuant to the Initial Bond Issue in all respects as set out in these Bond Terms, except that Additional Bonds may be issued at a different price than for the Initial Bond Issue and which may be below or above the Nominal Amount. The Bond Trustee shall prepare an addendum to these Bond Terms evidencing the terms of each Tap Issue (a "**Tap Issue Addendum**").

If the Bonds are listed on an Exchange and there is a requirement for a new prospectus in order for the Additional Bonds to be listed together with the Bonds, the Additional Bonds may be issued under a separate ISIN (such Bonds referred to as the "**Temporary Bonds**"). Upon the approval of the prospectus, the Issuer shall (i) notify the Bond Trustee, the Exchange and the Paying Agent and (ii) ensure that the Temporary Bonds are converted into the ISIN for the Bonds.

- (b) The Bonds are denominated in US Dollars (USD), being the legal currency of the United States of America.
- (c) The Initial Nominal Amount of each Bond is USD 1,000.
- (d) The ISIN of the Bonds is set out on the front page. These Bond Terms apply with identical terms and conditions to (i) all Bonds issued under this ISIN, (ii) any Temporary Bonds, and (iii) any Overdue Amounts issued under one or more separate ISIN in accordance with the regulations of the CSD from time to time.
- (e) Holders of any Overdue Amounts related to interest claims will not have any other rights under these Bond Terms than their claim for payment of such interest claims which claim shall be subject to paragraph (b) of 15.1 (*Authority of the Bondholders' Meeting*).

2.2 Tenor of the Bonds

The tenor of the Bonds is from and including the Initial Issue Date to but excluding the Maturity Date.

2.3 Use of proceeds

- (a) The Net Proceeds from the Initial Bond Issue shall be applied to partly refinance the

Existing Bonds and for other general corporate purposes.

- (b) The Net Proceeds from the issuance of any Additional Bonds shall be used for general corporate purposes.

2.4 Status of the Bonds

The Bonds shall constitute senior debt obligations of the Issuer. The Bonds will rank *pari passu* between themselves and at least *pari passu* with all other obligations of the Issuer (save for such claims which are preferred by bankruptcy, insolvency, liquidation or other similar laws of general application) and shall rank ahead of subordinated debt.

2.5 Transaction Security

The Bonds are unsecured.

3. THE BONDHOLDERS

3.1 Bond Terms binding on all Bondholders

- (a) By virtue of being registered as a Bondholder (directly or indirectly) with the CSD, the Bondholders are bound by these Bond Terms and any other Finance Document, without any further action required to be taken or formalities to be complied with by the Bond Trustee, the Bondholders, the Issuer or any other party.
- (b) The Bond Trustee is always acting with binding effect on behalf of all the Bondholders.

3.2 Limitation of rights of action

- (a) No Bondholder is entitled to take any enforcement action, instigate any insolvency procedures, or take other legal action against the Issuer or any other party in relation to any of the liabilities of the Issuer or any other party under or in connection with the Finance Documents, other than through the Bond Trustee and in accordance with these Bond Terms, provided, however, that the Bondholders shall not be restricted from exercising any of their individual rights derived from these Bond Terms, including the right to exercise the Put Option.
- (b) Each Bondholder shall immediately upon request by the Bond Trustee provide the Bond Trustee with any such documents, including a written power of attorney (in form and substance satisfactory to the Bond Trustee), as the Bond Trustee deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Bond Trustee is under no obligation to represent a Bondholder which does not comply with such request.

3.3 Bondholders' rights

- (a) If a beneficial owner of a Bond, not being registered as a Bondholder, wishes to exercise any rights under the Finance Documents, it must obtain proof of ownership of the Bonds, acceptable to the Bond Trustee.
- (b) A Bondholder (whether registered as such or proven to the Bond Trustee's satisfaction to be the beneficial owner of the Bond as set out in paragraph (a) above) may issue one or more powers of attorney to third parties to represent it in relation to some or all of the Bonds held or beneficially owned by such Bondholder. The Bond Trustee shall only have to examine the face of a power of attorney or similar evidence of authorisation that

has been provided to it pursuant to this Clause 3.3 (*Bondholders' rights*) and may assume that it is in full force and effect, unless otherwise is apparent from its face or the Bond Trustee has actual knowledge to the contrary.

4. ADMISSION TO LISTING

The Issuer shall apply for the Bonds to be listed on an Exchange within six (6) months from the Initial Issue Date and thereafter ensure that the Bonds remain listed on an Exchange until the Bonds have been redeemed in full. The Issuer shall use its reasonable endeavours to ensure that any Temporary Bonds are listed on an Exchange within three (3) months of the issue date for such Temporary Bonds.

5. REGISTRATION OF THE BONDS

5.1 Registration in the CSD

The Bonds shall be registered in dematerialised form in the CSD according to the relevant securities registration legislation and the requirements of the CSD.

5.2 Obligation to ensure correct registration

The Issuer will at all times ensure that the registration of the Bonds in the CSD is correct and shall immediately upon any amendment or variation of these Bond Terms give notice to the CSD of any such amendment or variation.

5.3 Country of issuance

The Bonds have not been issued under any other country's legislation than that of the Relevant Jurisdiction. Save for the registration of the Bonds in the CSD, the Issuer is under no obligation to register, or cause the registration of, the Bonds in any other registry or under any other legislation than that of the Relevant Jurisdiction.

6. CONDITIONS FOR DISBURSEMENT

6.1 Conditions precedent for disbursement to the Issuer

- (a) Payment of the Net Proceeds from the issuance of the Bonds to the Issuer shall be conditional on the Bond Trustee having received in due time (as determined by the Bond Trustee) prior to the Initial Issue Date each of the following documents, in form and substance satisfactory to the Bond Trustee:
 - (i) these Bond Terms duly executed by all parties hereto;
 - (ii) copies of all necessary corporate resolutions of the Issuer to issue the Bonds and execute the Finance Documents to which it is a party;
 - (iii) copies of the Issuer's articles of association and of a full extract from the relevant company register in respect of the Issuer evidencing that the Issuer is validly existing;
 - (iv) copy of a power of attorney (unless included in the corporate resolutions) from the Issuer to relevant individuals for their execution of the Finance Documents to which it is a party, or extracts from the relevant register or similar documentation evidencing such individual's authorisation to execute such Finance Documents on behalf of the Issuer;

- (v) confirmation that the Bonds are registered in the CSD (by obtaining an ISIN for the Bonds);
 - (vi) confirmation that the applicable exemption from the prospectus requirements (ref. the EU prospectus directive (EU) 2017/1129 concerning the issuance of the Bonds have been fulfilled;
 - (vii) copies of any written documentation used in marketing the bond issue or made public by the Issuer or any Manager in connection with the issuance of the Bonds;
 - (viii) the Bond Trustee Fee Agreement duly executed by all parties thereto;
 - (ix) copies of the Issuer's latest Financial Reports; and
 - (x) legal opinions or other statements as may be required by the Bond Trustee (including in respect of corporate matters relating to the Issuer and the legality, validity and enforceability of these Bond Terms and the Finance Documents) in form and substance satisfactory to the Bond Trustee.
- (b) The Bond Trustee, acting in its sole discretion, may, regarding this Clause 6.1 (*Conditions precedent for disbursement to the Issuer*), waive the requirements for documentation, or decide in its discretion that delivery of certain documents shall be made subject to an agreed closing procedure between the Bond Trustee and the Issuer.

6.2 Disbursement of the proceeds

Disbursement of the proceeds from the issuance of the Bonds is conditional on the Bond Trustee's confirmation to the Paying Agent that the conditions in Clause 6.1 (*Conditions precedent for disbursement to the Issuer*) have been either satisfied in the Bond Trustee's discretion or waived by the Bond Trustee pursuant to paragraph (b) of Clause 6.1 above.

6.3 Tap Issues

The Issuer may issue Additional Bonds if:

- (a) a Tap Issue Addendum has been duly executed by all parties thereto; and
- (b) the representations and warranties contained in Clause 7 (*Representations and Warranties*) of these Bond Terms are true and correct in all material respects and repeated by the Issuer as at the date of issuance of such Additional Bonds.

7. REPRESENTATIONS AND WARRANTIES

The Issuer makes the representations and warranties set out in this Clause 7 (*Representations and warranties*), in respect of itself and in respect of each Group Company to the Bond Trustee (on behalf of the Bondholders) at the following times and with reference to the facts and circumstances then existing:

- (a) at the date of these Bond Terms;
- (b) at the Initial Issue Date; and
- (c) at the date of issuance of any Additional Bonds.

7.1 Status

It is a public limited liability company, duly incorporated and validly existing and registered under the laws of its jurisdiction of incorporation, and has the power to own its assets and carry on its business as it is being conducted.

7.2 Power and authority

It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, these Bond Terms and any other Finance Document to which it is a party and the transactions contemplated by those Finance Documents.

7.3 Valid, binding and enforceable obligations

These Bond Terms and each other Finance Document to which it is a party constitutes (or will constitute, when executed by the respective parties thereto) its legal, valid and binding obligations, enforceable in accordance with their respective terms, and (save as provided for therein) no further registration, filing, payment of tax or fees or other formalities are necessary or desirable to render the said documents enforceable against it.

7.4 Non-conflict with other obligations

The entry into and performance by it of these Bond Terms and any other Finance Document to which it is a party and the transactions contemplated thereby do not and will not conflict with (i) any law or regulation or judicial or official order; (ii) its constitutional documents; or (iii) any agreement or instrument which is binding upon it or any of its assets.

7.5 No Event of Default

- (a) No Event of Default exists or is likely to result from the making of any disbursement of proceeds or the entry into, the performance of, or any transaction contemplated by, any Finance Document.
- (b) No other event or circumstance has occurred which constitutes (or with the expiry of any grace period, the giving of notice, the making of any determination or any combination of any of the foregoing, would constitute) a default or termination event (howsoever described) under any other agreement or instrument which is binding on it or any of its Subsidiaries or to which its (or any of its Subsidiaries') assets are subject which has or is likely to have a Material Adverse Effect.

7.6 Authorizations and consents

All authorisations, consents, approvals, resolutions, licenses, exemptions, filings, notarizations or registrations required:

- (a) to enable it to enter into, exercise its rights and comply with its obligations under these Bond Terms or any other Finance Document to which it is a party; and
- (b) to carry on its business as presently conducted and as contemplated by these Bond Terms,

have been obtained or effected and are in full force and effect.

7.7 Litigation

No litigation, arbitration or administrative proceedings or investigations of or before any court,

arbitral body or agency which, if adversely determined, is likely to have a Material Adverse Effect have (to the best of its knowledge and belief) been started or threatened against it or any of its Subsidiaries.

7.8 Financial Reports

Its most recent Financial Reports fairly and accurately represent the assets and liabilities and financial condition as at their respective dates, and have been prepared in accordance with the Accounting Standard, consistently applied.

7.9 No Material Adverse Effect

Since the date of the most recent Financial Reports, there has been no change in its business, assets or financial condition that is likely to have a Material Adverse Effect.

7.10 No misleading information

Any factual information provided by it to the Bondholders or the Bond Trustee for the purposes of the issuance of the Bonds was true and accurate in all material respects as at the date it was provided or as at the date (if any) at which it is stated.

7.11 No withholdings

The Issuer is not required to make any deduction or withholding from any payment which it may become obliged to make to the Bond Trustee or the Bondholders under the Finance Documents.

7.12 Pari passu ranking

Its payment obligations under these Bond Terms or any other Finance Document to which it is a party rank as set out in Clause 2.4 (*Status of the Bonds*).

7.13 Security

No Security exists over any of the present assets of any Group Company in conflict with these Bond Terms.

8 PAYMENTS IN RESPECT OF THE BONDS

8.1 Covenant to pay

- (a) The Issuer will unconditionally make available to or to the order of the Bond Trustee and/or the Paying Agent all amounts due on each Payment Date pursuant to the terms of these Bond Terms at such times and to such accounts as specified by the Bond Trustee and/or the Paying Agent in advance of each Payment Date or when other payments are due and payable pursuant to these Bond Terms.
- (b) All payments to the Bondholders in relation to the Bonds shall be made to each Bondholder registered as such in the CSD at the Relevant Record Date, by, if no specific order is made by the Bond Trustee, crediting the relevant amount to the bank account nominated by such Bondholder in connection with its securities account in the CSD.
- (c) Payment constituting good discharge of the Issuer's payment obligations to the Bondholders under these Bond Terms will be deemed to have been made to each Bondholder once the amount has been credited to the bank holding the bank account nominated by the Bondholder in connection with its securities account in the CSD. If the paying bank and the receiving bank are the same, payment shall be deemed to have been

made once the amount has been credited to the bank account nominated by the Bondholder in question.

- (d) If a Payment Date or a date for other payments to the Bondholders pursuant to the Finance Documents falls on a day on which either of the relevant CSD settlement system or the relevant currency settlement system for the Bonds are not open, the payment shall be made on the first following possible day on which both of the said systems are open, unless any provision to the contrary has been set out for such payment in the relevant Finance Document.

8.2 Default interest

- (a) Default interest will accrue on any Overdue Amount from and including the Payment Date on which it was first due to and excluding the date on which the payment is made at the Interest Rate plus 3 percentage points per annum.
- (b) Default interest accrued on any Overdue Amount pursuant to this Clause 8.2 (*Default interest*) will be added to the Overdue Amount on each Interest Payment Date until the Overdue Amount and default interest accrued thereon have been repaid in full.

8.3 Partial Payments

- (a) If the Paying Agent or the Bond Trustee receives a Partial Payment, such Partial Payment shall, in respect of the Issuer's debt under the Finance Documents be considered made for discharge of the debt of the Issuer in the following order of priority:
 - (i) firstly, towards any outstanding fees, liabilities and expenses of the Bond Trustee (and any security agent, if applicable);
 - (ii) secondly, towards accrued interest due but unpaid; and
 - (iii) thirdly, towards any other outstanding amounts due but unpaid under the Finance Documents.
- (b) Notwithstanding paragraph (a) above, any Partial Payment which is distributed to the Bondholders shall, after the above mentioned deduction of outstanding fees, liabilities and expenses, be applied (i) firstly towards any principal amount due but unpaid and (ii) secondly, towards accrued interest due but unpaid, in the following situations:
 - (i) the Bond Trustee has served a Default Notice in accordance with Clause 14.2 (*Acceleration of the Bonds*), or
 - (ii) as a result of a resolution according to Clause 15 (*Bondholders' decisions*).

8.4 Taxation

- (a) The Issuer is responsible for withholding any withholding tax imposed by applicable law on any payments to be made by it in relation to the Finance Documents.
- (b) The Issuer shall, if any tax is withheld in respect of the Bonds under the Finance Documents:
 - (i) gross up the amount of the payment due from it up to such amount which is necessary to ensure that the Bondholders or the Bond Trustee, as the case may be,

receive a net amount which is (after making the required withholding) equal to the payment which would have been received if no withholding had been required; and

- (ii) at the request of the Bond Trustee, deliver to the Bond Trustee evidence that the required tax deduction or withholding has been made.
- (c) Any public fees levied on the trade of Bonds in the secondary market shall be paid by the Bondholders, unless otherwise provided by law or regulation, and the Issuer shall not be responsible for reimbursing any such fees.
- (d) The Bond Trustee shall not have any responsibility to obtain information about the Bondholders relevant for the tax obligations pursuant to these Bond Terms.

8.5 Currency

- (a) All amounts payable under the Finance Documents shall be payable in the Bond Currency. If, however, the Bond Currency differs from the currency of the bank account connected to the Bondholder's account in the CSD, any cash settlement may be exchanged and credited to this bank account.
- (b) Any specific payment instructions, including foreign exchange bank account details, to be connected to the Bondholder's account in the CSD must be provided by the relevant Bondholder to the Paying Agent (either directly or through its account manager in the CSD) within five (5) Business Days prior to a Payment Date. Depending on any currency exchange settlement agreements between each Bondholder's bank and the Paying Agent, and opening hours of the receiving bank, cash settlement may be delayed, and payment shall be deemed to have been made once the cash settlement has taken place, provided, however, that no default interest or other penalty shall accrue for the account of the Issuer for such delay.

8.6 Set-off and counterclaims

The Issuer may not apply or perform any counterclaims or set-off against any payment obligations pursuant to these Bond Terms or any other Finance Document.

9 INTEREST

9.1 Calculation of interest

- (a) Each Outstanding Bond will accrue interest at the Interest Rate on the Nominal Amount for each Interest Period, commencing on and including the first date of the Interest Period, and ending on but excluding the last date of the Interest Period.
- (b) Any Additional Bond will accrue interest at the Interest Rate on the Nominal Amount commencing on the first date of the Interest Period in which the Additional Bonds are issued and thereafter in accordance with paragraph (a) above.
- (c) Interest shall be calculated on the basis of a 360-day year comprised of twelve (12) months of thirty (30) days each (30/360-days basis), unless:
 - (i) the last day in the relevant Interest Period is the 31st calendar day but the first day of that Interest Period is a day other than the 30th or the 31st day of a month, in which case the month that includes that last day shall not be shortened to a 30-day month;

or

- (ii) the last day of the relevant Interest Period is the last calendar day in February, in which case February shall not be lengthened to a 30-day month.

9.2 Payment of interest

Interest shall fall due on each Interest Payment Date for the corresponding preceding Interest Period and, with respect to accrued interest on the principal amount then due and payable, on each Repayment Date.

10 REDEMPTION AND REPURCHASE OF BONDS

10.1 Redemption of Bonds

The Outstanding Bonds will mature in full on the Maturity Date and shall be redeemed by the Issuer on the Maturity Date at a price equal to 100 per cent. of the Nominal Amount.

10.2 Voluntary early redemption - Call Option

- (a) The Issuer may redeem the Outstanding Bonds (in whole or in part) (the "**Call Option**") on any Business Day from and including:
 - (i) the First Call Date to, but not including, the Interest Payment Date falling forty-two (42) months after the Initial Issue Date at a price equal to 103.70 per cent. of the Nominal Amount for each redeemed Bond;
 - (ii) the Interest Payment Date falling forty-two (42) months after the Initial Issue Date to, but not including, the Interest Payment Date falling forty-eight (48) months after the Initial Issue Date at a price equal to 102.775 per cent. of the Nominal Amount for each redeemed Bond;
 - (iii) the Interest Payment Date falling forty-eight (48) months after the Initial Issue Date to, but not including, the Interest Payment Date falling fifty-four (54) months after the Initial Issue Date at a price equal to 101.85 per cent. of the Nominal Amount for each redeemed Bond; and
 - (iv) the Interest Payment Date falling fifty-four (54) months after the Initial Issue Date to, but not including, the Maturity Date at a price equal to 100 per cent. of the Nominal Amount for each redeemed Bond.
- (b) Any redemption of Bonds pursuant to the Call Option shall include accrued but unpaid interest on the redeemed Bonds.
- (c) Any redemption of Bonds pursuant to Clause 10.2 (a) above shall be determined based upon the redemption prices applicable on the Call Option Repayment Date.
- (d) The Call Option may be exercised by the Issuer by written notice to the Bond Trustee and the Bondholders at least ten (10) Business Days prior to the proposed Call Option Repayment Date. Such notice sent by the Issuer is irrevocable and shall specify the Call Option Repayment Date.
- (e) Any Call Option exercised in part will be used for pro rata payment to the Bondholders in accordance with the applicable regulations of the CSD.

10.3 **Mandatory repurchase due to a Put Option Event**

- (a) Upon the occurrence of a Put Option Event each Bondholder will have the right (the "**Put Option**") to require that the Issuer shall, subject to paragraph (b) below, offer to redeem Bonds up to an amount equal to the net cash proceeds (after repayment of transaction costs (including taxes) and any relevant Financial Indebtedness pertaining directly to the financing of the Tawke PSC) received from the sale of participating interest below the 50 per cent. participating interest level (the "**Put Amount**").
- (b) On the occurrence of a Put Option Event, the Issuer shall:
 - (i) offer to redeem Bonds up to the Put Amount at 100 per cent. of the Nominal Amount (plus accrued interest on the redeemed Bonds up to and including the settlement date for such put option) for, and limited to, a thirty (30) calendar days period from the date the proceeds for the disposal(s) are received, with the effect that the Put Option must be exercised within such thirty (30) calendar days period; and
 - (ii) publish a notice of such offer as soon as possible following the occurrence of a Put Option Event and no later than on the date when the proceeds are received; and such offer to be valid for the abovementioned thirty (30) calendar days period.
- (c) If the aggregate amount of exercised Put Options exceeds the Put Amount, there shall be a pro-rata reduction among such Bondholders and all redeemed Bonds shall be cancelled and discharged.
- (d) If:
 - (i) a Put Option Event is triggered by multiple transactions, the Put Amount shall be measured based on the average value of the transactions resulting in such Put Option Event; and
 - (ii) further divestments are undertaken after a Put Option Event has occurred, such divestments will trigger a new Put Option Event for each such divestment with offer of redemption equal to such additional Put Amount(s);

(for avoidance of doubt, proceeds from participating interest above 50 per cent. shall not be included in the calculation of any Put Amount).
- (e) Any amount not applied for redemption of Bonds in connection with the Put Option may be retained by the Group and applied for general corporate purposes.
- (f) The Put Option Repayment Date will be the fifth Business Day after the end of the thirty (30) calendar days exercise period referred to in paragraph (b) above, however so that the settlement of the Put Option will be based on each Bondholder's holding of Bonds at the Put Option Repayment Date.

10.4 **Mandatory repurchase due to a Change of Control Event**

- (a) Upon the occurrence of a Change of Control Event, each Bondholder will have the right (the "**Change of Control Put Option**") to require that the Issuer purchases all or some of the Bonds held by that Bondholder at a price equal to 101 per cent. of the Nominal Amount (plus accrued interest).

- (b) The Change of Control Put Option must be exercised within thirty (30) calendar days after the Issuer has given notice to the Bond Trustee and the Bondholders that a Change of Control Event has occurred pursuant to Clause 12.4 (*Change of Control Event*). Once notified, the Bondholders' right to exercise the Change of Control Put Option will not be affected by any subsequent events related to the Issuer.
- (c) Each Bondholder may exercise its Change of Control Put Option by written notice to its account manager for the CSD, who will notify the Paying Agent of the exercise of the Change of Control Put Option. The Change of Control Repayment Date will be the fifth Business Day after the end of the thirty (30) calendar days exercise period referred to in paragraph (b) above, however so that the settlement of the Change of Control Put Option will be based on each Bondholder's holding of Bonds at the Change of Control Repayment Date.
- (d) If Bonds representing more than 90 per cent. of the Outstanding Bonds have been repurchased pursuant to this Clause 10.4 (*Mandatory repurchase due to a Change of Control Event*), the Issuer is entitled to repurchase all the remaining Outstanding Bonds at the price stated in paragraph (a) above by notifying the remaining Bondholders of its intention to do so no later than twenty (20) calendar days after the Change of Control Repayment Date. Such prepayment may occur at the earliest on the fifteenth (15th) calendar day following the date of such notice.

10.5 Early redemption option due to a tax event

If the Issuer is or will be required to gross up any withheld tax imposed by law from any payment in respect of the Bonds under the Finance Documents pursuant to Clause 8.4 (*Taxation*) as a result of a change in applicable law implemented after the date of these Bond Terms, the Issuer will have the right to redeem all, but not only some, of the Outstanding Bonds at a price equal to 100 per cent. of the Nominal Amount. The Issuer shall give written notice of such redemption to the Bond Trustee and the Bondholders at least twenty (20) Business Days prior to the Tax Event Repayment Date, provided that no such notice shall be given earlier than sixty (60) Business Days prior to the earliest date on which the Issuer would be obliged to withhold such tax were a payment in respect of the Bonds then due.

11 PURCHASE AND TRANSFER OF BONDS

11.1 Issuer's purchase of Bonds

The Issuer may purchase and hold Bonds and such Bonds may be retained, sold or cancelled in the Issuer's sole discretion, including with respect to Bonds purchased pursuant to Clause 10.3 (*Mandatory repurchase due to a Put Option Event*).

11.2 Restrictions

- (a) Certain purchase or selling restrictions may apply to Bondholders under applicable local laws and regulations from time to time. Neither the Issuer nor the Bond Trustee shall be responsible for ensuring compliance with such laws and regulations and each Bondholder is responsible for ensuring compliance with the relevant laws and regulations at its own cost and expense.

- (b) A Bondholder who has purchased Bonds in breach of applicable restrictions may, notwithstanding such breach, benefit from the rights attached to the Bonds pursuant to these Bond Terms (including, but not limited to, voting rights), provided that the Issuer shall not incur any additional liability by complying with its obligations to such Bondholder.

12 INFORMATION UNDERTAKINGS

12.1 Financial Reports

- (a) The Issuer shall prepare Annual Financial Statements in the English language and make them available on its website (alternatively by arranging for publication at Stamdata) as soon as they become available, and not later than one hundred and twenty (120) days after the end of the financial year.
- (b) The Issuer shall prepare Interim Accounts in the English language and make them available on its website (alternatively by arranging for publication at Stamdata) as soon as they become available, and not later than sixty (60) days after the end of the relevant Quarter Date.

12.2 Requirements as to Financial Reports

- (a) The Issuer shall supply to the Bond Trustee, in connection with the publication of its Interim Accounts pursuant to Clause 12.1 (*Financial Reports*), a Compliance Certificate with a copy of the Interim Accounts attached thereto. The Compliance Certificate shall be duly signed by the chief executive officer or the chief financial officer of the Issuer, certifying inter alia that the Interim Accounts are fairly representing its financial condition as at the date of the relevant Interim Accounts.
- (b) The Issuer shall procure that the Financial Reports delivered pursuant to Clause 12.1 (*Financial Reports*) are prepared using the Accounting Standard consistently applied.

12.3 Put Option Event

The Issuer shall inform the Bond Trustee in writing as soon as possible after becoming aware that a Put Option Event has occurred.

12.4 Change of Control Event

The Issuer shall inform the Bond Trustee in writing as soon as possible after becoming aware that a Change of Control Event has occurred.

12.5 Information: Miscellaneous

The Issuer shall:

- (a) promptly inform the Bond Trustee in writing of any Event of Default or any event or circumstance which the Issuer understands or could reasonably be expected to understand may lead to an Event of Default and the steps, if any, being taken to remedy it;
- (b) at the request of the Bond Trustee, report the balance of the Issuer's Bonds (to the best of its knowledge, having made due and appropriate enquiries);
- (c) send the Bond Trustee copies of any statutory notifications of the Issuer, including but

not limited to in connection with mergers, de-mergers and reduction of the Issuer's share capital or equity;

- (d) if the Bonds are listed on an Exchange, send a copy to the Bond Trustee of its notices to the Exchange;
- (e) if the Issuer and/or the Bonds are rated, inform the Bond Trustee of its and/or the rating of the Bonds, and any changes to such rating;
- (f) inform the Bond Trustee of changes in the registration of the Bonds in the CSD; and
- (g) within a reasonable time, provide such information about the Issuer's and the Group's business, assets and financial condition as the Bond Trustee may reasonably request.

13 GENERAL AND FINANCIAL UNDERTAKINGS

The Issuer undertakes to (and shall, where applicable, procure that the other Group Companies will) comply with the undertakings set forth in this Clause 13 (*General and financial Undertakings*).

13.1 Authorisations

The Issuer shall, and shall procure that each other Group Company will, in all material respects obtain, maintain and comply with the terms of any authorisation, approval, license and consent required for the conduct of its business as carried out from time to time, if a failure to do so would have Material Adverse Effect.

13.2 Compliance with laws

The Issuer shall, and shall procure that each other Group Company will, comply in all material respects with all laws and regulations to which it may be subject from time to time (including environmental laws and regulations), if failure so to comply would have a Material Adverse Effect.

13.3 Continuation of business

The Issuer shall procure that no material change is made to the general nature of the business of the Group from that carried on by the Group at the Initial Issue Date.

13.4 Mergers and de-mergers

The Issuer shall not, and shall ensure that no other Group Company will, carry out:

- (a) any merger or other business combination or corporate reorganisation involving the consolidation of assets and obligations of the Issuer or any other Group Company with any other person other than with a Group Company; or
- (b) any de-merger or other corporate reorganisation having the same or equivalent effect as a de-merger involving the Issuer and any Group Company;

if such merger, demerger, combination or reorganisation would have a Material Adverse Effect.

13.5 Negative pledge

The Issuer shall not, and shall procure that no other Group Company will, create or allow to subsist any Security over any of its present or future assets (including shares in the other Group

Companies) or its revenues other than Permitted Security.

13.6 Financial support

The Issuer shall not, and shall procure that no other Group Company will, provide any Financial Support, other than Financial Support:

- (a) made in the ordinary course of business;
- (b) made, granted or given by any Group Company to or for the benefit of any Group Company;
- (c) in connection with Financial Indebtedness, or
- (d) in connection with Permitted Security.

13.7 Disposals

The Issuer shall (with the exception of intra-Group transactions):

- (a) maintain and ensure that no Group Company novates, transfers, reduces, sells or otherwise disposes of any direct or indirect working interest in Tawke PSC (including by reduction of shareholding in Subsidiaries); and
- (b) ensure that no other Group Company otherwise sells or dispose of all or a substantial part of the Group's assets or operations,

if such transaction would have a Material Adverse Effect and shall (if applicable) ensure that the Bonds are redeemed according to Clause 10.3 (*Mandatory repurchase due to a Put Option Event*).

13.8 Arm's length transactions

Without limiting Clause 13.2 (*Compliance with laws*), the Issuer shall not engage in, or permit any Group Company to engage in, directly or indirectly, any transaction with any person except on arm's length terms.

13.9 Pari passu ranking

The Issuer shall ensure that its obligations under the Bond Terms shall at all times rank at least *pari passu* as set out in Clause 2.4 (*Status of the Bonds*).

13.10 Corporate status

The Issuer shall not change its type of organisation or jurisdiction of incorporation.

13.11 Operations

The Issuer shall ensure that the operations of any Group Company are conducted in accordance with acknowledged practices related to the oil and gas business in all material respect.

13.12 Insurances

The Issuer shall ensure that each other Group Company will maintain, with financially sound and reputable insurance companies, funds or underwriters, adequate insurance with respect to its assets, equipment and business against such liabilities, casualties and contingencies and of such types and in such amounts as would be reasonable with respect to similar assets to those

owned by the relevant Group Company pursuant to good industry practice in the relevant jurisdiction of incorporation.

13.13 Dividend restrictions

The Issuer shall be permitted to make any dividend payment, repurchase of shares or make other distributions or payments to its shareholders, whether in cash or in kind, including without limitation any total return swaps or instruments with similar effect provided that the Liquidity is not less than USD 80,000,000 immediately after such distribution is made.

13.14 Subsidiaries' distributions

The Issuer shall not permit any Group Company to create or permit to exist any contractual obligation (or encumbrance) restricting the right of any Group Company to:

- (a) pay dividends or make other distributions to its shareholders;
- (b) service any Financial Indebtedness to the Issuer;
- (c) make any loans to the Issuer; or
- (d) transfer any of its assets and properties to the Issuer,

if the creation of such contractual obligation would have a Material Adverse Effect.

13.15 Hedging policy

The Issuer shall procure that no Group Company shall enter into hedging arrangements for speculative purposes.

13.16 Listing of shares

The Issuer shall ensure that the Issuer's shares remain listed on Oslo Børs (the Oslo Stock Exchange) or are relisted on a recognized stock exchange within the European Union or in the United Kingdom, at the sole discretion of the Issuer.

13.17 Financial covenants

The Issuer undertakes to comply with the following financial covenants:

(a) *Minimum Liquidity*

The Issuer shall ensure that the Group maintains a Liquidity of minimum USD 40,000,000.

(b) *Equity Ratio*

The Issuer shall ensure that the Group maintains either:

- (i) an Equity Ratio of minimum thirty (30) per cent.; or
- (ii) a Total Equity of not less than USD 600,000,000.

(c) *General*

The Issuer undertakes to be in compliance with the requirements in paragraph (a) and (b) above

at all times and such compliance to be calculated and measured on a consolidated basis for the Group on each Quarter Date and shall be certified by way of a Compliance Certificate provided by the Issuer in writing to the Bond Trustee together with the relevant Interim Accounts.

14 EVENTS OF DEFAULT AND ACCELERATION OF THE BONDS

14.1 Events of Default

Each of the events or circumstances set out in this Clause 14.1 shall constitute an Event of Default:

(a) *Non-payment*

The Issuer fails to pay any amount payable by it under the Finance Documents when such amount is due for payment, unless:

- (i) its failure to pay is caused by administrative or technical error in payment systems or the CSD and payment is made within five (5) Business Days following the original due date; or
- (ii) in the discretion of the Bond Trustee, the Issuer has substantiated that it is likely that such payment will be made in full within five (5) Business Days following the original due date.

(b) *Breach of other obligations*

The Issuer does not comply with any provision of the Finance Documents other than set out under paragraph (a) (*Non-payment*) above, unless such failure is capable of being remedied and is remedied within twenty (20) Business Days after the earlier of the Issuer's actual knowledge thereof, or notice thereof is given to the Issuer by the Bond Trustee.

(c) *Misrepresentation*

Any representation, warranty or statement (including statements in Compliance Certificates) made by the Issuer under or in connection with any Finance Documents is or proves to have been incorrect, inaccurate or misleading in any material respect when made or deemed to have been made, unless the circumstances giving rise to the misrepresentation are capable of remedy and are remedied within twenty (20) Business Days of the earlier of the Bond Trustee giving notice to the Issuer or the Issuer becoming aware of such misrepresentation.

(d) *Cross default*

If for any Group Company:

- (i) any Financial Indebtedness is not paid when due nor within any applicable grace period; or
- (ii) any Financial Indebtedness is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described); or
- (iii) any commitment for any Financial Indebtedness is cancelled or suspended by a creditor as a result of an event of default (however described); or

- (iv) any creditor becomes entitled to declare any Financial Indebtedness due and payable prior to its specified maturity as a result of an event of default (however described),

provided however that the aggregate amount of such Financial Indebtedness or commitment for Financial Indebtedness falling within paragraphs (i) to (iv) above exceeds a total of USD 30,000,000 (or the equivalent thereof in any other currency).

(e) *Insolvency and insolvency proceedings*

Any Group Company:

- (i) is Insolvent; or
- (ii) is object of any corporate action or any legal proceedings is taken in relation to:
 - (A) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) other than a solvent liquidation or reorganization; or
 - (B) a composition, compromise, assignment or arrangement with any creditor which may materially impair the Issuer's ability to perform its payment obligations under these Bond Terms; or
 - (C) the appointment of a liquidator (other than in respect of a solvent liquidation), receiver, administrative receiver, administrator, compulsory manager or other similar officer of any of its assets; or
 - (D) enforcement of any Security over any of its or their assets having an aggregate value exceeding the threshold amount set out in paragraph 14.1 (d) (*Cross default*) above; or
 - (E) for paragraphs (A) - (D) above, any analogous procedure or step is taken in any jurisdiction in respect of any such company.

However, this shall not apply to any petition which is frivolous or vexatious and is discharged, stayed or dismissed within twenty (20) Business Days of commencement.

(f) *Creditor's process*

Any expropriation, attachment, sequestration, distress or execution affects any asset or assets of any Group Company having an aggregate value exceeding the threshold amount set out in paragraph 14.1 (d) (*Cross default*) above and is not discharged within twenty (20) Business Days.

(g) *Unlawfulness*

It is or becomes unlawful for the Issuer to perform or comply with any of its obligations under the Finance Documents to the extent this may materially impair:

- (i) the ability of the Issuer to perform its obligations under these Bond Terms; or

- (ii) the ability of the Bond Trustee or any security agent to exercise any material right or power vested to it under the Finance Documents.

14.2 Acceleration of the Bonds

If an Event of Default has occurred and is continuing, the Bond Trustee may, in its discretion in order to protect the interests of the Bondholders, or upon instruction received from the Bondholders pursuant to Clause 14.3 (*Bondholders' instructions*) below, by serving a Default Notice to the Issuer:

- (a) declare that the Outstanding Bonds, together with accrued interest and all other amounts accrued or outstanding under the Finance Documents be immediately due and payable, at which time they shall become immediately due and payable; and/or
- (b) exercise any or all of its rights, remedies, powers or discretions under the Finance Documents or take such further measures as are necessary to recover the amounts outstanding under the Finance Documents.

14.3 Bondholders' instructions

The Bond Trustee shall serve a Default Notice pursuant to Clause 14.2 (*Acceleration of the Bonds*) if:

- (a) the Bond Trustee receives a demand in writing from Bondholders representing a simple majority of the Voting Bonds, that an Event of Default shall be declared, and a Bondholders' Meeting has not made a resolution to the contrary; or
- (b) the Bondholders' Meeting, by a simple majority decision, has approved the declaration of an Event of Default.

14.4 Calculation of claim

The claim derived from the Outstanding Bonds due for payment as a result of the serving of a Default Notice will be calculated at the call prices set out in Clause 10.2 (*Voluntary early redemption – Call Option*) as applicable at the following dates (and regardless of the Default Repayment Date):

- (a) for any Event of Default arising out of a breach of Clause 14.1 (*Events of Default*) paragraph (a) (*Non-payment*), the claim will be calculated at the call price applicable at the date when such Event of Default occurred; and
- (b) for any other Event of Default, the claim will be calculated at the call price applicable at the date when the Default Notice was served by the Bond Trustee; and
- (c) for any Event of Default arising during the period from the Initial Issue Date to the First Call Date, the price set out in paragraph (a)(i) of Clause 10.2(i) (*Voluntary early redemption – Call Option*) shall apply.

15 BONDHOLDERS' DECISIONS

15.1 Authority of the Bondholders' Meeting

- (a) A Bondholders' Meeting may, on behalf of the Bondholders, resolve to alter any of these Bond Terms, including, but not limited to, any reduction of principal or interest and any conversion of the Bonds into other capital classes.

- (b) The Bondholders' Meeting cannot resolve that any overdue payment of any instalment shall be reduced unless there is a pro rata reduction of the principal that has not fallen due, but may resolve that accrued interest (whether overdue or not) shall be reduced without a corresponding reduction of principal.
- (c) The Bondholders' Meeting may not adopt resolutions which will give certain Bondholders an unreasonable advantage at the expense of other Bondholders.
- (d) Subject to the power of the Bond Trustee to take certain action as set out in Clause 16.1 (*Power to represent the Bondholders*), if a resolution by, or an approval of, the Bondholders is required, such resolution may be passed at a Bondholders' Meeting. Resolutions passed at any Bondholders' Meeting will be binding upon all Bondholders.
- (e) At least 50 per cent. of the Voting Bonds must be represented at a Bondholders' Meeting for a quorum to be present.
- (f) Resolutions will be passed by simple majority of the Voting Bonds represented at the Bondholders' Meeting, unless otherwise set out in paragraph (g) below.
- (g) Save for any amendments or waivers which can be made without resolution pursuant to paragraph (a)(i) and (ii) of Clause 17.1 (*Procedure for amendments and waivers*), a majority of at least 2/3 of the Voting Bonds represented at the Bondholders' Meeting is required for approval of any waiver or amendment of these Bond Terms.

15.2 Procedure for arranging a Bondholders' Meeting

- (a) A Bondholders' Meeting shall be convened by the Bond Trustee upon the request in writing of:
 - (i) the Issuer;
 - (ii) Bondholders representing at least 1/10 of the Voting Bonds;
 - (iii) the Exchange, if the Bonds are listed and the Exchange is entitled to do so pursuant to the general rules and regulations of the Exchange; or
 - (iv) the Bond Trustee.

The request shall clearly state the matters to be discussed and resolved.

- (b) If the Bond Trustee has not convened a Bondholders' Meeting within ten (10) Business Days after having received a valid request for calling a Bondholders' Meeting pursuant to paragraph (a) above, then the requesting party may call the Bondholders' Meeting itself.
- (c) Summons to a Bondholders' Meeting must be sent no later than ten (10) Business Days prior to the proposed date of the Bondholders' Meeting. The Summons shall be sent to all Bondholders registered in the CSD at the time the Summons is sent from the CSD. If the Bonds are listed, the Issuer shall ensure that the Summons is published in accordance with the applicable regulations of the Exchange. The Summons shall also be published on the website of the Bond Trustee (alternatively by press release or other relevant information platform).

- (d) Any Summons for a Bondholders' Meeting must clearly state the agenda for the Bondholders' Meeting and the matters to be resolved. The Bond Trustee may include additional agenda items to those requested by the person calling for the Bondholders' Meeting in the Summons. If the Summons contains proposed amendments to these Bond Terms, a description of the proposed amendments must be set out in the Summons.
- (e) Items which have not been included in the Summons may not be put to a vote at the Bondholders' Meeting.
- (f) By written notice to the Issuer, the Bond Trustee may prohibit the Issuer from acquiring or dispose of Bonds during the period from the date of the Summons until the date of the Bondholders' Meeting, unless the acquisition of Bonds is made by the Issuer pursuant to Clause 10 (*Redemption and Repurchase of Bonds*).
- (g) A Bondholders' Meeting may be held on premises selected by the Bond Trustee, or if paragraph (b) above applies, by the person convening the Bondholders' Meeting (however to be held in the capital of the Relevant Jurisdiction). The Bondholders' Meeting will be opened and, unless otherwise decided by the Bondholders' Meeting, chaired by the Bond Trustee. If the Bond Trustee is not present, the Bondholders' Meeting will be opened by a Bondholder and be chaired by a representative elected by the Bondholders' Meeting (the Bond Trustee or such other representative, the "**Chairperson**").
- (h) Each Bondholder, the Bond Trustee and, if the Bonds are listed, representatives of the Exchange, or any person or persons acting under a power of attorney for a Bondholder, shall have the right to attend the Bondholders' Meeting (each a "**Representative**"). The Chairperson may grant access to the meeting to other persons not being Representatives, unless the Bondholders' Meeting decides otherwise. In addition, each Representative has the right to be accompanied by an advisor. In case of dispute or doubt with regard to whether a person is a Representative or entitled to vote, the Chairperson will decide who may attend the Bondholders' Meeting and exercise voting rights.
- (i) Representatives of the Issuer have the right to attend the Bondholders' Meeting. The Bondholders' Meeting may resolve to exclude the Issuer's representatives and/or any person holding only Issuer's Bonds (or any representative of such person) from participating in the meeting at certain times, however, the Issuer's representative and any such other person shall have the right to be present during the voting.
- (j) Minutes of the Bondholders' Meeting must be recorded by, or by someone acting at the instruction of, the Chairperson. The minutes must state the number of Voting Bonds represented at the Bondholders' Meeting, the resolutions passed at the meeting, and the results of the vote on the matters to be decided at the Bondholders' Meeting. The minutes shall be signed by the Chairperson and at least one other person. The minutes will be deposited with the Bond Trustee who shall make available a copy to the Bondholders and the Issuer upon request.
- (k) The Bond Trustee will ensure that the Issuer, the Bondholders and the Exchange are notified of resolutions passed at the Bondholders' Meeting and that the resolutions are published on the website of the Bond Trustee (or other relevant electronically platform or press release).

- (l) The Issuer shall bear the costs and expenses incurred in connection with convening a Bondholders' Meeting regardless of who has convened the Bondholders' Meeting, including any reasonable costs and fees incurred by the Bond Trustee.

15.3 Voting rules

- (a) Each Bondholder (or person acting for a Bondholder under a power of attorney) may cast one vote for each Voting Bond owned on the Relevant Record Date, ref. Clause 3.3 (*Bondholders' rights*). The Chairperson may, in its sole discretion, decide on accepted evidence of ownership of Voting Bonds.
- (b) Issuer's Bonds shall not carry any voting rights. The Chairperson shall determine any question concerning whether any Bonds will be considered Issuer's Bonds.
- (c) For the purposes of this Clause 15 (*Bondholders' decisions*), a Bondholder that has a Bond registered in the name of a nominee will, in accordance with Clause 3.3 (*Bondholders' rights*), be deemed to be the owner of the Bond rather than the nominee. No vote may be cast by any nominee if the Bondholder has presented relevant evidence to the Bond Trustee pursuant to Clause 3.3 (*Bondholders' rights*) stating that it is the owner of the Bonds voted for. If the Bondholder has voted directly for any of its nominee registered Bonds, the Bondholder's votes shall take precedence over votes submitted by the nominee for the same Bonds.
- (d) Any of the Issuer, the Bond Trustee and any Bondholder has the right to demand a vote by ballot. In case of parity of votes, the Chairperson will have the deciding vote.

15.4 Repeated Bondholders' Meeting

- (a) Even if the necessary quorum set out in paragraph (e) of Clause 15.1 (*Authority of the Bondholders' Meeting*) is not achieved, the Bondholders' Meeting shall be held and voting completed for the purpose of recording the voting results in the minutes of the Bondholders' Meeting. The Bond Trustee or the person who convened the initial Bondholders' Meeting may, within ten (10) Business Days of that Bondholders' Meeting, convene a repeated meeting with the same agenda as the first meeting.
- (b) The provisions and procedures regarding Bondholders' Meetings as set out in Clause 15.1 (*Authority of the Bondholders' Meeting*), Clause 15.2 (*Procedure for arranging a Bondholders' Meeting*) and Clause 15.3 (*Voting rules*) shall apply *mutatis mutandis* to a repeated Bondholders' Meeting, with the exception that the quorum requirements set out in paragraph (e) of Clause 15.1 (*Authority of the Bondholders' Meeting*) shall not apply to a repeated Bondholders' Meeting. A Summons for a repeated Bondholders' Meeting shall also contain the voting results obtained in the initial Bondholders' Meeting.
- (c) A repeated Bondholders' Meeting may only be convened once for each original Bondholders' Meeting. A repeated Bondholders' Meeting may be convened pursuant to the procedures of a Written Resolution in accordance with Clause 15.5 (*Written Resolutions*), even if the initial meeting was held pursuant to the procedures of a Bondholders' Meeting in accordance with Clause 15.2 (*Procedure for arranging a Bondholders' Meeting*) and vice versa.

15.5 Written Resolutions

- (a) Subject to these Bond Terms, anything which may be resolved by the Bondholders in a Bondholders' Meeting pursuant to Clause 15.1 (*Authority of the Bondholders' Meeting*) may also be resolved by way of a Written Resolution. A Written Resolution passed with the relevant majority is as valid as if it had been passed by the Bondholders in a Bondholders' Meeting, and any reference in any Finance Document to a Bondholders' Meeting shall be construed accordingly.
- (b) The person requesting a Bondholders' Meeting may instead request that the relevant matters are to be resolved by Written Resolution only, unless the Bond Trustee decides otherwise.
- (c) The Summons for the Written Resolution shall be sent to the Bondholders registered in the CSD at the time the Summons is sent from the CSD and published at the Bond Trustee's web site, or other relevant electronic platform or via press release.
- (d) The provisions set out in Clause 15.1 (*Authority of the Bondholders' Meeting*), 15.2 (*Procedure for arranging a Bondholders' Meeting*), Clause 15.3 (*Voting rules*) and Clause 15.4 (*Repeated Bondholders' Meeting*) shall apply *mutatis mutandis* to a Written Resolution, except that:
 - (i) the provisions set out in paragraphs (g), (h) and (i) of Clause 15.2 (*Procedure for arranging a Bondholders' Meeting*); or
 - (ii) provisions which are otherwise in conflict with the requirements of this Clause 15.5 (*Written Resolutions*),
 shall not apply to a Written Resolution.
- (e) The Summons for a Written Resolution shall include:
 - (i) instructions as to how to vote to each separate item in the Summons (including instructions as to how voting can be done electronically if relevant); and
 - (ii) the time limit within which the Bond Trustee must have received all votes necessary in order for the Written Resolution to be passed with the requisite majority (the "**Voting Period**"), such Voting Period to be at least three (3) Business Days but not more than fifteen (15) Business Days from the date of the Summons, provided however that the Voting Period for a Written Resolution summoned pursuant to Clause 15.4 (*Repeated Bondholders' Meeting*) shall be at least ten (10) Business Days but not more than fifteen (15) Business Days from the date of the Summons.
- (f) Only Bondholders of Voting Bonds registered with the CSD on the Relevant Record Date, or the beneficial owner thereof having presented relevant evidence to the Bond Trustee pursuant to Clause 3.3 (*Bondholders' rights*), will be counted in the Written Resolution.
- (g) A Written Resolution is passed when the requisite majority set out in paragraph (e) or (f) of Clause 15.1 (*Authority of the Bondholders' Meeting*) has been obtained, based on a quorum of the total number of Voting Bonds, even if the Voting Period has not yet expired. A Written Resolution will also be resolved if the sufficient numbers of negative

votes are received prior to the expiry of the Voting Period.

- (h) The effective date of a Written Resolution passed prior to the expiry of the Voting Period is the date when the resolution is approved by the last Bondholder that results in the necessary voting majority being obtained.
- (i) If no resolution is passed prior to the expiry of the Voting Period, the number of votes shall be calculated at the close of business on the last day of the Voting Period, and a decision will be made based on the quorum and majority requirements set out in paragraphs (e) to (g) of Clause 15.1 (*Authority of the Bondholders' Meeting*).

16 THE BOND TRUSTEE

16.1 Power to represent the Bondholders

- (a) The Bond Trustee has power and authority to act on behalf of, and/or represent, the Bondholders in all matters, including but not limited to taking any legal or other action, including enforcement of these Bond Terms, and the commencement of bankruptcy or other insolvency proceedings against the Issuer, or others.
- (b) The Issuer shall promptly upon request provide the Bond Trustee with any such documents, information and other assistance (in form and substance satisfactory to the Bond Trustee), that the Bond Trustee deems necessary for the purpose of exercising its and the Bondholders' rights and/or carrying out its duties under the Finance Documents.

16.2 The duties and authority of the Bond Trustee

- (a) The Bond Trustee shall represent the Bondholders in accordance with the Finance Documents, including, inter alia, by following up on the delivery of any Compliance Certificates and such other documents which the Issuer is obliged to disclose or deliver to the Bond Trustee pursuant to the Finance Documents and, when relevant, in relation to accelerating and enforcing the Bonds on behalf of the Bondholders.
- (b) The Bond Trustee is not obligated to assess or monitor the financial condition of the Issuer unless to the extent expressly set out in these Bond Terms, or to take any steps to ascertain whether any Event of Default has occurred. Until it has actual knowledge to the contrary, the Bond Trustee is entitled to assume that no Event of Default has occurred. The Bond Trustee is not responsible for the valid execution or enforceability of the Finance Documents, or for any discrepancy between the indicative terms and conditions described in any marketing material presented to the Bondholders prior to issuance of the Bonds and the provisions of these Bond Terms.
- (c) The Bond Trustee is entitled to take such steps that it, in its sole discretion, considers necessary or advisable to protect the rights of the Bondholders in all matters pursuant to the terms of the Finance Documents. The Bond Trustee may submit any instructions received by it from the Bondholders to a Bondholders' Meeting before the Bond Trustee takes any action pursuant to the instruction.
- (d) The Bond Trustee is entitled to engage external experts when carrying out its duties under the Finance Documents.
- (e) The Bond Trustee shall hold all amounts recovered on behalf of the Bondholders on separated accounts.

- (f) The Bond Trustee shall facilitate that resolutions passed at the Bondholders' Meeting are properly implemented, provided, however, that the Bond Trustee may refuse to implement resolutions that may be in conflict with these Bond Terms, any other Finance Document, or any applicable law.
- (g) Notwithstanding any other provision of the Finance Documents to the contrary, the Bond Trustee is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation.
- (h) If the cost, loss or liability which the Bond Trustee may incur (including reasonable fees payable to the Bond Trustee itself) in:
 - (i) complying with instructions of the Bondholders; or
 - (ii) taking any action at its own initiative,

will not, in the reasonable opinion of the Bond Trustee, be covered by the Issuer or the relevant Bondholders pursuant to paragraphs (e) and (g) of Clause 16.4 (*Expenses, liability and indemnity*), the Bond Trustee may refrain from acting in accordance with such instructions, or refrain from taking such action, until it has received such funding or indemnities (or adequate security has been provided therefore) as it may reasonably require.

- (i) The Bond Trustee shall give a notice to the Bondholders before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Bond Trustee under the Finance Documents.
- (j) The Bond Trustee may instruct the CSD to split the Bonds to a lower nominal value in order to facilitate partial redemptions, write-downs or restructurings of the Bonds or in other situations where such split is deemed necessary.

16.3 Equality and conflicts of interest

- (a) The Bond Trustee shall not make decisions which will give certain Bondholders an unreasonable advantage at the expense of other Bondholders. The Bond Trustee shall, when acting pursuant to the Finance Documents, act with regard only to the interests of the Bondholders and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in the Finance Documents.
- (b) The Bond Trustee may act as agent, trustee, representative and/or security agent for several bond issues relating to the Issuer notwithstanding potential conflicts of interest. The Bond Trustee is entitled to delegate its duties to other professional parties.

16.4 Expenses, liability and indemnity

- (a) The Bond Trustee will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its gross negligence or wilful misconduct. The Bond Trustee shall not be responsible for any indirect or consequential loss. Irrespective of the foregoing, the Bond Trustee shall have no liability to the Bondholders for damage caused by the Bond Trustee acting in accordance with instructions given by the Bondholders in accordance with these Bond Terms.

- (b) The Bond Trustee will not be liable to the Issuer for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless caused by its gross negligence or wilful misconduct. The Bond Trustee shall not be responsible for any indirect or consequential loss.
- (c) Any liability for the Bond Trustee for damage or loss is limited to the amount of the Outstanding Bonds. The Bond Trustee is not liable for the content of information provided to the Bondholders by or on behalf of the Issuer or any other person.
- (d) The Bond Trustee shall not be considered to have acted negligently in:
 - (i) acting in accordance with advice from or opinions of reputable external experts; or
 - (ii) taking, delaying or omitting any action if acting with reasonable care and provided the Bond Trustee considers that such action is in the interests of the Bondholders.
- (e) The Issuer is liable for, and will indemnify the Bond Trustee fully in respect of, all losses, expenses and liabilities incurred by the Bond Trustee as a result of negligence by the Issuer (including its directors, management, officers, employees and agents) in connection with the performance of the Bond Trustee's obligations under the Finance Documents, including losses incurred by the Bond Trustee as a result of the Bond Trustee's actions based on misrepresentations made by the Issuer in connection with the issuance of the Bonds, the entering into or performance under the Finance Documents, and for as long as any amounts are outstanding under or pursuant to the Finance Documents.
- (f) The Issuer shall cover all costs and expenses incurred by the Bond Trustee in connection with it fulfilling its obligations under the Finance Documents. The Bond Trustee is entitled to fees for its work and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents. The Bond Trustee's obligations under the Finance Documents are conditioned upon the due payment of such fees and indemnifications. The fees of the Bond Trustee will be further set out in the Bond Trustee Fee Agreement.
- (g) The Issuer shall on demand by the Bond Trustee pay all costs incurred for external experts engaged after the occurrence of an Event of Default, or for the purpose of investigating or considering (i) an event or circumstance which the Bond Trustee reasonably believes is or may lead to an Event of Default or (ii) a matter relating to the Issuer or any of the Finance Documents which the Bond Trustee reasonably believes may constitute or lead to a breach of any of the Finance Documents or otherwise be detrimental to the interests of the Bondholders under the Finance Documents.
- (h) Fees, costs and expenses payable to the Bond Trustee which are not reimbursed in any other way due to an Event of Default, the Issuer being Insolvent or similar circumstances pertaining to the Issuer, may be covered by making an equal reduction in the proceeds to the Bondholders hereunder of any costs and expenses incurred by the Bond Trustee in connection therewith. The Bond Trustee may withhold funds from any escrow account (or similar arrangement) or from other funds received from the Issuer or any other person, irrespective of such funds being subject to any transaction security, and to set-off and cover any such costs and expenses from those funds.

- (i) As a condition to effecting any instruction from the Bondholders (including, but not limited to, instructions set out in Clause 14.3 (*Bondholders' instructions*) or Clause 15.2 (*Procedure for arranging a Bondholders' Meeting*)), the Bond Trustee may require satisfactory Security, guarantees and/or indemnities for any possible liability and anticipated costs and expenses from those Bondholders who have given that instruction and/or who voted in favour of the decision to instruct the Bond Trustee.

16.5 Replacement of the Bond Trustee

- (a) The Bond Trustee may be replaced by a majority of 2/3 of Voting Bonds in accordance with the procedures set out in Clause 15 (*Bondholders' decisions*), and the Bondholders may resolve to replace the Bond Trustee without the Issuer's approval.
- (b) The Bond Trustee may resign by giving notice to the Issuer and the Bondholders, in which case a successor Bond Trustee shall be elected pursuant to this Clause 16.5 (*Replacement of the Bond Trustee*), initiated by the retiring Bond Trustee.
- (c) If the Bond Trustee is Insolvent, or otherwise is permanently unable to fulfil its obligations under these Bond Terms, the Bond Trustee shall be deemed to have resigned and a successor Bond Trustee shall be appointed in accordance with this Clause 16.5 (*Replacement of the Bond Trustee*). The Issuer may appoint a temporary Bond Trustee until a new Bond Trustee is elected in accordance with paragraph (a) above.
- (d) The change of Bond Trustee shall only take effect upon execution of all necessary actions to effectively substitute the retiring Bond Trustee, and the retiring Bond Trustee undertakes to co-operate in all reasonable manners without delay to such effect. The retiring Bond Trustee shall be discharged from any further obligation in respect of the Finance Documents from the change takes effect, but shall remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Bond Trustee. The retiring Bond Trustee remains entitled to any benefits and any unpaid fees or expenses under the Finance Documents before the change has taken place.
- (e) Upon change of Bond Trustee, the Issuer shall co-operate in all reasonable manners without delay to replace the retiring Bond Trustee with the successor Bond Trustee and release the retiring Bond Trustee from any future obligations under the Finance Documents and any other documents.

17 AMENDMENTS AND WAIVERS

17.1 Procedure for amendments and waivers

- (a) The Issuer and the Bond Trustee (acting on behalf of the Bondholders) may agree to amend the Finance Documents or waive a past default or anticipated failure to comply with any provision in a Finance Document, provided that:
 - (i) such amendment or waiver is not detrimental to the rights and benefits of the Bondholders in any material respect, or is made solely for the purpose of rectifying obvious errors and mistakes;
 - (ii) such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority; or

- (iii) such amendment or waiver has been duly approved by the Bondholders in accordance with Clause 15 (*Bondholders' decisions*).
- (b) Any changes to these Bond Terms necessary or appropriate in connection with the appointment of a security agent other than the Bond Trustee shall be documented in an amendment to these Bond Terms, signed by the Bond Trustee (in its discretion). The costs incurred in connection with such amendment, assignment or re-issue shall be for the account of the Issuer.

17.2 Authority with respect to documentation

If the Bondholders have resolved the substance of an amendment to any Finance Document, without resolving on the specific or final form of such amendment, the Bond Trustee shall be considered authorised to draft, approve and/or finalise (as applicable) any required documentation or any outstanding matters in such documentation without any further approvals or involvement from the Bondholders being required.

17.3 Notification of amendments or waivers

- (a) The Bond Trustee shall as soon as possible notify the Bondholders of any amendments or waivers made in accordance with this Clause 17 (*Amendments and waivers*), setting out the date from which the amendment or waiver will be effective, unless such notice according to the Bond Trustee's sole discretion is unnecessary. The Issuer shall ensure that any amendment to these Bond Terms is duly registered with the CSD.
- (b) Prior to agreeing to an amendment or granting a waiver in accordance with paragraph (a) of Clause 17.1 (*Procedure for amendments and waivers*), the Bond Trustee may inform the Bondholders of such waiver or amendment at a relevant information platform.

18 MISCELLANEOUS

18.1 Limitation of claims

All claims under the Finance Documents for payment, including interest and principal, will be subject to the legislation regarding time-bar provisions of the Relevant Jurisdiction.

18.2 Access to information

- (a) These Bond Terms will be made available to the public and copies may be obtained from the Bond Trustee or the Issuer. The Bond Trustee will not have any obligation to distribute any other information to the Bondholders or any other person, and the Bondholders have no right to obtain information from the Bond Trustee, other than as explicitly stated in these Bond Terms or pursuant to statutory provisions of law.
- (b) In order to carry out its functions and obligations under these Bond Terms, the Bond Trustee will have access to the relevant information regarding ownership of the Bonds, as recorded and regulated with the CSD.
- (c) The information referred to in paragraph (b) above may only be used for the purposes of carrying out their duties and exercising their rights in accordance with the Finance Documents and shall not disclose such information to any Bondholder or third party unless necessary for such purposes.

18.3 Notices, contact information

- (a) Written notices to the Bondholders made by the Bond Trustee will be sent to the Bondholders via the CSD with a copy to the Issuer and the Exchange (if the Bonds are listed). Any such notice or communication will be deemed to be given or made via the CSD, when sent from the CSD.
- (b) The Issuer's written notifications to the Bondholders will be sent to the Bondholders via the Bond Trustee or through the CSD with a copy to the Bond Trustee and the Exchange (if the Bonds are listed).
- (c) Notwithstanding paragraph (a) above and provided that such written notification does not require the Bondholders to take any action under the Finance Documents, the Issuer's written notifications to the Bondholders may be published by the Bond Trustee on a relevant information platform only.
- (d) Unless otherwise specifically provided, all notices or other communications under or in connection with these Bond Terms between the Bond Trustee and the Issuer will be given or made in writing, by letter, or e-mail. Any such notice or communication will be deemed to be given or made as follows:
 - (i) if by letter, when delivered at the address of the relevant party;
 - (ii) if by e-mail, when received; and
 - (iii) if by publication on a relevant information platform, when published.
- (e) The Issuer and the Bond Trustee shall each ensure that the other party is kept informed of changes in postal address, e-mail address, telephone and contact persons.
- (f) When determining deadlines set out in these Bond Terms, the following will apply (unless otherwise stated):
 - (i) if the deadline is set out in days, the first day of the relevant period will not be included and the last day of the relevant period will be included;
 - (ii) if the deadline is set out in weeks, months or years, the deadline will end on the day in the last week or the last month which, according to its name or number, corresponds to the first day the deadline is in force. If such day is not a part of an actual month, the deadline will be the last day of such month; and
 - (iii) if a deadline ends on a day which is not a Business Day, the deadline is postponed to the next Business Day.

18.4 Defeasance

- (a) Subject to paragraph (b) below and provided that:
 - (i) an amount sufficient for the payment of principal and interest on the Outstanding Bonds to the relevant Repayment Date (including, to the extent applicable, any premium payable upon exercise of a Call Option), and always subject to paragraph (c) below (the "**Defeasance Amount**") is credited by the Issuer to an account in a financial institution acceptable to the Bond Trustee (the "**Defeasance Account**");

- (ii) the Defeasance Account is irrevocably pledged and blocked in favour of the Bond Trustee on such terms as the Bond Trustee shall request (the "**Defeasance Pledge**"); and
- (iii) the Bond Trustee has received such legal opinions and statements reasonably required by it, including (but not necessarily limited to) with respect to the validity and enforceability of the Defeasance Pledge, then;
 - (A) the Issuer will be relieved from its obligations under paragraph (a) of Clause 12.2 (*Requirements as to Financial Reports*), Clause 12.3 (*Put Option Event*), Clause 12.5 (*Information: Miscellaneous*) and Clause 13 (*General and financial undertakings*).
- (d) The Bond Trustee shall be authorised to apply any amount credited to the Defeasance Account towards any amount payable by the Issuer under any Finance Document on the due date for the relevant payment until all obligations of the Issuer and all amounts outstanding under the Finance Documents are repaid and discharged in full.
- (e) The Bond Trustee may, if the Defeasance Amount cannot be finally and conclusively determined, decide the amount to be deposited to the Defeasance Account in its discretion, applying such buffer amount as it deems necessary.

A defeasance established according to this Clause 18.4 may not be reversed.

19 GOVERNING LAW AND JURISDICTION

19.1 Governing law

These Bond Terms are governed by the laws of the Relevant Jurisdiction, without regard to its conflict of law provisions.

19.2 Main jurisdiction

The Bond Trustee and the Issuer agree for the benefit of the Bond Trustee and the Bondholders that the City Court of the capital of the Relevant Jurisdiction shall have jurisdiction with respect to any dispute arising out of or in connection with these Bond Terms. The Issuer agrees for the benefit of the Bond Trustee and the Bondholders that any legal action or proceedings arising out of or in connection with these Bond Terms against the Issuer or any of its assets may be brought in such court.

19.3 Alternative jurisdiction

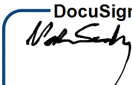
Clause 19 (*Governing law and jurisdiction*) is for the exclusive benefit of the Bond Trustee and the Bondholders and the Bond Trustee have the right:

- (a) to commence proceedings against the Issuer or any of its assets in any court in any jurisdiction; and
- (b) to commence such proceedings, including enforcement proceedings, in any competent jurisdiction concurrently.

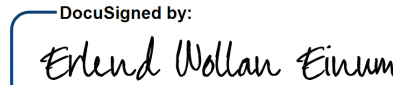
These Bond Terms have been executed by way of electronic signatures.

SIGNATURES:

**The Issuer:
DNO ASA**

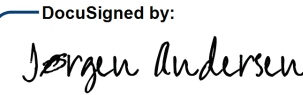
DocuSigned by:

DE8E322D940B484
By: Haakon Sandborg

Position: Authorised Signatory

DocuSigned by:

105E85A33F11439...
By: Erlend Wollan Einum

Position: Authorised Signatory

**As Bond Trustee:
Nordic Trustee AS**

DocuSigned by:

58A2C1FDB37C410...
By: Jørgen Andersen

Position: Director, Corporate Bond & Loan Transactions

ATTACHMENT 1 COMPLIANCE CERTIFICATE

[insert date]

**DNO ASA [●] % senior unsecured callable USD 600,000,000 bond issue 2024/2029
ISIN NO 0013243766**

We refer to the Bond Terms for the above captioned Bonds made between Nordic Trustee AS as Bond Trustee on behalf of the Bondholders and the undersigned as Issuer. Pursuant to Clause 12.2 (*Requirements as to Financial Reports*) of the Bond Terms a Compliance Certificate shall be issued in connection with each delivery of Interim Accounts to the Bond Trustee.

This letter constitutes the Compliance Certificate for the period [●].

Capitalised terms used herein will have the same meaning as in the Bond Terms.

With reference to Clause 12.2 (*Requirements as to Financial Reports*) we hereby certify that all information delivered under cover of this Compliance Certificate is true and accurate. Copies of our latest consolidated Interim Accounts are enclosed.

The financial covenants set out in Clause 13.17 (*Financial covenants*) are met, please see the calculations and figures in respect of the covenants attached hereto.

We confirm that, to the best of our knowledge, no Event of Default has occurred or is likely to occur.

Yours faithfully,
DNO ASA

By: _____

Name:

Title

Enclosure: Annual Financial Statements / Interim Accounts; [and any other written documentation]