

Awilco Drilling PLC

Application Agreement

Private Placement of

Shares – March 2019

ABG Sundal Collier ASA
Clarksons Platou Securities AS
Fearnley Securities AS

OVERVIEW OF THE PRIVATE PLACEMENT

The board of directors (the “**Board of Directors**”) of Awilco Drilling PLC (the “**Company**”), a public limited company under the laws of England and Wales and registered with the Companies House under the registration number 07114196, and with its shares (the “**Shares**”) listed on Oslo Børs under the ticker “AWDR”, has resolved to engage ABG Sundal Collier ASA, Clarksons Platou Securities AS and Fearnley Securities AS as Joint Lead Managers and Joint Bookrunners (collectively, the “**Managers**”), to advise on and effect a private placement (the “**Private Placement**”) of new Shares by the Company (the “**Offer Shares**”), raising gross proceeds of up to the NOK equivalent of ~USD 20 million, based on an authorisation to issue new Shares in the Company resolved at a Company’s general meeting held on 6 June 2018. The subscription price per Offer Share is NOK 31.80 (the “**Offer Price**”). The final number of Offer Shares to be issued will be determined by the Board of Directors following expiry of the application period.

The Managers will receive a fee in connection with the Private Placement.

The net proceeds from the Private Placement will be used to part finance the equity requirement for the building of a second semisubmersible drilling rig for harsh environment use, to be built by the premium yard KeppelFELS in Singapore at a price of approximately USD 425 million, and with planned delivery in March 2022.

Pre-subscriptions from the existing shareholders amount to more than USD 20 million, including inter alia pre-subscription by Awilhelmsen Offshore AS (currently holding 36.5% of the capital), FVP Master Fund LP (currently holding 19.5% of the capital), QVT Financial LP (currently holding 8.4% of the capital), and Akastor ASA (currently holding 5.5% of the capital). As a consequence, only existing shareholders of the Company can expect to receive allocations in the Private Placement from subscriptions following this announcement.

The Private Placement will be directed towards existing shareholders of the Company and other Norwegian and international investors, in each case comprised by an exemption from prospectus and any other filing or registration requirements in the applicable jurisdiction and subject to the other selling restrictions included herein.

For the Private Placement, the Company is relying upon certain exemptions from the registration requirements of the U.S. Securities Act of 1933, as amended (the “**U.S. Securities Act**”). Accordingly, the Offer Shares have not been, and will not be, registered under the U.S. Securities Act or any state securities laws. In making an investment decision with respect to the Private Placement, investors must rely on their own examination of the Company and the terms of the Private Placement, including the merits and risks involved. The Offer Shares to be issued in the Private Placement have not been recommended by any U.S. federal or state authorities or by any foreign authorities and such authorities have not determined that this Application (as defined below) or other materials provided in connection with the Private Placement are accurate or complete. Any representation to the contrary is a criminal offence in the United States.

In the United States, the Private Placement will only be directed to sophisticated institutional investors who qualify as “qualified institutional buyers” (“**QIBs**”) as defined in Rule 144A under the U.S. Securities Act as well as to major U.S. institutional investors under SEC Rule 15a-6 to the United States Exchange Act of 1934. Any investors in the United States, as well as any “U.S. persons” (as defined in Regulation S under the U.S. Securities Act) must complete and sign Exhibit 2 to be considered for an allocation of Offer Shares. The Offer Shares are also being offered and sold outside the United States to persons other than U.S. persons in reliance upon Regulation S under the U.S. Securities Act. Offers of Offer Shares to investors located within the European Economic Area (the “**EEA**”) will exclusively be made in reliance on one or more exemptions from the requirement to publish a prospectus in accordance with the provisions of Directive 2003/71/EC on prospectuses for securities, as amended (the “**Prospectus Directive**”), as implemented in the relevant member states of the EEA and in accordance with the provisions of Regulation S under the U.S. Securities Act. For further information about selling restrictions, see below.

APPLICATION TERMS

Each investor who applies for Offer Shares in the Private Placement hereby acknowledges to have received and accepted and agreed to the terms and conditions set out in (a) the Private Placement term sheet dated 8 March 2019 (the “**Term Sheet**”), (b) this application agreement including the Terms of Agreement (attached hereto as Exhibit 1) and, if applicable, the U.S. Investor Representation Letter (attached hereto as Exhibit 2), (collectively the “**Application Terms**”). Each investor who applies for Offer Shares is hereinafter referred to as the “**Applicant**”, and the application for Offer Shares made by the Applicant is referred to as the “**Application**”.

APPLICATION PERIOD

The application period (the “**Application Period**”) for the Private Placement will commence on 8 March 2019 at 16:30 hours (CET) and close on 11 March 2018 at 08:00 hours (CET). The Company, together with the Managers, reserve the right to close or extend the Application Period at any time and for any reason in their sole discretion. In the event of an extension, the dates set out herein will be adjusted correspondingly. Further, the Company may, at any time and in its sole discretion, resolve to cancel the Private Placement.

OFFER PRICE

The price per Offer Share is NOK 31.80.

MINIMUM APPLICATION AMOUNT

Applications for Offer Shares in the Private Placement must be made in a specific amount in NOK. The minimum application amount is the NOK equivalent of EUR 100,000. The Company may, at its sole discretion, allocate an amount below EUR 100,000 to the extent applicable exemptions from the prospectus requirement pursuant to applicable regulations, including the Norwegian Securities Trading Act and ancillary regulations, are available.

APPLICATION PROCEDURES

By completing, signing and returning this application agreement (the “**Application Agreement**”), the Applicant confirms his/her/its Application for Offer Shares on the Application Terms, and irrevocably authorises and instructs the Managers to, on his/her/its behalf, subscribe for the number of Offer Shares allocated to him/her/it (the “**Allocated Shares**”) in the Private Placement when the Closing Conditions (defined below) have been fulfilled. Properly completed Applications must be received by fax or e-mail by the Managers before the end of the Application Period. The Managers may, in their sole discretion, also accept Applications placed by taped phone, e-mail, Bloomberg or such other means as they deem appropriate, however in such case the Managers reserve the right to require, and, if so, the Applicant undertakes to promptly provide, a written confirmation and/or a signed Application Agreement from the Applicant evidencing the Application and the due authority of the individual(s) acting on behalf of the Applicant to do so. Any application placed by taped phone, e-mail, Bloomberg or otherwise will be equally binding as Applications made on a signed Application Agreement and shall be deemed made on the Application Terms. The Managers may, if the Applicant fails to provide written confirmation upon request, in its sole discretion, disregard the Application without any liability towards the Applicant. The Applicant bears the risk of any delay caused by busy facsimiles, data and e-mail problems or other communication failures or delays preventing Applications from being received by the Managers within the Application Period.

The Applicant is solely responsible for the correct completion of the Application. No text may be added to the Application Agreement other than in the designated fields. The Managers may in their sole discretion accept or reject Applications that are received too late, are incomplete and/or incorrectly completed.

Any Applications received by the Managers become binding at the end of the Application Period and may not be withdrawn or amended by the Applicant after such time.

ALLOCATION AND SETTLEMENT

Notification of allocation will be sent by the Managers to the Applicant on or about 11 March 2019 (the “**Notification**”). The Applicant shall pay the subscription amount (being the number of Allocated Shares multiplied with the Subscription Price) in accordance with the procedures set out herein and in the Notification. The Managers assume no responsibility for the delivery and payment obligations of the Company and Applicant respectively.

Settlement is expected on 13 March 2019 on a delivery-versus-payment (DVP) basis for all investors, except Awilhelmsen Offshore AS. Further, all investors, except Awilhelmsen Offshore AS, will receive existing and unencumbered Shares in the Company that are already listed on Oslo Børs, pursuant to a share lending agreement between Awilhelmsen Offshore AS, the Managers and the Company. The shares delivered to the Applicants will thus be tradable on Oslo Børs upon allocation. The Managers will settle the share loan with new Shares in the Company to be issued based on a resolution from the Company’s general meeting held on 6 June 2018. The new Shares delivered to Awilhelmsen Offshore AS will be issued on a separate VPS account blocked in favour of the Managers and will not be tradable on Oslo Børs until a listing prospectus has been approved by the Financial Supervisory Authority of Norway, expected in April 2019.

ALLOCATION CRITERIA

The allocation of Offer Shares will be determined at the sole discretion of the Company, in consultation with the Managers. The Company, in consultation with the Managers, reserves the right to reduce Applications for Offer Shares and, accordingly, allocate a lower number of Offer Shares than applied for in the Application. The Company will give preference to existing shareholders and pre-sounded investors. Other allocation criteria may include pre-subscription, order size, sector knowledge, investment history, perceived investor quality and applicable selling restrictions in the Private Placement. The Company and the Managers further reserve the right, at their sole discretion, to take into account the creditworthiness of any Applicant. The Company, in consultation with the Managers, may also set a maximum and/or minimum allocation or make no allocation to any Applicant.

CONDITIONS FOR COMPLETION OF THE PRIVATE PLACEMENT

The completion of the Private Placement is subject to the satisfaction of the following conditions (the “**Closing Conditions**”):

- (i) approval by the Board of Directors and
- (ii) Offer Shares having been fully paid and legally issued.

The Applicants acknowledge that the Private Placement will be cancelled by the Company if the Closing Conditions are not fulfilled, and may be cancelled by the Company in its sole discretion for any other reason. Neither the Company nor the Managers will be liable for any losses if the Private Placement is cancelled, irrespective of the reason.

SUBSEQUENT OFFERING

The Board of Directors intends to conduct a subsequent offering (the “**Subsequent Offering**”) of new Shares at the same subscription price as in the Private Placement following completion of the Private Placement and approval of the Prospectus (as defined in Exhibit 1). In the Subsequent Offering, shareholders in the Company as of the end of trading on 8 March 2019, as registered in the VPS as of the end of 12 March 2019 who were not allocated shares in the Private Placement, and who are not resident in a jurisdiction where such offering would be unlawful or, for jurisdictions other than Norway, would require any prospectus, filing, registration or similar action, will be granted non-transferable subscription rights to subscribe for, and be allocated, new Shares. Hence, the existing Shares in the Company will trade exclusive of the right to receive subscription rights in the Subsequent Offering from and including 11 March 2019. The Board of Directors may at its discretion decide not to proceed with the Subsequent Offering.

SPECIFICATION OF APPLICATION

Applicant’s VPS account ⁽¹⁾ :	Total amount applied for in NOK (Application Amount) ⁽²⁾ :	For the use by the Managers
No. of shares requested ⁽²⁾ :	Price per share (Offer Price): NOK 31.80	

(1) To apply for Offer Shares, the Applicant must have a VPS account or a Norwegian custodian. Such an account can only be established by personal appearance with sufficient identification at a VPS book-entry agent or an authorized investment firm. For further information, please contact the Managers.

(2) Minimum the equivalent of EUR 100,000. The Applicant can choose to either request for a total order amount or a number of Offer Shares.

On the terms and conditions set forth in this Application Agreement and the Term Sheet, the undersigned Applicant hereby confirms its request to subscribe for Offer Shares in the Company for up to the Application Amount or the number of Offer Shares stated above, and grants the Managers an irrevocable power of attorney and instruction to subscribe or procure subscription on behalf of the Applicant for the Allocated Shares and cause the delivery in the VPS account indicated by the Applicant of the number of Offer Shares allocated to it. The Applicant further confirms that (i) the Applicant is aware that a prospectus has not been prepared in respect of the Private Placement, (ii) the Applicant is aware no due diligence (neither legal, financial, commercial nor technical) has been carried out by the Managers or by any other parties in connection with the Private Placement, (iii) the Applicant has received and read, and accepts the terms and conditions set out in the Term Sheet and the Application Agreement, (iv) the investment in the Offer Shares is made solely at the Applicant’s own risk, (v) the Applicant is not subscribing for or purchasing Offer Shares, either on the Applicant’s own account or for the account of others, in contradiction to the selling and transfer restrictions included in Exhibit I and Exhibit 2.

Place and date of Application

Binding signature. The Applicant must have legal capacity.
When signing pursuant to an authorisation, documentation in form of company certificate or power of attorney (as appropriate) must be enclosed.

DETAILS OF APPLICANT

Applicant name/Company name:	Date of birth and national ID number/Company organization no.:
Street address/Postal code/city/state/country etc.:	Telephone (day time) and telefax:
Contact person with Applicant:	E-mail:

Exhibit 1

Awilco Drilling PLC Terms of Agreement Private Placement of Offer Shares – March 2019

NORWEGIAN REGULATORY INFORMATION

In accordance with the Norwegian MiFID II Regulation of 4 December 2017 no. 1913 and the Norwegian Regulation on supplementary rules to the Norwegian MiFID II and MiFIR Regulations of 20 December 2017 no. 2300 corresponding to Directive 2014/65/EU (the Markets in Financial Instruments Directive) (together referred to as the "**MiFID II Regulations**"), the Managers must categorize all new customers in one of three customer categories; Eligible counterparties, Professional and Non-professional clients. All investors that are applying/subscribing for Offer Shares in relation to the Private Placement, and which are not existing clients of the Managers, must complete the Manager's Customer Registration Forms and fulfil the relevant provisions of the Norwegian MiFID II Regulations to be categorized as a Professional client. For further information about the categorization, the Applicant may contact the Managers. The Managers will treat the application as an execution-only instruction from the Applicant to apply for Offer Shares, since the Managers is not in the position to determine whether the application for Offer Shares is suitable or not for the Applicant. Hence, the Applicant will not benefit from the corresponding protection of the relevant conduct of business rules in accordance with the Norwegian MiFID II Regulation (implementing the European Directive for Markets in Financial Instruments (MiFID II)).

The Managers will receive a consideration from the Company and will in conducting its work have to take into consideration the requirements of the Company and the interests of the investors subscribing for Offer Shares in the Private Placement and the rules regarding inducements pursuant to the requirements of the Norwegian MiFID II Regulations (implementing the European Directive for Markets in Financial Instruments (MiFID II)).

The Applicant acknowledges that under the Norwegian MiFID II Regulations (and the Norwegian Act on Financial Institutions (Nw. Finansforetaksloven)) there is a duty of secrecy between the different units of the Managers, as well as between the Managers and other entities in its group, respectively. This may entail that other employees of the relevant Managers, or of such Manager group, have information that may be relevant to the Applicant, but which the Managers will not have access to in relation to the Private Placement.

Each Manager is an investment bank, offering a broad range of investment services. In order to ensure that assignments undertaken in each Manager's corporate finance department are kept confidential, each Manager's other activities, including analysis and stock broking, are separated from their corporate finance departments by "Chinese walls". The Applicant acknowledges that each Manager's analysis and securities broking activity may act in conflict with the Applicant's interests as a consequence of such "Chinese walls".

In order to apply for Offer Shares pursuant to the Application Form, the Applicant must satisfy the applicable requirements of the Norwegian Money Laundering Act of 1 June 2018 No. 23 and the Norwegian Money Laundering Regulation of 14 September 2018 No.1324. If the Applicant is not registered as a client with the Managers, it must therefore complete the Manager's Customer Registration Forms and send it to the Managers immediately by fax or e-mail in order to be considered for an allocation of Offer Shares in the Private Placement. Such Forms and documentation requirements may be obtained by contacting the Managers.

Applicants that are legal entities are required to submit its Legal Entity Identifier ("**LEI**"). LEI is a 20-digit, alpha-numeric code that enables clear and unique identification of legal entities participating in financial transactions. LEIs, like other identifiers, are needed by firms to fulfil their reporting obligations under financial regulations and directives. LEIs are also key for matching and aggregating market data, both for transparency and regulatory purposes. The code is linked to a set of key reference information relating to the legal entity in question e.g. name and address. Once a legal entity obtains a LEI code, the code is assigned to that legal entity for its entire life. A LEI number may be obtained by contacting the preferred LEI issuing organisation (LEI issuer, also known as Local Operating Unit). The list of LEI issuers is available on the Global LEI Foundation (GLEIF) website <https://www.gleif.org/en/>.

ACKNOWLEDGEMENTS, REPRESENTATIONS AND WARRANTIES BY THE APPLICANT

In connection with the Application in the Private Placement, the Applicant (or the undersigned attorney/nominee on its behalf) makes the following acknowledgements, representation and warranties:

- (i) The Applicant is relying solely on publicly available information and has not relied on representations, warranties, opinions, projections, financial or other information or analysis, if any, supplied to it by any representative of the Company or the Managers or any of their respective affiliates. The Applicant confirms that it has carefully reviewed the Company's annual report for 2017, the interim reports published from January 2018 to the date of this Application and the other filings the Company has made through Oslo Stock Exchange's information system "Newsweb" including the press release issued on 8 March 2019.
- (ii) The Applicant further confirms that the Applicant is aware that a prospectus has not been prepared in respect of the Private Placement and that no due diligence (neither legal, financial, commercial nor technical) has been carried out by the Managers or by any other parties in connection with the Private Placement. The Applicant acknowledges and agrees that it will remain bound by its Application notwithstanding any developments that may occur subsequent to the time this Application Agreement becomes binding on the Applicant in accordance with its terms, including but not limited to any information announced by the Company after such time relating to the Company's business, results or financial condition including the information that will be provided in the combined offering and listing prospectus that will be prepared in accordance with the Norwegian Securities Trading Act and the Prospectus Directive (the "**Prospectus**") which will be published in connection with the offering and listing of the new Shares in the Subsequent Offering and possibly the listing of the Offer Shares.
- (iii) The Applicant is aware that the Company intends to carry out the Subsequent Offering, and acknowledges and accepts that this could lead to a dilution of his/her/its (prospective) shareholding in the Company.
- (iv) The Applicant acknowledges that Applicants with residence outside Norway may not be able to participate in future capital increases or rights offerings as a result of securities laws requirements in their jurisdictions that the Company may not be able or willing to comply with.
- (v) The Applicant represents that it has sufficient knowledge, sophistication and experience in financial and business matters to be capable of evaluating the merits and risks of a decision to invest in the Company by applying for Offer Shares, and the Applicant is able to bear the economic risk, and to withstand a complete loss, of an investment in the Offer Shares. The Applicant has relied upon his/her/its own tax, legal and financial advisors in connection with his/her/its decision to apply for Offer Shares and believes that an investment in the Offer Shares is suitable for the Applicant based upon the Applicant's investment objectives, financial needs and personal contingencies. The Applicant has no need for the investment with respect to the Offer Shares to be liquid.
- (vi) The Applicant acknowledges and agrees that the Application Agreement and the Term Sheet is intended for the recipient only and may not be distributed to any other person or entity.

- (vii) The Managers and the Company make no undertaking, representation or warranty, express or implied, to the Applicant regarding the accuracy or completeness of the information (whether written or oral), concerning the Company or the Private Placement received by the Applicant whether such information was received through the Managers or otherwise, and the Applicant acknowledges that it has not been induced to enter into this Application by any representation, warranty or undertaking by any of the aforementioned.
- (viii) The Applicant will keep the contents of the Application Terms confidential, including, but not limited to, the fact that any agreement has been entered into until the completion of the Private Placement has been announced by the Company.
- (ix) The Applicant is aware that the Managers assume no responsibility for the delivery and payment obligations of the Company and the Applicants respectively.
- (x) The Applicant has full power and authority to execute and deliver this Application and to apply and subscribe for the Offer Shares and is authorized and able to pay all amounts he/she/it has committed to pay. The execution and delivery of this Application have been authorised by the Applicant and all necessary actions to be taken by the Applicant or on the Applicant's behalf when executing this Application have been taken, and this Application is and, upon acceptance of this Application by the Company, shall be, its legal, valid and binding obligations, enforceable against the Applicant in accordance with its terms. The Applicant bears the full risk for its legal ability to subscribe for, and own, Offer Shares, and its monetary liability under this undertaking will not cease to be effective in the event that subscription and ownership in the Company would be illegal due to applicable statutory laws and regulations. In such event, the Applicant shall fulfill the payment obligations that have been effected and designate a third party to whom the Offer Shares are to be issued.
- (xi) The Applicant hereby authorises each of the Company and the Managers to provide this Application Agreement or a copy hereof to any party in any administrative or legal proceedings or official or regulatory inquiry with respect to matters covered hereby.
- (xii) The Applicant is aware that the completion of the Private Placement and the delivery of the Allocated Shares thereunder is made subject to satisfaction of the Closing Conditions, and that the Company may in its own discretion withdraw the Private Placement at any time and may decide to refrain from making the relevant corporate resolutions to approve the Private Placement and the relevant agreements necessary for completing the transaction on which the Private Placement is based.
- (xiii) Any Applicant not submitting an executed version of Exhibit 2 represents and warrants that it is not located in the United States, not a U.S. person nor is it acquiring the Offer Shares "for the account or benefit of a U.S. person" as such terms are used in Regulation S under the U.S. Securities Act.

The Managers and the Company (on their own behalf and on behalf of their officers, employees, other advisors, agents and representatives) hereby expressly disclaims any liability whatsoever towards the Applicant in connection with the Private Placement and the Applicant understands and expressly agrees that it is applying for, and subscribing, Offer Shares on this basis.

SELLING RESTRICTIONS

The Applicant understands that no action has been or will be taken by the Managers or any of their respective associates, or any person acting on behalf of the Managers or any of their respective associates, that would, or is intended to, permit a public offer of the Company's securities in any country or jurisdiction where any such action for that purpose is required and that the Company's securities may not be, directly or indirectly, offered or sold and that no prospectus, form of application, advertisement or other document or information may be distributed or published in any country or jurisdiction except in compliance with any applicable laws and regulations and that all reoffers and sales of the Company's securities by the Applicant will be made on the same terms.

Any offers of Offer Shares to investors located within the EEA will exclusively be made in reliance on one or more exemptions from the requirement to publish a prospectus in accordance with the Prospectus Directive, as implemented in the relevant EEA member state.

Furthermore, the Applicant understands and acknowledges that the Offer Shares being offered and sold pursuant to the Private Placement have not and will not be registered under the U.S. Securities Act and will be "restricted securities" (as defined in Rule 144 under the U.S. Securities Act) and that such shares may not be reoffered, resold, pledged or otherwise transferred — and such Applicant will not reoffer, resell, pledge or otherwise transfer any of such shares — except (A) outside the United States in an offshore transaction pursuant to Regulation S under the U.S. Securities Act, (B) to a QIB within the meaning of Rule 144A under the U.S. Securities Act and who is purchasing for its own account, or the account of another QIB, in each case, in reliance on the exemption from registration under the U.S. Securities Act provided by Rule 144A under the U.S. Securities Act, (C) pursuant to an exemption from registration under the U.S. Securities Act (if available, and, if the Company in its discretion so requests, based on delivery of an opinion of counsel for the transferor or such other documents or evidence that the Company may deem necessary or appropriate to evidence compliance with such exemption), or (D) pursuant to an effective registration statement under the U.S. Securities Act, in each case in accordance with any applicable securities laws of any state of the United States or other jurisdiction. The Applicant understands and acknowledges that the Company will not recognise any reoffer, resale, pledge or other transfer of the Offer Shares made other than in compliance with the above-stated restrictions.

Each non-U.S. person who purchases Offer Shares, by participating in the Private Placement and as a condition to such participation, hereby agrees that it will not re-offer, resell, pledge or otherwise transfer any of such shares to a U.S. person for a period of forty (40) days following the settlement of the Offer Shares.

Because of these restrictions, prospective investors are advised to consult their legal counsel prior to making any reoffer, resale, pledge or transfer of the Offer Shares.

Applicants in the United States: In relation to the United States and U.S. securities laws, the Offer Shares have not and will not be registered under the U.S. Securities Act or any state securities laws and will be offered or sold only to QIBs acquiring Offer Shares for their own account or for one or more accounts each of which is a QIB in a transaction exempt from the registration requirements under the U.S. Securities Act. The Applicant confirms that it has received the form of U.S. Investor Representation Letter for QIBs (Exhibit 2) to be completed in connection with its Application hereunder and acknowledges that it is required to execute and deliver said U.S. Investor Representation Letter for QIBs. The Company agrees that for as long as any of the Offer Shares being offered and sold pursuant to the Private Placement remain outstanding and are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act, the Company will, during any period in which the Company is neither subject to Section 13 or 15(d) of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act") nor exempt from the reporting requirements pursuant to Rule 12g3-2(b) thereunder, furnish to any holder of Offer Shares or to a prospective purchaser of such shares designated by any such holder the information required to be delivered pursuant to Rule 144A(d)(4) under the U.S. Securities Act, upon the written request by such holder.

Applicants in the United Kingdom: Each UK Applicant confirms that it understands that (a) the Private Placement may only be communicated to persons who have professional experience, knowledge and expertise in matters relating to investments and are "investment professionals" for the purposes of article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order") or fall within the exemptions under article 49 (high net worth companies, unincorporated associations etc.) of the Order (all such persons together being referred to as "relevant persons"); (b) the Offer Shares referred to in the Private Placement are being offered to the public in the United Kingdom (within the meaning of sections 85(1) and 102B of FSMA) only in circumstances where, in accordance with section 86(1) of the Financial and Services Markets Act 2000 ("FSMA"), the requirement to provide an approved prospectus does not apply, and (c) the transmission of this Application Agreement to any other person in the United Kingdom is unauthorized and may contravene FSMA and other United Kingdom

securities laws and regulations. Each UK Applicant further confirms that it understands that this Application is confidential and is provided to recipients on a personal basis and must not be transferred or assigned or otherwise acted on or relied upon by persons who are not relevant persons. Any application or subscription for the Offer Shares is consequently available only to relevant persons and will be engaged only with relevant persons.

OVERDUE AND MISSING PAYMENT:

Overdue payments will be charged with interest at the applicable rate under the Norwegian Act on Interest on Overdue Payment of 17 December 1976 no 100, which is 8.75% per annum as of the date of this Application Agreement. If the Applicant fails to comply with the terms of payment or should payments not be made when due, the Applicant will remain liable for payment of the Offer Shares allocated to it and the Offer Shares allocated to such Applicant will not be delivered to the Applicant. In such case the Company and the Managers reserve the right to, in whole or in part, at any time and at the risk and cost of the Applicant, re-allot, cancel or reduce the application and the allocation of the allocated Offer Shares, or without further notice sell, assume ownership to or otherwise dispose of the allocated Offer Shares in accordance with applicable law. If Offer Shares are sold on behalf of the Applicant, such sale will be for the Applicant's account and risk and the Applicant will be liable for any loss, costs, charges and expenses suffered or incurred by the Company and/or the Managers as a result of, or in connection with, such sales, but will not be entitled to profit, if any. The Company and/or the Managers may enforce payment for any amounts outstanding in accordance with applicable law.

ASSIGNMENT

The undertakings, representations, warranties, confirmations, acknowledgements and waivers given by the Applicant in this Application (including those relating to governing law and jurisdiction) are given for the benefit of each of the Company and the Managers and are intended to be enforceable by each of the Company and the Managers without the prior consent of any other party hereto.

The Applicant may not assign or novate this Application without the prior written consent of the Company (which the Company may refuse in its absolute discretion).

POWER OF ATTORNEY AND UNDERTAKING

The Applicant hereby irrevocably authorises and instructs the Managers (or someone appointed by the Managers) to take all actions required to subscribe for and ensure delivery of the Allocated Shares in the VPS on behalf of the Applicant.

GOVERNING LAW

The Application Agreement and the Private Placement shall be governed by Norwegian law. Any disputes regarding the Application and the Private Placement which cannot be solved amicably, shall be referred to the ordinary courts of Norway with Oslo as exclusive legal venue.

Exhibit 2

Additional Representations and Warranties Required for U.S. persons or for Applicants Acquiring Offer Shares in the United States

Only Applicants who are acquiring Offer Shares in the United States are required to make the representations and warranties set forth in this Exhibit 2. Such Applicants must sign this letter and return it to a Manager.

The Applicant hereby represents and warrants, and by subscribing for Offer Shares in the Private Placement will be deemed to have represented and warranted, that:

- (i) The Applicant is a “qualified institutional buyer” (“**QIB**”) as defined in Rule 144A under the U.S. Securities Act.
- (ii) The Applicant is aware that the Offer Shares are being offered in reliance on Rule 144A or another available exemption from registration under the U.S. Securities Act.
- (iii) The Applicant is acquiring the Offer Shares for its own account or for the account of a QIB.
- (iv) The Applicant understands that the Offer Shares being offered and sold pursuant the Private Placement will not be registered under the U.S. Securities Act and will be “restricted securities” (as defined in Rule 144 under the U.S. Securities Act) and that such Shares may not be reoffered, resold, pledged or otherwise transferred, except (A) outside the United States in an offshore transaction pursuant to Regulation S under the U.S. Securities Act, (B) to a person who the seller reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A, (C) pursuant to an exemption from registration under the U.S. Securities Act (if available and if the Company in its discretion so requests, based on an opinion of counsel for the transferor), or (D) pursuant to an effective registration statement under the U.S. Securities Act, in each case in accordance with any applicable securities laws of any state of the United States or other jurisdiction.
- (v) The Applicant is applying for the Offer Shares for investment purposes and not with a view to their distribution within the meaning of the U.S. federal securities laws.
- (vi) The Applicant is a sophisticated institutional investor and has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of international investments, including an investment in the Offer Shares. In the normal course of its business, the Applicant invests in companies similar to the Company or purchases securities similar to the Offer Shares. The Applicant is aware that it may be required to bear the economic risk of an investment in the Offer Shares for an indefinite period of time, and it is able to bear such risk for an indefinite period. The Applicant is able to bear the economic risks of such an investment, including the loss of its entire investment. The Applicant understands that it may not be able to liquidate its investment in certain circumstances or to pledge any of the Offer Shares as collateral for a loan.
- (vii) The Applicant has relied upon its own tax, legal and financial advisers in connection with its decision to purchase Offer Shares and believes that an investment in the Offer Shares is suitable for the Applicant based upon the Applicant’s investment objectives, financial needs and personal contingencies. The Applicant has no need for liquidity of investment with respect to the Offer Shares.
- (viii) The Applicant acknowledges that the Company, the Managers and their respective directors, employees, agents, representatives and affiliates will rely on the truth and accuracy of the statements made herein in making any transfer of Offer Shares to the Applicant, and that such statements will survive the execution and delivery of this document and the Applicant’s purchase of Offer Shares, and the Applicant agrees to notify the Company and the Managers promptly in writing if any such statements cease to be accurate and complete.
- (ix) the Applicant agrees that so long as the Offer Shares are “restricted securities” as defined in Rule 144 under the U.S. Securities Act, it shall notify each transferee of such Shares from it that (a) such Shares have not been registered under the U.S. Securities Act; (b) such Shares are subject to the restrictions on the resale or other transfer thereof described above; and (c) such transferee shall be deemed to have represented that (i) it is a non-US person acquiring the Offer Shares in an offshore transaction pursuant to Regulation S under the U.S. Securities Act, (ii) it is a QIB acquiring the Offer Shares in a transaction that complies with the requirements of the exemption from registration provided for in Rule 144A and any applicable laws of the states of the United States, or (iii) that it an institutional investor acquiring the Offer Shares in a transaction exempt from registration under the securities act and that such transferee is not an “underwriter” within the meaning of Section 2(a)(11) of the U.S. Securities Act; and (d) such transferee shall be deemed to have agreed to notify its subsequent transferees as to the foregoing.

All representations, warranties, agreements and acknowledgements the Applicant has made in this letter and the Application Agreement shall survive the execution and delivery hereof, and the Applicant shall be deemed to have repeated such representations, warranties, agreements and acknowledgements as of the closing date for the purchase of the Offer Shares. The Applicant acknowledges that the Company, the Managers and their respective directors, employees, agents, representatives and affiliates would not have introduced this investment opportunity to it without the execution and delivery of this letter agreement. The Applicant agrees to notify the Company and the Managers promptly in writing if any such statements cease to be accurate and complete.

Signature of Applicant