

# TERM SHEET



## SeaBird Exploration

### Private placement of new ordinary shares raising gross proceeds of NOK 225 – 250 million

Please be aware that the placement of new shares (“the Private Placement”) in SeaBird Exploration Plc (“SeaBird” or “the Company”) will be completed based on currently available public information, this Term Sheet and the Application Agreement, dated 11 April 2019.

<b>Issuer:</b>	SeaBird Exploration Plc, a limited liability company incorporated under the laws of the Republic of Cyprus.
<b>Trading symbol/ISIN:</b>	Oslo Stock Exchange Trading Symbol (ticker code): "SBX". ISIN: CY0101162119
<b>About SeaBird:</b>	SeaBird is a global provider of marine 2D and 3D seismic data, source vessel services and associated products and services to the oil and gas industry.
<b>Current share capital and market capitalisation:</b>	Current number of shares outstanding: 284,487,270 shares, each with a par value of USD 0.01. Market capitalisation of approximately NOK 390 million (~USD 46 million) based on the prevailing share price.
<b>Private Placement:</b>	Private placement of new ordinary shares (the “ <b>Offer Shares</b> ”) raising gross proceeds of NOK 225 – 250 million (the Private Placement). In relation to the acquisition of BOA Galatea and BOA Thalassa vessels, certain BOA SBL bondholders have elected to receive consideration in the form of new shares at the same terms as in the Private Placement. Currently this amounts to ~NOK 54 million, which will come in addition to the Offer Shares. The Company offers shares at the same terms to remaining BOA SBL bondholders.
<b>Offer Price:</b>	Offer price per Offer Share will be determined by the Company’s board of directors (the “ <b>Board</b> ”) based on an accelerated bookbuilding process.
<b>Pre-commitments:</b>	The Company has received significant indications of interest from existing shareholders and new investors, including pre-commitments from members of the Board and the Company’s management as follows : <ul style="list-style-type: none"> <li>• Chairman of the Board Heidar Engebret, through his wholly owned company Oppsiden Invest AS, has pre-committed to subscribe for Offer Shares for NOK 500,000</li> <li>• Board member Dag Fredrik Arnesen, through his wholly owned company Storkleiven AS, has pre-committed to subscribe for 500,000 Offer Shares</li> <li>• Board member Ketil Nereng, through Acme Capital AS, company controlled by Ketil Nereng and close relatives, has pre-committed to subscribe for Offer Shares for NOK 1,250,000</li> <li>• Board member Olav Haugland, through his 50% owned company Skalmen AS, has pre-committed to subscribe for Offer Shares for NOK 300,000</li> <li>• CEO Hans Petter Klohs, through his wholly owned company Carthea AS, has pre-committed to subscribe for 280,000 Offer Shares</li> <li>• COO Finn Atle Hamre, through his wholly owned company Orion Offshore AS, has pre-committed to subscribe for Offer Shares for NOK 300,000</li> </ul>
<b>Minimum application:</b>	Minimum application of the NOK amount equivalent to EUR 100,000.
<b>Use of proceeds:</b>	To finance the acquisition of the BOA Galatea and BOA Thalassa, to acquire and install equipment on these vessels and to strengthen the working capital to meet the requirements of a larger operating fleet and increased operation.
<b>Application period:</b>	Start of bookbuilding: 11 April 2019 at 16:30 CET. End of bookbuilding: 12 April 2019 at 08:00 CET.  The Company may, at its own discretion, shorten or extend the bookbuilding period at any time and for any reason. If the bookbuilding is shortened or extended, the other dates referred to herein may be changed correspondingly.
<b>Settlement dates for Private Placement:</b>	<b>Conditional allocation:</b> On or about 12 April 2019. <b>Settlement:</b> DVP basis, expected during week 18 (week commencing on 29 April 2019) - subject to timely satisfaction of the Conditions (as defined below).  Listing of the allocated Offer Shares (the “ <b>Allocated Shares</b> ”) will require a listing prospectus. Hence, the Offer Shares will not be listed on Oslo Børs upon delivery but will be registered under a separate securities number (ISIN) until the listing prospectus has been approved by the applicable prospectus authority and published, expected early June 2019, at which time the Allocated Shares will be transferred to the Company’s ordinary ISIN and listed on Oslo Børs.  Arrangements for interim listing of the Offer Shares on Merkur Market will be made as soon as practicable following settlement, expected during week 19 (week commencing on 6 May 2019).
<b>Investor Documentation:</b>	The investor documentation comprises of this term sheet (the “ <b>Term Sheet</b> ”), the application agreement (the “ <b>Application Agreement</b> ”) and the stock exchange announcement published by the Company in connection with the Private Placement, all dated 11 April 2019.  Financial information and other relevant information about the Company is available on the Company’s website <a href="http://www.sbexp.com">www.sbexp.com</a> .  A combined prospectus for the listing of the Offer Shares issued in the Private Placement and for the potential Subsequent Offering (as defined below) will be published as soon as practicable, however, this will take place after the end of the application period and the conditional allocation of the Offer Shares and the participants in the Private Placement will hence not be able to review or base their investment decision on the basis of the prospectus.  <b>NOTE: No due diligence investigations of the Company have been conducted prior to the Private Placement. Investors are deemed to have made all the necessary investigations and analysis of the current publicly available information to arrive at an investment decision on their own.</b>
<b>Selling restrictions:</b>	The Private Placement is directed towards Norwegian and international investors, including existing Company shareholders and new investors, subject to applicable exemptions from relevant prospectus or other registration requirements (i) outside the United States in reliance on Regulation S under the United States Securities Act of 1933, as amended, (the “ <b>US Securities Act</b> ”) and (ii) in the United States to “qualified institutional buyers” (QIBs) as defined in Rule 144A under the US Securities Act as well as to major U.S. institutional investors under SEC Rule 15a-6 to the United States Exchange Act of 1934. Please see the Application Agreement for further details.

Please note that this Term Sheet only represents a summary of the Transaction details, and is qualified in its entirety by the more detailed information included in the Application Agreement. Any decision to invest should be based on a consideration of the above mentioned documents as a whole by the investor, in addition to available public information.

This term sheet is confidential and not for general distribution and shall not constitute an offer to buy, sell or subscribe for any securities. The term sheet is not for distribution in the United States, except in certain circumstances to Qualified Institutional Buyers, as defined in rule 144A under the U.S. Securities Act of 1933 (the “Securities Act”). No public solicitations relating to a possible transaction in connection with the term sheet are being made or will be made, directly or indirectly, in the United States. Any securities that may be delivered in connection with the term sheet will not be registered under the Securities Act and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements.

<b>Subsequent Offering:</b>	The Company will consider to propose to carry out a subsequent share offering of new ordinary shares in the Company (the " <b>Subsequent Offering</b> ") directed at eligible shareholders in the Company as of 11 April 2019, as registered in the Norwegian Central Securities Depository (Nw. Verdipapirsentralen) (the " <b>VPS</b> ") as of 15 April 2019, who were not allocated Offer Shares in the Private Placement. Eligible shareholders will receive non-tradable subscription rights which will make them eligible to participate in the Subsequent Offering.
<b>Allocation criteria:</b>	The allocation will be made at the discretion of the Board in consultation with the Joint Bookrunners. The Board will focus on criteria such as (but not limited to) current ownership in the Company, timeliness of the application, price leadership, relative order size, sector knowledge, perceived investor quality and investment horizon. No allocation will be made for less than the NOK equivalent of EUR 100,000, unless applicable exemptions from the prospectus requirement pursuant to applicable regulations, including the Norwegian Securities Trading Act and ancillary regulations are, available.
<b>Target market:</b>	Non-professional, professional and eligible counterparties. Negative target market: An investment in the Offer Shares is not compatible with investors looking for full capital protection or full repayment of the amount invested or having no risk tolerance, or investors requiring a fully guaranteed income or fully predictable return profile.
<b>Conditions for completion:</b>	The issue of Offer Shares is subject to (i) the corporate resolutions of the Company required to implement the issue of the Offer Shares, including approval by the Board to carry out the Private Placement, and (ii) final irrevocable agreement to acquire BOA Galatea and BOA Thalassa or their holding companies by the Company or positive bondholders resolution in relation to the acquisition of BOA Galatea and BOA Thalassa by the Company (collectively, the " <b>Conditions</b> "). In the event that the Conditions have not been satisfied by 31 May 2019, the Private Placement will be cancelled. The Private Placement may be cancelled by the Company in its sole discretion. Neither the Managers nor the Company will be liable for any losses if the Private Placement is cancelled, irrespective of the reason for such cancellation.
<b>Syndicate (the "Managers"):</b>	Joint Lead Managers and Joint Bookrunners: ABG Sundal Collier ASA, Fearnley Securities AS and SpareBank 1 Markets AS Co-Manager: Norne Securities AS

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