

# SEABIRD EXPLORATION PLC

## MINUTES OF THE ANNUAL GENERAL MEETING OF THE COMPANY

held at Diagoras House, 7th Floor, 16 Pantelis Catelaris Street,

1306 Nicosia, Cyprus

on the 14th day of May 2020 at 11.00 hours

**Present:** Members representing 538,931,387 shares in the Company were present in person or represented by a proxy.

Myria Georgiou      Chairperson of the Meeting/Proxy

(A) In the absence of any of the Company's Directors from the Meeting, the Members elected Ms Myria Georgiou, Proxy, to act as Chairperson of the Meeting, in accordance with the Company's Articles of Association.

(B) The Chairperson declared the Meeting open having satisfied herself that notice of the Meeting had been duly given and that there was a quorum in accordance with the Articles of Association of the Company.

(C) The Chairperson read the Notice convening the Meeting and stated that the purpose of the Meeting was to consider and, if thought fit, approve the following matters:

- (a) the declaration and sanctioning of dividends
- (b) the adoption of the 2019 Annual Accounts of the Company
- (c) the appointment of Directors
- (d) the appointment of Auditors
- (e) the remuneration of Directors and Auditors
- (f) the appointment and remuneration of Nomination Committee
- (g) the indemnification of Board members and management
- (h) the notice of extraordinary general meetings
- (i) the exclusion of pre-emption rights in relation to new shares
- (j) the consolidation of the Company's shares.

(D) The Chairperson tabled the following documents:

- (a) the financial statements and Annual Report of the Company for the year ended 31 December 2019,
- (b) a Recommendation by the Nomination Committee dated 20 April 2020 and
- (c) a Report of the Board of Directors concerning the exclusion of pre-emption rights (the **"Board of Directors' Report"**).

(E) DECLARATION AND SANCTIONING OF DIVIDENDS

- (a) The Chairperson stated that, in consideration of the current commitments and the current financial situation of the Company, the Board of Directors did not submit any proposal to recommend the making of any declaration of dividends at the Meeting and therefore it is proposed that no distribution of dividends shall be sanctioned or declared at this Meeting.
- (b) After discussion and upon motion duly made, seconded and carried the following Resolution was adopted as an **Ordinary Resolution**:



1. **THAT** the Company declares no dividend.

Votes for: 73,508,235 Votes against: nil Abstaining: 6 Abstaining (broker non-votes): 465,423,146

(F) **ADOPTION OF THE 2019 ANNUAL ACCOUNTS**

- (a) The Chairperson referred the Meeting to the Audited Financial Statements of the Company for the year ended 31st December 2019, including the relevant Directors' Report and Auditors' Report, and the Annual Report for the same year (together the "**2019 Accounts**") which have been made available to all Shareholders and posted on the Company's Website.
- (b) The Chairperson invited questions and comments on the 2019 Accounts.
- (c) After discussion and upon motion duly made, seconded and carried the following Resolution was adopted as an **Ordinary Resolution**:

2. **THAT** the 2019 Accounts, related to the year ended 31 December 2019, be and are hereby approved, adopted and confirmed in all respects.

Votes for: 73,497,935 Votes against: nil Abstaining: 10,306 Abstaining (broker non-votes): 465,423,146

(G) **APPOINTMENT OF DIRECTORS**

- (a) The Chairperson explained that the Nomination Committee ("**the Committee**") is by the Annual General Meeting given mandate to evaluate and recommend candidates for shareholder appointed Directors, as well as to propose remuneration for the Board of Directors and stated that, as is set out in the "Recommendation by the Nomination Committee" tabled at the Meeting, the Company has the following four Directors, appointed until the Annual General Meeting in 2020:

Mr. Ståle Rodahl (Chairman)  
Mr. Nicholas Knag Nunn  
Mr. Øivind Dahl-Stamnes  
Mr. Rolf Inge Jacobsen

- (b) The Chairperson further stated that the Committee has recommended that, as further described in the "Recommendation by the Nomination Committee", the Board's composition should remain unchanged.
- (c) After discussion and upon motion duly made, seconded and carried the following Resolutions were adopted as **Ordinary Resolutions**:

3(a). **THAT** Mr STALE RODAHL be and is hereby appointed as a Director of the Company until the Annual General Meeting to be held in 2021.

Votes for: 73,476,401 Votes against: 20,534 Abstaining: 11,306 Abstaining (broker non-votes): 465,423,146

3(b). **THAT** Mr NICHOLAS KNAG NUNN be and is hereby appointed as a Director of the Company until the Annual General Meeting to be held in 2021.

Votes for: 73,442,182 Votes against: 69,753 Abstaining: 11,306 Abstaining (broker non-votes): 465,423,146



3(c). **THAT** Mr ØIVIND DAHL STAMNES be and is hereby appointed as a Director of the Company until the Annual General Meeting to be held in 2021.

Votes for: 73,472,682 Votes against: 24,253 Abstaining: 11,306 Abstaining (broker non-votes):465,423,146

3(d). **THAT** Mr ROLF INGE JACOBSEN be and is hereby appointed as a Director of the Company until the Annual General Meeting to be held in 2021.

Votes for: 73,476,435 Votes against: 20,500 Abstaining: 11,306 Abstaining (broker non-votes):465,423,146

#### (H) APPOINTMENT OF AUDITORS

(a) The Chairperson stated that the Board of Directors has recommended that Deloitte Limited of Maximos Plaza, Tower 1, 3<sup>rd</sup> floor, 213 Arch. Makariou III Avenue, 3030 Limassol, Cyprus be appointed as Auditors of the Company.

(b) After discussion and upon motion duly made, seconded and carried the following Resolution was adopted as an **Ordinary Resolution**:

4. **THAT** Deloitte Limited be and are hereby appointed as Auditors of the Company until the next Annual General Meeting in 2021.

Votes for: 73,508,235 Votes against: nil Abstaining: 6 Abstaining (broker non-votes): 465,423,146

#### (I) REMUNERATION OF DIRECTORS AND AUDITORS

(a) The Chairperson advised the Meeting of the proposals for the remuneration of the Members of the Board of Directors and the Auditors for services to be rendered up and until the Annual General Meeting of 2021.

(b) The Chairperson further advised the Meeting that the remuneration of the Directors until the next Annual General Meeting needs to be fixed in principle in line with international practice, and that it is proposed that the remuneration of the Board of Directors for the period from this Annual General Meeting up to the Annual General Meeting to be held in 2021, be approved at NOK 200,000 for each Director and for the Chairman NOK400,000, per annum (i.e 1/12 of these amounts per month). The said fees will be payable for as long as the director in question serves on the Board of Directors. All travel and other costs and expenses related to the service as a board member shall be borne by the Company.

(c) After discussion and upon motion duly made, seconded and carried the following Resolutions were adopted as **Ordinary Resolutions**:

5(a). **THAT** the remuneration to the Auditors in total for the audit work with the Company's 2019 Annual Accounts be determined by the Board of Directors in accordance with the Company's Articles of Association.

Votes for: 73,477,435 Votes against: 20,500 Abstaining: 10,306 Abstaining (broker nonvotes):465,423,146

5(b). **THAT** the principal remuneration to be paid to each Director and to the Chairman until the AGM to be held in 2021 be and is hereby approved as proposed viz. NOK 200,000 per annum for each Director, and for the Chairman NOK 400,000 per annum (i.e 1/12 of these amounts per month) and **THAT** the said fees are payable for as long as the Director in question serves on the Board of Directors. All travel and other costs and expenses related to the service as a board member shall be borne by the Company.



(J) APPOINTMENT AND REMUNERATION OF NOMINATION COMMITTEE

- (a) The Chairperson advised the Shareholders that at the Annual General Meeting of 2019, the following persons were elected to the Nomination Committee:

<u>Name</u>	<u>Resident</u>
Mr Svein Øvrebo (Chairman)	Norway
Mr Per Øyvind Berge	Norway
Mr Hans Christian Anderson	Norway

- (b) The Chairperson stated that, for the period until the Annual General Meeting to be held in 2021, it is proposed that the members of the Nomination Committee remain unchanged.
- (c) The Chairperson further stated that it is proposed that the members of the Nomination Committee are remunerated with an annual fixed fee of NOK 30,000 per member, until the Annual General Meeting to be held in 2021.
- (d) After discussion and upon motion duly made, seconded and carried the following Resolution was adopted as an **Ordinary Resolution**:

6. **THAT** Mr Svein Øvrebo (Chairman), Mr Per Øyvind Berge and Mr Hans Christian Anderson be and are hereby appointed as the Nomination Committee of the Company until the 2021 Annual General Meeting and **THAT** the members of the Nomination Committee be remunerated with an annual fixed fee of NOK 30,000 per member until the Annual General Meeting to be held in 2021.

(K) INDEMNIFICATION OF BOARD MEMBERS AND MANAGEMENT

- (a) The Chairperson explained that the members of the Board are insured in relation to claims related to their service for the Company. However, such insurance cover is limited in a number of ways and may not give adequate cover in all situations, including after resignation of a Director. The Board of Directors therefore recommends that the Board of Directors and the executive management, to the extent that the Board finds appropriate, are indemnified with respect to liabilities or expenses related to their service for the Company up until the Annual General Meeting to be held in 2021.

- (b) After discussion and upon motion duly made, seconded and carried the following Resolutions were adopted as **Ordinary Resolutions**:

- 7(a). **THAT** the Board of Directors and the individual members of the Company's Board of Directors are indemnified, to the fullest extent permitted by law and subject to Regulation 24 of the Company's Articles of Association, from liabilities and expenses of any kind that they may incur in connection with any civil, administrative and/or criminal action to which any such persons may become a party as a result of service to the Company as a Director.



- 7(b). **THAT** the Board of Directors shall have authority, on behalf of the Company, to indemnify, to the fullest extent permitted by law, its management from liabilities and expenses of any kind that they may incur in connection with any civil, administrative and/or criminal action to which any such persons may become a party as a result of service to the Company or any of its associated companies or affiliates as an officer or Director.

Votes for: 73,453,148 Votes against: 44,787 Abstaining: 10,306 Abstaining (broker non-votes):465,423,146

(L) NOTICE OF EXTRAORDINARY GENERAL MEETINGS

- (a) The Chairperson explained that pursuant to the Companies' Law, Cap. 113 and Article 8.4 of the Articles of Association of the Company, any Extraordinary General Meeting of the Company is called by 21 days' notice, unless a special resolution, that shortens the notice period to fourteen days, is approved in the immediately preceding Annual General Meeting, or at a General Meeting that is conducted after that Meeting, in which case Extraordinary General Meetings, other than Meetings for the passing of a special resolution, may be called by 14 days' notice.
- (b) The Chairperson stated that it is proposed that any Extraordinary General Meetings to be held between this AGM and the Annual General Meeting of 2021, other than Meetings for the passing of a special resolution, be called by 14 days' notice.
- (c) After discussion and upon motion duly made, seconded and carried the following Resolution was adopted as a **Special Resolution**:
8. **THAT** any Extraordinary General Meetings of the Company to be held between the Annual General Meeting of 2020 and the Annual General Meeting of 2021, other than Meetings for the passing of a special resolution, shall be called by 14 days' notice.

Votes for: 73,487,735 Votes against: 20,500 Abstaining: 6 Abstaining (broker non-votes):465,423,146

(M) EXCLUSION OF PRE-EMPTION RIGHTS IN RELATION TO NEW SHARES

- (a) The Chairperson explained that, under the Cyprus Companies' Law, whenever new shares are issued for consideration in cash, the shares must be offered on a pre-emptive basis to the existing shareholders, in proportion to the capital represented by their shares. These pre-emption rights may be excluded by a resolution of the General Meeting. In many cases time is of essence and new capital has to be raised quickly. In order to provide the Board of Directors with more flexibility and the ability to act quickly in raising funds, the Board proposes that any pre-emption rights be excluded in relation to unissued shares in the Company that may be issued for consideration in the form of cash or of forfeiture of debt.

The Chairperson stated that the Board of Directors had prepared and circulated to the members, through DnB Bank ASA, as VPS Registrar, a Board of Directors' Report, in accordance with section 60B of the Cyprus Companies Law Cap113, as amended, explaining the reasons why an exclusion of pre-emption rights is proposed and stated that any exclusion of pre-emption rights to be resolved upon at the Meeting will be made on the basis of the said Report.

- (b) After discussion and upon motion duly made, seconded and carried the following Resolution was adopted as an **Ordinary Resolution**:



9. **THAT** effective for the period up to the Company's Annual General Meeting in 2021, the Board of Directors be and is hereby authorised to issue and allot up to 1,141,068,613 additional ordinary shares or up to such number of shares as the said number will correspond to following the Consolidation (as such term is as defined below) ("**the New Shares**") for general corporate purposes, restructuring of debt, capitalisation of the Company and incentive stock options programmes on such price and other terms and to such persons as the Board may determine and that any pre-emption rights that the shareholders have, under the applicable law, to subscribe for the New Shares, be and are hereby waived.

Votes for: 73,472,682 Votes against: 35,553 Abstaining: 6 Abstaining (broker non-votes): 465,423.146

(N) **CONSOLIDATION OF SHARES**

- (a) The Chairperson reminded the Meeting that the beneficial interests in the Company's shares (the "**VPS Shares**") registered in the Company's register on the Norwegian Central Securities Depository (the "**VPS Register**") are currently trading on the Oslo Stock Exchange at prices below NOK 1 per share. The Chairman explained that in the interests of the shareholders and in order to increase the listed price to a level broadly comparable to the Company's peer group of companies and in line with Oslo Stock Exchange requirements, the Board of Directors proposes to consolidate the Company's share capital through the conversion of every twenty of the Company's issued and authorized shares of US\$0.01 each into one share of US\$0.2 each (the "**Consolidation**").

At the date of the Annual General Meeting, the authorized share capital of the Company is US\$16,800,000 divided into 1,680,000,000 ordinary shares of US\$0.01 each and 538,931,387 shares have been issued. The effect of the Consolidation will be that the number of authorized shares in the Company on the effective date (as defined below) will be reduced by a factor of twenty, from 1,680,000,000 to 84,000,000 whereas the nominal value of the shares will be increased to US\$0.2. The number of issued shares on the Effective Date (as defined below) will also be reduced by a factor of one twentieth. The Chairman further explained that the Board of Directors intends, prior to the Effective Date of the Consolidation, to issue a number of shares to ensure that the minimum requirement for more than one registered shareholder in the local Register of Members of the Company in Cyprus is maintained after the Consolidation and to make the total number of shares in issue divisible by twenty. The number of shares in issue will after such issue and the Consolidation be reduced by a factor of one twentieth.

As the share Consolidation applies equally to all the Company's shareholders, individual shareholdings will be reduced in the same ratio as the total number of the Company's shares. Accordingly, as a consequence of the Consolidation, the Company's VPS Shares and individual shareholdings of VPS Shares will also be reduced in the same ratio as the total number of the Company's shares. Fractions of a VPS Share resulting from the Consolidation in the hands of individual VPS shareholders will be rounded up to the nearest whole VPS Share free of compensation, through transfer of shares from the Company's own holding of VPS Shares (or through transfer of VPS shares from a principal shareholder). It follows that the Consolidation will have no material effect on the percentage interest of each individual shareholder or VPS Shareholder in the Company (subject only to the rounding of fractions). Similarly, the Company's market capitalization should not change, and neither should the aggregate value of each shareholder's or VPS shareholder's holding as a result of the Consolidation alone (assuming no other market movements or impacts occur).



The Chairperson also explained that, in order to facilitate the rounding up of fractions of shares, the Board of Directors proposed that the Company is granted the authority to purchase up to 15,000 VPS Shares to be held for the purpose of settling with shareholders who are entitled to fractions of VPS Shares in the Consolidation. Any VPS Shares acquired by the Company in excess of what is required for the said purpose, pursuant to this authority, shall be sold for the benefit of the Company following the Consolidation.

- (b) After discussion and upon motion duly made, seconded and carried the following Resolution was adopted as an **Ordinary Resolution**:

10. **THAT** (i) with effect from 4 June 2020 (the "**Effective Date**") the Company's authorised and issued share capital be and is hereby consolidated through the conversion of every twenty ordinary shares in the Company of US\$0.01 each into one ordinary share of US\$0.2, so that all the issued shares of US\$0.01 (the "**Existing Shares**") on the Register of Members of the Company as at the Effective Date, be consolidated into shares of US\$0.2 each (the "**Consolidated Shares**") on the basis of 20 Existing Shares being consolidated into one Consolidated Share, each Consolidated Share having the same rights as each Existing Share and the Company Secretary be and is hereby authorized to amend the Company's Register of Members in order to record each shareholder's holding of Consolidated Shares and **THAT** (ii) with effect from the Effective Date, all the existing VPS Shares (the "**Existing VPS Shares**") on the Company's VPS Register as at the Effective Date be consolidated into VPS Shares of US\$0.2 each (the "**Consolidated VPS Shares**") on the basis of 20 Existing VPS Shares being consolidated into one Consolidated VPS Share having the same rights as each Existing VPS Share and DnB Verdipapirservice, as VPS Registrar, be and is hereby authorized to amend the Company's VPS Register in order to record each VPS shareholder's holding of Consolidated VPS Shares and that, where such consolidation results in any VPS shareholder being entitled to a fraction of a VPS Consolidated Share, such fraction be rounded up to a whole Consolidated VPS Share by transfer from the Company's own shareholding of VPS Shares (or from the holding of a principal shareholder), and that the Company be and is hereby authorized to acquire up to 15,000 VPS Shares for the purpose of settling with VPS shareholders whose entitlement is to be rounded up from fractions of VPS Shares arising from the Consolidation and that any VPS Shares acquired by the Company in excess of what is required for the said purpose be sold for the benefit of the Company following the Consolidation.

Votes for: 73,483,982    Votes against: 24,253    Abstaining: 6    Abstaining (broker non-votes): 465,423,146

(O) There being no other business before the Meeting the Chairperson declared it closed at 12.00 hours.



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**MYRIA GEORGIOU**  
Chairperson of the Meeting