

Prospectus



SeaBird Exploration Plc

(a company incorporated under the laws of the Republic of Cyprus)

Listing of 3,007,846,500 New Shares

Listing of SBX04, a USD 29.3 million Bond Issue maturing in 2018

Listing of 884,687,500 Warrants

This prospectus (the "**Prospectus**") relates to, and has been prepared in connection with (i) the listing and admission to trading on Oslo Børs of 3,007,846,500 new shares, each with a par value of USD 0.0001 (the "**New Shares**") in SeaBird Exploration Plc (the "**Company**"), (b) the application for listing and admission to trading on Oslo Børs of Bonds issued by the Company subsidiary SeaBird Exploration Finance Limited in SBX04, a USD 29.3 million first lien callable bond issue 2015/2018 (the "**Bond Issue**") and (c) the application for listing of 884,687,500 warrants maturing in 2018 (the "**Warrants**").

The distribution of this Prospectus in certain jurisdictions may be restricted by law. The Company and the Managers require persons in possession of this Prospectus to inform themselves about, and to observe, any such restrictions. This Prospectus does not constitute an offer of, or an invitation to purchase, any of the New Shares, Warrants or Bonds in any jurisdiction in which such offer or subscription or purchase would be unlawful.

Investing in the Shares, Warrants or Bonds of the Company involves a high degree of risk; see Section 2 "Risk Factors" beginning on page 17.

Joint Lead Managers:

ABG Sundal Collier Norge ASA Clarksons Platou Securities AS Fearnley Securities AS

The date of this Prospectus is 30 April 2015

IMPORTANT NOTICE

Please refer to Section 15 for definitions of terms used throughout this Prospectus, which also apply to the preceding pages.

This Prospectus has been prepared in order to provide information about SeaBird Exploration Plc and its business in relation to the listing of the New Shares, the application for listing and admission to trading of the Bond Issue, and the listing of the Warrants, and to comply with the Norwegian Securities Trading Act of June 29, 2007 no. 75 (the "Norwegian Securities Trading Act") and related secondary legislation, including EC Commission Regulation (EC) no. 809/2004 implementing Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive 2010/73/EU) regarding information contained in prospectuses (the "Prospectus Directive"). This Prospectus has been prepared solely in the English language.

The Company has furnished the information in this Prospectus. The Company has engaged ABG Sundal Collier Norge ASA, Fearnley Securities AS and Clarksons Platou Securities AS as Managers for the matters giving rise to this Prospectus. Neither the Company nor the Managers have authorised any other person to provide investors with any other information related to the matters giving rise to the Prospectus and neither the Company nor the Managers will assume any responsibility for any information other persons may provide. Unless otherwise indicated, the information contained herein is current as of the date hereof and the information is subject to change, completion and amendment without notice. In accordance with Section 7-15 of the Norwegian Securities Trading Act, every significant new factor, material mistake or inaccuracy that is capable of affecting the assessment of the Shares arising after the time of approval of this Prospectus and before the date of Listing on Oslo Børs will be published and announced promptly as a supplement to this Prospectus. Neither the publication nor distribution of this Prospectus shall under any circumstances create any implication that there has been no change in SeaBird's affairs since the date hereof or that the information herein is correct as of any time since its date.

An investment in the Company involves inherent risks. Potential investors should carefully consider the risk factors set out in Section 2 in addition to the other information contained herein before making an investment decision. An investment in the Company is suitable only for investors who understand the risk factors associated with this type of investment and who can afford a loss of their entire investment. Investors should be aware that they may be required to bear the financial risks of an investment in the securities of the Company for an indefinite period of time. The contents of this Prospectus are not to be construed as legal, business or tax advice. Each prospective investor should consult with its own legal adviser, business adviser and tax adviser as to legal, business and tax advice. In the ordinary course of their respective businesses, the Managers and certain of their respective affiliates have engaged, and will continue to engage, in investment and commercial banking transactions with SeaBird. The securities described herein are subject to restrictions on transferability and resale under applicable securities legislation of certain jurisdictions 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 the securities laws of any such jurisdiction. Without limiting the manner in which the Company may choose to make any public announcements, and subject to the Company's obligations under applicable law, announcements relating to the matters described in this Prospectus will be considered to have been made once they have been received by Oslo Børs and distributed through its information system.

The distribution of this Prospectus in certain jurisdictions may be restricted by law. An overview of certain of these restrictions is provided in Section 5.4.4 of this Prospectus. The Company and the Managers require persons in possession of this Prospectus to inform themselves about, and to observe, any such restrictions. This Prospectus does not constitute an invitation to purchase any of the securities of the Company in any jurisdiction in which such purchase would be unlawful. No one has taken any action that would permit the distribution of this Prospectus outside of Norway. Furthermore, the restrictions and limitations listed and described herein are not exhaustive, and other restrictions and limitations in relation to the Prospectus that are not known or identified by the Company and the Managers at the date of this Prospectus may apply in various jurisdictions as they relate to the Prospectus.

This Prospectus shall be governed by, and construed in accordance with, Norwegian law. The courts of Norway, with Oslo City Court as legal venue, shall have exclusive jurisdiction to settle any dispute which may arise out of, or in connection with, the New Shares, the Bond Issue, the Warrants or this Prospectus.

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1 SUMMARY

Summaries are made up of disclosure requirements known as "Elements". These elements are numbered in Sections A – E (A.1 – E.7). This summary contains all the Elements required to be included in a summary for this type of securities and issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of securities and issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of "not applicable".

Section A – Introductions and warnings

A.1	Introduction and warning	This summary should be read as introduction to the prospectus. Any decision to invest in the securities should be based on consideration of the prospectus as a whole by the investor. Where a claim relating to the information contained in the prospectus is brought before a court, the plaintiff investor might, under the national legislation of the member states of the EU and the EEA, have to bear the costs of translating the prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the prospectus or it does not provide, when read together with the other parts of the prospectus, key information in order to aid investors when considering whether to invest in such securities.
A.2	Consent to use of prospectus by financial intermediaries	Not applicable

Section B (New Shares and Warrants) – Issuer

B.1	Legal and commercial name	The issuer in respect of the New Shares and Warrants is SeaBird Exploration Plc, being the group parent company for the companies referred to as SeaBird. SeaBird and SeaBird Exploration are commercial names used to describe the group and its business.
B.2	Domicile, legal form, etc.	The Company is a public company limited by shares, registered under the Cyprus Companies Law, with registration number 259593.
B.3	Nature of operations and activities	SeaBird is a global provider of marine acquisition for seismic data, and associated products and services to the oil and gas industry. SeaBird specializes in high quality operations targeting the high end of the 2D, source and niche 3D seismic sectors. Main focus for the company is proprietary seismic surveys (contract seismic).
B.4	Trends	The global seismic market is regarded as being soft. The significant decline in the oil prices that started in 2014 has

		<p>caused oil companies to take a cautious spending approach, which has delayed start-ups of seismic campaigns and had a negative impact on seismic demand.</p> <p>SeaBird expects the current seismic market softness to continue to impact the seismic sector in 2015. Longer term, the Company believes that continued interest in frontier exploration will benefit demand for seismic services.</p> <p>With the exception of this, SeaBird has not experienced any substantial changes or trends outside the ordinary course of business that are significant to its business or operations.</p>		
B.5	Group description	SeaBird Exploration Plc is the holding company of the SeaBird group. Operations are performed by the Company's different subsidiaries, whose function is to support the SeaBird group by means of their business activity. Each of SeaBird's vessels are operated by separate single purpose companies.		
B.6	Persons with notifiable interest	<p>As of the date of this Prospectus, the Company has been notified of the following persons with notifiable interest:</p> <ul style="list-style-type: none"> • Perestroika AS, owning Shares and Warrants corresponding to 16.06% of the issued share capital and 17.27% of the fully diluted share capital, as last notified on 4 March 2015; • AOG Investment Ltd., owning Shares and Warrants corresponding to 12.93% of the issued share capital and 10.99% of the fully diluted share capital, as last notified on 4 March 2015; • Farallon Capital Europe LLC acting together with Farallon Capital Management LLC, acting as investment managers for multiple entities owning Shares and Warrants corresponding to 11.81% of the issued share capital and 10.04% of the fully diluted share capital, as last notified on 4 March 2015; • Pacifcor, LLC, owning Shares and Warrants corresponding to 6.24% of the issued share capital and 6.57% of the fully diluted share capital, as last notified on 5 March 2015; • Ordinat Shipping AS, owning Shares and Warrants corresponding to 4.34% of the issued share capital and 5.29% of the fully diluted share capital, as last notified on 4 March 2015. 		
B.7	Selected historical key financial information	The following financial information has been extracted from the audited consolidated financial statements as at and for the years ending 31 December 2014, 2013 (restated) and 2012, incorporated by reference into the Prospectus, and is qualified in its entirety by such financial statements.		
	(USD millions)	2014	2013	2012
	Statement of comprehensive income			
	Total revenues	129.3	177.3	163.3
	EBITDA	(7.9)	31.6	38.6
	EBIT	(79.9)	4.5	4.2

	Profit (loss) for the period	(99.8)	(7.0)	(11.5)
	Statement of financial position			
	Total non-current assets	93.6	131.2	135.4
	Total current assets	47.3	58.2	61.9
	Total assets	141.0	189.4	197.4
	Total equity	(40.9)	57.7	52.8
	Non-current liabilities	-	73.1	95.1
	Current liabilities	181.9	58.6	49.4
	Total equity and liabilities	141.0	189.4	197.4
	Statement of cash flows			
	Operating activities, net	40.3	27.1	19.9
	Investing activities, net	(37.4)	(23.5)	(21.6)
	Financing activities, net	(8.1)	(6.2)	3.1
	Net change in cash and equivalents	(5.2)	(2.6)	1.4
	Cash and equivalents at period end	7.0	12.2	14.7
	Significant changes	<p>During the period covered by the financial information presented, there have not been material changes in the SeaBird group's business activity, having been conducted through the period in accordance with the business described in Item B.3. The financial condition and operating results reflect a period of deteriorating market conditions over time, rendering SeaBird unable to meet its financial obligations, and leading a reclassification of loans to current liabilities at the end of 2014. Since 31 December 2014, the date of the latest financial information presented, SeaBird has completed the Restructuring, being a comprehensive refinancing under which SeaBird agreed to issue USD 11.6 million of new equity with warrants, a USD 29.3 million three-year secured bond (SBX04), a USD 2.4 million three-year secured credit facility and a USD 2.1 million three-year unsecured loan. SeaBird further agreed to convert the SBX03 loan of USD 80.9 million as well as a convertible loan of USD 14.9 million into a combination of Shares and the new SBX04 bond. Additionally, outstanding charter hires and vendor obligations were converted into equity, debt and/or partially written down.</p>		
B.8	Pro forma financial information	Not applicable		
B.9	Profit forecasts	Not applicable		
B.10	Auditor qualifications	<p>BDO Ltd (Cyprus) has audited the Company's consolidated annual reports and accounts for each year since 2009. The audit report for 2014 contained the following emphasis of matter: "Without qualifying our opinion, we draw attention to note 2.22 to the financial statements which indicates that as at</p>		

		<p>31 December 2014 the Group's current assets totalled \$47.3m whilst its current liabilities totalled \$181.9m. As detailed in notes 17 and 29, the Group was in default of several of its borrowing facilities as at 31 December 2014 and has since announced the successful completion of the restructuring of these facilities and other liabilities. The Group also incurred a loss of \$99.8m on continuing operations for the year ended 31 December 2014 including impairment charges totalling \$38.3m. These conditions, along with other matters set forth in note 2.22 indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern."</p> <p>The audit report for 2013 contained the following emphasis of matter: "We draw attention to note 2.23 to the financial statements which indicates that as at 31 December 2013 the Group's current liabilities exceeded its current assets by \$0.5m. The Group also incurred a loss of \$6.7m on continuing operations for the year ended 31 December 2013. These conditions, along with other matters set forth in note 2.23 indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern. Our opinion is not qualified in respect of this matter."</p> <p>The audit report for 2012 was issued without qualifications.</p>
<p>B.11</p>	<p>Working capital statement</p>	<p>In the view of the board of directors of SeaBird Exploration Plc, the Company and SeaBird group does not have sufficient working capital for its current requirements, being understood as the requirements for a minimum of 12 months from the date of this Prospectus. In making such statement, the board of directors has taken into consideration the headroom between the existing working capital and the requirements which could occur in various scenarios related to its business operation, and in particular, in the event that contracts and other arrangements in respect of the employment of SeaBird's vessels are cancelled or significantly delayed and alternative employment cannot be secured at satisfactory rates. Should these contracts and other arrangements be commenced and completed in accordance with the plans entered into between SeaBird and the respective counterparties, SeaBird does not expect a working capital shortfall. However, in the event of such contracts being delayed, cancelled or not materialising, SeaBird could have a working capital shortfall which could result in the need for significant amounts of additional financing, which may not be available at that time. The timing of a potential shortfall would depend on the overall employment of SeaBird's vessels, but in the event of all contracts being delayed, could occur during the summer of 2015. The amount of such shortfall would also depend on the overall and alternative employment of SeaBird's vessels, but in a worst case scenario, could amount to approximately USD 50 million for a 12 month period. SeaBird has not as of today made specific alternative plans to cover such potential shortfall,</p>

		<p>although under those circumstances alternatives may exist to sell or otherwise monetise certain assets or to make other financing arrangements. The ability to sell or otherwise monetise assets, being primarily made up of owned vessels and the multi-client library, would require consent from lenders as all of such assets are held as security for loan arrangements, and may therefore not be available within a short time frame or at all. Should none of these financing arrangements be available at that time, such circumstance would have a significant negative effect on SeaBird's financing situation and its ability to continue operations.</p>
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Section B (Bond Issue) – Issuer and guarantors

B.1	Legal and commercial name	<p>The issuer in respect of the Bond Issue, referred to as the Bond Issuer, is SeaBird Exploration Finance Limited, being a wholly-owned subsidiary of the Company.</p> <p>The guarantors in respect of the Bond Issue are the Company and certain of its subsidiaries, being the following companies:</p> <p>SeaBird Exploration Plc (the Company); Aquila Explorer Inc. Osprey Navigation Company Inc. Sana Navigation Company Ltd. Harrier Navigation Company Ltd. Biliria Marine Company Ltd. Hawk Navigation Company Ltd. Munin Navigation Company Ltd. Oreo Navigation Company Ltd. SeaBird Exploration Multi-Client Ltd. SeaBird Exploration Cyprus Ltd. SeaBird Exploration Asia Pacific PTE Ltd. SeaBird Exploration Shipping AS Raven Navigation Company Ltd.</p>
B.2	Domicile, legal form, etc.	<p>The Bond Issuer is a private company limited by shares, registered under the Cyprus Companies Law with registration number HE334608.</p> <p>The guarantors, except for the Company being described in Section B (New Shares and Warrants), are private companies limited by shares registered as set forth below:</p> <p>Aquila Explorer Inc. – incorporated under the Panamanian Corporation Law (Law 32 of 1927), registered in Cyprus as an overseas company with registration number AE2534.</p> <p>Osprey Navigation Company Inc. – incorporated under the Panamanian Corporation Law (Law 32 of 1927), registered in Cyprus as an overseas company with registration number AE2535.</p> <p>Sana Navigation Company Ltd. – incorporated under the Cyprus Companies Law with Cyprus registration number HE100821.</p>

		<p>Harrier Navigation Company Ltd. – incorporated under the Cyprus Companies Law with Cyprus registration number HE171227.</p> <p>Biliria Marine Company Ltd. – incorporated under the Cyprus Companies Law with Cyprus registration number HE304475.</p> <p>Hawk Navigation Company Ltd. – incorporated under the Cyprus Companies Law with Cyprus registration number HE161326.</p> <p>Munin Navigation Company Ltd. – incorporated under the Cyprus Companies Law with Cyprus registration number HE194577.</p> <p>Oreo Navigation Company Ltd. – incorporated under the Cyprus Companies Law with Cyprus registration number HE92764.</p> <p>SeaBird Exploration Multi-Client Ltd. – incorporated under the Cyprus Companies Law with Cyprus registration number HE326686.</p> <p>SeaBird Exploration Cyprus Ltd. – incorporated under the Cyprus Companies Law with Cyprus registration number HE326624.</p> <p>SeaBird Exploration Asia Pacific PTE Ltd. – incorporated under the Singapore Companies Act (Cap 50, 1994 Rev Ed) with Singapore registration number 201223807H.</p> <p>SeaBird Exploration Shipping AS – incorporated under Norwegian law (Nw: Aksjeloven) with Norwegian registration number 911928914.</p> <p>Raven Navigation Company Ltd. – incorporated under the Cyprus Companies Law with Cyprus registration number HE171774.</p>
B.4	Trends	<p>Reference is made to Item B.4 in Section B (New Shares and Warrants) for trends relevant to the SeaBird group as a whole.</p> <p>There are no other substantial changes or trends specific to the Bond Issuer or any of the guarantors.</p>
B.5	Group description	<p>Reference is made to Item B.5 in Section B (New Shares and Warrants) for a description of the group structure.</p> <p>The Bond Issuer and each of the guarantors are companies whose function is to support the SeaBird group by means of their respective business activity.</p>
B.9	Profit forecasts	Not applicable
B.10	Auditor qualifications	<p>BDO Ltd (Cyprus) has audited the accounts for the Bond Issuer and each of the guarantors for the period covered by audited financial information in respect of each company, such audited financial information being last provided for certain companies in respect of 2014 and for the remaining companies in respect of 2013.</p> <p>All audit reports have been unqualified, but reports for 2014 and 2013 have contained the emphasis of matter referred to in Item B.10 in Section B (New Shares and Warrants).</p>

B.12	Selected financial information	The tables below set forth historical key financial information in respect of the Bond Issuer and each of the guarantors for the Bond Issue, all such financial information being presented in USD on an unconsolidated basis and prepared in accordance with IFRS.																													
SeaBird Exploration Finance Ltd. (the Bond Issuer)																															
<table border="1"> <thead> <tr> <th data-bbox="279 425 582 492">(USD '000)</th> <th data-bbox="590 425 774 492">2014 audited</th> <th data-bbox="782 425 965 492">2013 (N/A)</th> <th data-bbox="973 425 1101 492">2012 (N/A)</th> </tr> </thead> <tbody> <tr> <td data-bbox="279 504 582 526">Revenues</td> <td data-bbox="590 504 774 526">-</td> <td data-bbox="782 504 965 526"></td> <td data-bbox="973 504 1101 526"></td> </tr> <tr> <td data-bbox="279 537 582 560">Net profit</td> <td data-bbox="590 537 774 560">-</td> <td data-bbox="782 537 965 560"></td> <td data-bbox="973 537 1101 560"></td> </tr> <tr> <td data-bbox="279 616 582 638">Total assets</td> <td data-bbox="590 616 774 638">1</td> <td data-bbox="782 616 965 638"></td> <td data-bbox="973 616 1101 638"></td> </tr> <tr> <td data-bbox="279 649 582 672">Total liabilities</td> <td data-bbox="590 649 774 672">-</td> <td data-bbox="782 649 965 672"></td> <td data-bbox="973 649 1101 672"></td> </tr> <tr> <td data-bbox="279 683 582 705">Total equity</td> <td data-bbox="590 683 774 705">1</td> <td data-bbox="782 683 965 705"></td> <td data-bbox="973 683 1101 705"></td> </tr> </tbody> </table>				(USD '000)	2014 audited	2013 (N/A)	2012 (N/A)	Revenues	-			Net profit	-			Total assets	1			Total liabilities	-			Total equity	1						
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<table border="1"> <thead> <tr> <th data-bbox="279 1243 582 1310">(USD '000)</th> <th data-bbox="590 1243 774 1310">2014 unaudited</th> <th data-bbox="782 1243 965 1310">2013 audited</th> <th data-bbox="973 1243 1101 1310">2012 audited</th> </tr> </thead> <tbody> <tr> <td data-bbox="279 1321 582 1344">Revenues</td> <td data-bbox="590 1321 774 1344">27,472</td> <td data-bbox="782 1321 965 1344">17,836</td> <td data-bbox="973 1321 1101 1344">7,891</td> </tr> <tr> <td data-bbox="279 1355 582 1377">Net profit</td> <td data-bbox="590 1355 774 1377">(5,390)</td> <td data-bbox="782 1355 965 1377">1,856</td> <td data-bbox="973 1355 1101 1377">(6,299)</td> </tr> <tr> <td data-bbox="279 1433 582 1456">Non-current assets</td> <td data-bbox="590 1433 774 1456">16,448</td> <td data-bbox="782 1433 965 1456">39,665</td> <td data-bbox="973 1433 1101 1456">26,475</td> </tr> <tr> <td data-bbox="279 1467 582 1489">Total assets</td> <td data-bbox="590 1467 774 1489">45,638</td> <td data-bbox="782 1467 965 1489">44,775</td> <td data-bbox="973 1467 1101 1489">27,446</td> </tr> <tr> <td data-bbox="279 1500 582 1523">Total liabilities</td> <td data-bbox="590 1500 774 1523">90,591</td> <td data-bbox="782 1500 965 1523">84,810</td> <td data-bbox="973 1500 1101 1523">69,337</td> </tr> <tr> <td data-bbox="279 1534 582 1556">Total equity</td> <td data-bbox="590 1534 774 1556">(44,933)</td> <td data-bbox="782 1534 965 1556">(40,035)</td> <td data-bbox="973 1534 1101 1556">(41,891)</td> </tr> </tbody> </table>				(USD '000)	2014 unaudited	2013 audited	2012 audited	Revenues	27,472	17,836	7,891	Net profit	(5,390)	1,856	(6,299)	Non-current assets	16,448	39,665	26,475	Total assets	45,638	44,775	27,446	Total liabilities	90,591	84,810	69,337	Total equity	(44,933)	(40,035)	(41,891)
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Sana Navigation Company Ltd.

(USD '000)	2014 unaudited	2013 audited	2012 audited
Revenues	11,266	14,928	5,682
Net profit	(3,557)	2,866	273
Non-current assets	14,875	35,289	21,504
Total assets	45,049	36,208	31,374
Total liabilities	16,014	3,803	1,835
Total equity	29,035	32,405	29,539

Harrier Navigation Company Ltd.

(USD '000)	2014 unaudited	2013 audited	2012 audited
Revenues	8,137	14,000	18,358
Net profit	(333)	5,313	(2,531)
Non-current assets	14,869	37,967	25,968
Total assets	43,986	38,875	29,932
Total liabilities	21,240	13,906	10,376
Total equity	22,746	24,919	19,606

Biliria Marine Company Ltd.

(USD '000)	2014 unaudited	2013 audited	2012 N/A
Revenues	(2,175)	7,474	
Net profit	(23,522)	(6,920)	
Non-current assets	250	4,604	
Total assets	45,048	5,914	
Total liabilities	75,741	12,833	
Total equity	(30,433)	(6,919)	

Hawk Navigation Company Ltd.

(USD '000)	2014 unaudited	2013 audited	2012 audited
Revenues	3,455	2,081	5,083
Net profit	(7,067)	(5,517)	(157)
Non-current assets	14,891	18,414	20,085
Total assets	38,482	19,669	20,883
Total liabilities	38,051	32,933	28,580
Total equity	431	(13,264)	(7,747)

Munin Navigation Company Ltd.

(USD '000)	2014 unaudited	2013 audited	2012 audited
Revenues	18,658	17,865	15,496

Net profit	(4,099)	(4,351)	(1,402)
Non-current assets	656	4,133	6,132
Total assets	28,175	9,299	11,347
Total liabilities	30,401	27,500	25,197
Total equity	(2,226)	(18,201)	(13,850)

Oreo Navigation Company Ltd.

(USD '000)	2014 unaudited	2013 audited	2012 audited
Revenues	1,150	33,266	12,876
Net profit	(11,728)	1,246	3,524
Non-current assets	3,052	6,344	6,896
Total assets	45,060	7,536	8,484
Total liabilities	55,911	6,696	8,890
Total equity	(10,851)	840	(406)

SeaBird Exploration Multi-Client Ltd.

(USD '000)	2014 unaudited	2013 audited	2012 N/A
Revenues	13,316	-	
Net profit	(11,719)	(263)	
Non-current assets	15,182	2,287	
Total assets	26,674	2,288	
Total liabilities	38,657	2,550	
Total equity	(11,983)	(262)	

SeaBird Exploration Cyprus Ltd.

(USD '000)	2014 unaudited	2013 audited	2012 N/A
Revenues	61,855	3,789	
Net profit	(8,288)	(17)	
Non-current assets	89	2,550	
Total assets	77,018	4,048	
Total liabilities	85,544	4,064	
Total equity	(8,525)	(16)	

SeaBird Exploration Asia Pacific PTE Ltd.

(USD '000)	2014 unaudited	2013 audited	2012 N/A
Revenues	22,234	62,309	
Net profit	(2,825)	(686)	
Non-current assets	-	40,810	
Total assets	51,732	42,523	

	Total liabilities	53,237	43,208	
	Total equity	(1,505)	(686)	
SeaBird Exploration Shipping AS				
	(USD '000)	2014 unaudited	2013 audited	2012 N/A
	Revenues	12,129	10,931	
	Net profit	120	(132)	
	Non-current assets	82	82	
	Total assets	20,117	12,059	
	Total liabilities	20,286	12,180	
	Total equity	(170)	(121)	
Raven Navigation Company Ltd.				
	(USD '000)	2014 unaudited	2013 audited	2012 audited
	Revenues	3,049	1,510	-
	Net profit	1,252	320	793
	Non-current assets	5,610	20,068	-
	Total assets	26,228	21,403	13,320
	Total liabilities	11,289	7,766	3
	Total equity	14,939	13,637	13,317
		<p>Since the date of the last published audited financial statements for the Bond Issuer and each of the guarantors, being in respect of 2014 or 2013 as set out above, there has been a significant reduction in oil prices which has impacted negatively the demand for seismic and other services related to the energy sector. With this exception, there has been no material adverse change in the prospects of the Bond Issuer and any of the guarantors since the date of its last published audited financial statements.</p> <p>Reference is made to Item B.7 of Section B (New Shares and Warrants) for a description of significant changes in the financial or trading position of the group as a whole since the end of the last financial period for the Bond Issuer and the guarantors. There are no other matters in respect of the Bond Issuer or any of the guarantors requiring additional disclosure.</p>		
B.13	Recent events particular relevant to solvency	<p>Except as set out in Item B.7 of Section B (New Shares and Warrants) relating to the Restructuring, there are no recent events particular to the Bond Issuer or any of the guarantors which are to a material extent relevant to the evaluation of their solvency.</p>		
B.14	Group description and the dependency on other group companies	<p>Reference is made to Item B.5 for a description of the group structure.</p> <p>The Bond Issuer has no separate sources of revenue and will be</p>		

		dependent on group contributions from other group companies to serve its obligations under the Bond Issue.
B.15	Principal activities	<p>Reference is made to Item B.3 of Section B (New Shares and Warrants) for a description of the business activities of the SeaBird group as a whole, where the Bond Issuer and the guarantors have as their function to support the SeaBird group by means of their business activity.</p> <p>The Bond Issuer is a wholly owned subsidiary in the SeaBird group whose function is to undertake financing activity for the group.</p> <p>The guarantors are, in addition to the group parent company, the material operating subsidiaries, whose functions are to own and operate the SeaBird group's vessels and other assets, including its multi-client library.</p>
B.16	Controlling persons	The Bond Issuer and the guarantors except for the Company, as set forth in Item B.6 of Section B (New Shares and Warrants) are wholly-owned subsidiaries of the Company. There are no arrangements known which may lead to a change in control of the Bond Issuer or any of the guarantors.
B.17	Credit ratings	Not applicable. No credit ratings are issued to SeaBird or its debt securities at the request of SeaBird, or with the cooperation of SeaBird in the rating process.
B.18	Nature and scope of guarantee	The Bond Issuer's obligations in respect of SBX04 are secured by unconditional on-demand guarantees on a joint and several basis by each guarantor.
B.19	Guarantor information	Relevant information about each guarantor is set forth in the respective items of this Section B (Bond Issue).
B.20	Special purpose entity	Not applicable. Neither the Bond Issuer nor any of the guarantors have been set up as special purpose entities.
B.21	Principal activities and overview of parties to securitisation program	Reference is made to Item B.15. There is no securitisation program applicable to the Bond Issuer or any of the guarantors.
B.22	Bond Issuer or guarantors not having commenced operations	Not applicable. The Bond Issuer and each guarantor has commenced operations and prepared financial statements.
B.23	Selected historical key financial information in respect of Bond Issuer	Reference is made to Item B.12.
B.24	Material adverse changes to Bond Issuer since last audited financial statements	Reference is made to Item B.12.

Section C – Securities

C.1	Type and class of securities offered and	No securities are offered by means of this Prospectus.
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	admitted to trading	<p>The securities being admitted to trading by means of this Prospectus are:</p> <ul style="list-style-type: none"> 3,007,846,500 ordinary shares of the Company, referred to as the New Shares, which were placed and issued as part of the Restructuring (including a private placement undertaken as part thereof) as described in Element B.7, and whose ISIN upon the registration of this Prospectus is CY0105552125 and upon a conversion expected to take place on or about 7 May 2015 will be CY0101162119, whereafter the New Shares will be tradable on Oslo Børs. <p>This Prospectus also serves as a listing prospectus for:</p> <ul style="list-style-type: none"> 884,687,500 warrants, each giving right within their expiration on 15 January 2018 to subscribe for one new ordinary share of the Company at a price of NOK 0.10, and whose ISIN is CY0135682116, and for which application for listing on Oslo Børs has been made; and SBX04, a USD 29.3 million bond issue maturing in 2018, for which an application for listing on Oslo Børs or Nordic AMB is expected to be submitted upon approval and publication of this Prospectus. SBX04 is divided into a Tranche A of USD 5.0 million with ISIN NO0010732043 and a Tranche B of USD 24.3 million with ISIN NO0010732076.
C.2	Currency of the securities issue	<p>The currency for the New Shares and the Warrants is Norwegian Kroner (NOK).</p> <p>The currency for the Bonds is United States Dollars (USD).</p>
C.3	Number of shares and par value	<p>Upon the publication of this Prospectus, the Company's authorised share capital is USD 6,800,000 divided into 68,000,000,000 shares of nominal value USD 0.0001 each, and the issued share capital will be 306,542.7646 divided into 3,065,427,746 ordinary shares of nominal value USD 0.0001 each. All the issued shares are authorised and fully paid up.</p>
C.4	Rights attached to the Shares	<p>The Shares carry voting rights and the right to receipt of dividends when such are declared. The holders of the Shares also have a right to share in any surplus assets available for distribution in a winding up of the Company.</p>
C.5	Restrictions on free transferability	<p>The Company's Shares and Warrants, as well as the Bonds, are freely transferable.</p>
C.6	Application for other listing	<p>No application has been made for the listing of any of the Company's securities on other markets than Oslo Børs.</p>
C.7	Dividend policy	<p>The Company has not paid or proposed dividends for any of the three last years.</p>
C.8	Rights attached to the Bonds	<p>SBX04, for which this Prospectus serves as a listing prospectus, is a first lien callable bond issue 2015/2018 issued by the Company subsidiary SeaBird Exploration Finance Limited and guaranteed by the Company and its material operating subsidiaries.</p> <p>The Bonds shall rank as senior secured debt of the Bond Issuer, secured on a first priority basis in certain assets of the Bond</p>

		<p>Issuer and the guarantors, and otherwise rank at least pari passu with the claims of its other unsubordinated creditors, except for obligations which are mandatorily preferred by law. The Bonds shall rank ahead of any subordinated capital.</p> <p>The bondholders' meeting represents the supreme authority of the bondholders' community in all matters relating to the Bonds, and has the power to make all decisions altering the terms and conditions of the Bonds, including, but not limited to, any reduction of principal or interest and any conversion of the Bonds into other capital classes. The bondholders have the right to vote in the bondholders' meeting.</p>
C.9	Key terms of the Bonds	<p>SBX04 is divided into a Tranche A of USD 5.0 million with an interest rate of 12.0% per annum, and a Tranche B of USD 24.3 million with an interest rate of 6.0% per annum. Interest is payable quarterly for both tranches, calculated from the issue date on 2 March 2015 and with due dates in March, June, September and December each year, with the first interest payment being 3 June 2015. Maturity for both tranches is on 3 March 2018. No amortisation is made for the first two years. Thereafter, from the interest payment date in June 2017, quarterly instalments will be paid in an amount of USD 2.0 million (pro-rata split between Tranche A and B), with the remainder as a balloon on the maturity date.</p> <p>Nordic Trustee ASA acts as representative of the bondholders in respect of SBX04.</p>
C.10	Derivative components in the Bonds	Not applicable
C.11	Listing and trading of the Bonds	Application for listing of the Bonds will be made on Oslo Børs or Nordic ABM upon the publication of this Prospectus.

Section D – Risks

D.1	Key risks specific to the issuer or its industry	<p>Prospective investors should consider, among other factors, the following key risks relating to the market in which SeaBird operates:</p> <ul style="list-style-type: none"> • The market for seismic services is closely linked to oil prices and to spendings by oil companies. The significant drop in oil prices that took place from the latter part of 2014 has caused oil companies to delay investments and reduce expenses on a broad scale, including the investments into exploration and reserve development. This has had, and may continue to have, impact on demand for seismic services in general, and on the commencement of seismic programmes (including surveys included in SeaBird's current backlog) which may be cancelled or delayed. • The market for seismic services is competitive and SeaBird may not be able to renew contracts at satisfactory rates as existing contracts come to an end.
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		<ul style="list-style-type: none"> • Other risks, including macroeconomic fluctuations and market risks, industry and competition related risks, risks related to international operations, political risks, and risks of war, other armed conflicts and piracy.. <p>Prospective investors should consider, among other factors, the following key risks related to SeaBird and its business:</p> <ul style="list-style-type: none"> • The majority of SeaBird’s revenues come from sale of vessel services, which are contracted on a mix of short-term and longer-term contracts. To the extent that longer-term contracts are delayed or cancelled, or short-term contracts cannot be entered into to secure a sufficient utilisation of SeaBird’s vessels, revenues may be insufficient to cover SeaBird’s expenses and other cash commitments, against which SeaBird has limited financial resources to withstand. • SeaBird may not be able to recover the investments made into multi-client seismic. • Other risk factors, including variability of operating results, service life and charter risks, risks of possible liabilities, dependence on few assets, risks related to loss of key employees, contractual risks, operational risks including risks of damage to vessels, equipment and personnel, technological risks and obsolescence, fleet and charter risks, and environmental risks. • Risks related to SeaBird’s financial situation, including the significant amount of third party indebtedness, exposure for financial covenants, availability of long term funding, and risks caused by high leverage..
D.2	Key risks specific to the issuer	Reference is made to Item D.1.
D.3	Key risks specific to the securities	<p>Prospective investors should consider, among other things, the following risks related to the securities described herein:</p> <ul style="list-style-type: none"> • The market price of the securities of SeaBird may fluctuate significantly in response to a number of factors; • Future issuance of shares may be done at a discount and may be dilutive to owners; • In the event of future capital raising, investors who do not participate may face dilution of their holding; • Holders registered under nominee may not be able to exercise all of their shareholder rights, including voting rights; • The Company has not registered its Shares under the U.S. Securities Act or the securities laws of other jurisdictions other than Norway, and the Company does not expect do so in the future. • SeaBird will assume substantial indebtedness; • SeaBird’s cash flow may not be sufficient to service its

		<p>obligations in respect of the Bonds;</p> <ul style="list-style-type: none"> • There may be limited trading volume in the securities; • SeaBird may incur additional indebtedness; • The bond agreement contains provisions for the trustee or a majority of bondholders to make decisions for all bondholders; • Upon a change of control event SeaBird may not be able to redeem the Bonds; • The Bonds and their security may rank junior to certain preferred claims; • The value of the collateral securing the Bonds may not be sufficient to satisfy SeaBird's obligations under the Bonds; • Following a default, the trustee may not be able to realise any or all of the security; • Risk of failures or inadequacies in perfecting security; • The enforcement of rights as holder of any of the securities across multiple jurisdictions may prove difficult; • Any bankruptcy or insolvency proceedings may involve Cypriot, Norwegian and Singaporean insolvency law.
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Section E – Offer

E.1	Net proceeds and expenses	<p>No offer is being made by means of this Prospectus.</p> <p>The Prospectus has been prepared for the listing of new securities previously issued under private placements being part of the Restructuring. Under the Restructuring, SeaBird agreed to issue USD 11.6 million of new equity with warrants, a USD 29.3 million three-year secured bond (SBX04), a USD 2.4 million three-year secured credit facility and a USD 2.1 million three-year unsecured loan. SeaBird further agreed to convert the SBX03 loan of USD 80.9 million as well as a convertible loan of USD 14.9 million into a combination of Shares and the new SBX04 bond. Additionally, outstanding charter hires and vendor obligations were converted into equity, debt and/or partially written down.</p> <p>All expenses related to such issuance and listing have been, and will be, borne by the Company.</p>
E.2	Reason for the offer and use of proceeds	<p>The reason for the issuance of the New Shares and Bonds described herein, and for which this Prospectus serves as a listing prospectus, was the Restructuring, being a consensual restructuring of the SeaBird group that will facilitate a comprehensive refinancing of the SeaBird's balance sheet and provide new funding for SeaBird.</p> <p>The net proceeds from the Restructuring following the conversions and settlements being part thereof is approximately USD 13.3 million, which will be applied towards SeaBird's working capital requirements.</p>

E.3	Key terms and conditions of the offer	Not applicable, as no offer is being made by means of this Prospectus.
E.4	Material interests	<p>The Managers and their affiliates may have interests in the New Shares, the Warrants and the Bonds as they have provided from time to time, and may in the future provide, investment and commercial services to the Company and its affiliates in the ordinary course of their respective businesses, for which they may have received and may continue to receive customary fees and commissions. The Managers, their employees and any affiliate may currently own existing Shares and Bonds in the Company.</p> <p>In particular, the Managers received, as part of the Restructuring, part settlement for restructuring advisory fees by means of USD 0.7 million in the Bond Issue, 70,933,500 New Shares and 70,933,500 Warrants.</p> <p>The Managers have received a commission in connection with the issue of the New Shares, the Warrants and the Bonds and, as such, have an interest in the issue of the New Shares, the Warrants and the Bonds.</p>
E.5	Selling persons and lock-up	Not applicable, as no shares or other securities are being sold by means of this Prospectus and no persons are under lock-up arrangements.
E.6	Dilution effects	Shareholders who did not participate in the issue of the New Shares were subject to a direct dilution of their ownership by approximately 98%.
E.7	Expenses charged to the investor	No expenses are being charged to the investor by the matters giving rise to this Prospectus.

2 RISK FACTORS

When assessing SeaBird and its business, investors should carefully consider all the information contained in this Prospectus and in particular the following risk factors, which may affect some or all of SeaBird's activities and the industry in which SeaBird operates. An investment in SeaBird 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. Before deciding whether or not to invest in SeaBird, an investor should consider carefully all of the information set forth in this Prospectus and otherwise available, and in particular, the specific risk factors set out below. If any of the following risks actually materialise, SeaBird's business, financial position and operating results could be materially and adversely affected. The order in which risk factors appear is not intended as an indication of the relative weight or importance thereof.

2.1 Risk factors relating to SeaBird and the industry in which it operates

Macroeconomic fluctuations and market risks

SeaBird is exposed to economic cycles, and changes in the general economic outlook could affect demand for its services. Demand for offshore geophysical services depends on the level of capital spending by oil and gas companies, particularly exploration and development expenditures. Capital expenditures, and in particular exploration and development expenditures, by oil and gas companies can be negatively affected by a number of factors including, but not limited to, decreases in oil and gas prices, fluctuations in production levels and disappointing exploration results. Low oil prices typically lead to a reduction in capital expenditures as the oil and gas companies scale down their investment budgets. Sustained periods of substantially reduced capital expenditures by oil and gas companies may reduce the demand for SeaBird's services. Furthermore, recoveries in oil and gas prices do not immediately increase exploration, development and production spending, so improving demand for SeaBird's services may have a delayed effect compared to oil and gas price increases.

Variability of operating results

SeaBird's operating results can vary from month to month. SeaBird's operating income is difficult to forecast due to changes in oil companies' exploration and production budgets and expenditures, the competitive environment, efficiency in operations, adverse weather conditions and other general economic and market conditions. Changes in oil prices and exploration and production budgets could materially affect the business and operating results. Unanticipated difficulties in pursuing SeaBird's business strategy as described in this Prospectus could have a material adverse effect on SeaBird's business, operating results or financial condition.

Industry and competition related risks

The market for SeaBird's services is competitive. SeaBird may face competition from other existing companies within the seismic industry as well as potential new entrants, and such companies may have greater resources than SeaBird. Furthermore, overcapacity in the seismic market would have a negative effect on the operating results of the Company. Failure by SeaBird to maintain a competitive offering of equipment and services could have a material adverse effect on SeaBird's business, operating results or financial condition. Furthermore, overcapacity in the seismic market could have a negative effect on the prices for SeaBird's services.

Service life and technical risks

The service life of a modern seismic vessel is generally considered to exceed thirty years, but may ultimately depend on its efficiency, vessel maintenance and demand for such equipment. SeaBird applies a 15 year economic life as an accounting estimate for the majority of its vessels for

depreciation. There can be no guarantee that the vessels owned or operated by SeaBird will have a long service life. The vessels may have particular unforeseen technical problems or deficiencies, new environmental requirements may be enforced, or new technical solutions or vessels may be introduced that are more popular than the vessels owned by SeaBird, causing less demand and use of these vessels that may not be possible to mitigate through upgrades of vessels and/or equipment.

Charters

SeaBird has a strategy of exposing its vessels both towards the long-term market as well as the more volatile spot market. There can be no guarantee that SeaBird will be able to secure contracts at such rates and utilisation rates as are required for profitable operation. In addition, SeaBird may experience significant off-hires between charters. Furthermore, disputes under the charter parties may occur, which can result in liability and losses for SeaBird.

In particular, the recent significant drop in oil prices has caused oil companies to delay investments and reduce expenses on a broad scale, including the investments into exploration and reserve development. This may have impact on the demand for seismic services in general, and on the commencement of seismic programmes (including surveys included in SeaBird's current contract backlog) which may be delayed or cancelled. In the event of such delays or cancellations, the ability of SeaBird to enforce legal action may be limited. The delay or cancellation of any existing contract, or a general reduction in the demand for seismic services which leads to reduced utilisation of SeaBird's vessels, could have severe negative impact on SeaBird's revenues, earnings and cash flows.

Possible liabilities

Seismic operations are associated with considerable risks and responsibilities, including technical, operational, commercial and political risks. In addition, seismic operations may be affected by harsh weather and other conditions beyond SeaBird's control. SeaBird has insurances in line with good industry practice. It is, however, possible that such insurances may not cover all possible damages, incidents, risks and liabilities.

Dependence on few assets

SeaBird currently has a limited fleet of eight vessels, of which two vessels are currently in lay-up. If SeaBird fails to obtain short or long term contracts for one or more of the vessels, the Company may incur significant financial losses.

Risks related to business models

The two prevailing business models in the seismic industry are the contract and multi-client models. In the contract model, which is the Company's primary business area, the project is initiated by the client and the data is acquired exclusively under contract for that specific client, typically over acreage licensed to that client. In the multi-client model the seismic companies plan, acquire and process the data at their own risk, and then offer the processed data for license to clients on a non-exclusive basis. The risk aspects of the two models differ as contracted work is commenced against pre-defined revenue while the income from multi-client projects is speculative and contingent on external factors such as the attractiveness to clients of the associated acreage being offered for lease.

Risks related to international operations

Operations in international markets are subject to inherent risks in international business activities, including, in particular, general economic conditions in each country, overlapping various tax structures, managing an organisation spread over various jurisdictions, unexpected changes in regulatory requirements and complying with a variety of foreign laws and regulations.

Political risks

Changes in the legislative and fiscal framework governing the activities of oil and gas business could have a material impact on exploration and development activities, or affect SeaBird's operations and financial results directly. Changes in political regimes or imposed sanctions may constitute a material risk factor for SeaBird's operations in foreign countries.

Risk of war, other armed conflicts and piracy

War, military tension and terrorist attacks have, among other things, caused instability in the world's financial and commercial markets. This has in turn significantly increased political and economic instability in some of the geographic areas in which SeaBird operates and has contributed to high levels of volatility in prices for, inter alia, oil and gas. Continuous instability may cause further disruption to financial and commercial markets and contribute to even higher levels of volatility in prices. In addition, acts of terrorism and threats of armed conflicts in or around various areas in which SeaBird operates could limit or disrupt SeaBird's markets and operations, including disruptions from evacuation of personnel, cancellation of contracts or the loss of personnel or assets. Armed conflicts, terrorism and their effects in SeaBird or its markets may significantly affect SeaBird's business and results of operations in the future. Piracy is a risk that SeaBird may incur in certain areas of transits and operations and this risk has increased in recent years. SeaBird conducts risk assessment policies as well as non-combative preventative measures and takes all reasonable mitigating actions to avoid any such risks to personnel and assets in terms of insurance and security, but any successful action by piracy may significantly affect SeaBird's business and results of operations in the future.

Loss of key employees

Operations could be negatively impacted if SeaBird is unable to attract and retain qualified personnel. SeaBird's future business prospects are to a large degree dependent on its ability to meet changing customer needs, to anticipate and respond to technological changes and to develop effective and competitive relationships with its customers and suppliers. SeaBird believes that its short-term and long-term success depends largely on the ability to attract and retain highly skilled personnel.

Contractual risks

SeaBird's business depends on contracts with customers regarding collection and sale / licensing of geophysical data. Each contract normally involves a substantial value or consideration to SeaBird. Furthermore, some of the contracts are governed by the law of the operations area, which may create both legal and practical difficulties in case of a dispute or conflict. SeaBird also operates in regions where the ability to protect contractual and other legal rights may be limited compared to regions with more well-established markets.

Operational risks

There will always be operational risks involved in performing offshore seismic surveys. This includes, inter alia, unexpected failure or damage to vessels and technical equipment, work accidents or adverse weather conditions. These risks can cause personal injury, prevent surveys to be performed as scheduled and other business interruptions, property and equipment damage, pollution and environmental damage. SeaBird may be subject to claims as a result of these hazards. SeaBird seeks to prevent loss or damages from such incidents by insurance, contractual regulations and emergency routines. However, there will always be some exposure to technical and operational risks, with unforeseen problems leading to unexpectedly high operating costs, substantial losses, additional investments, etc., which may have a material negative effect on SeaBird's operating results and financial position. If e.g. a vessel is rendered a total loss, the charter party will be void and SeaBird will under such circumstances lose income that would

otherwise come from operating this vessel. Additionally, the occurrence of any of these risks could damage SeaBird's reputation.

Technological risks

Segments of the seismic and oil service industry are characterised by rapid changes in technology. There can be no assurance that the Company will have the necessary financial and human resources to respond to new technological changes and innovations and emerging competition.

Fleet and charter risks

SeaBird charters some vessels for contractually agreed periods. However, SeaBird's need for vessels may vary from time to time, depending on the demand for SeaBird's services. If the number or quality of vessels available for surveys were to diminish below SeaBird's requirements, SeaBird's capacity to conduct surveys would be reduced. Moreover, a reduction in the number of vessels available to SeaBird could result from damage or destruction to them or other property loss, injury to personnel or because SeaBird cannot enter into or renew charters on economically reasonable terms or at all. Any reduction in the size or quality of the fleet may have a material adverse effect on SeaBird's operating revenues and business.

Environmental risk

SeaBird's operations are subject to numerous national and supra-national regulations including, but not limited to, environmental laws, health and safety laws, treaties and conventions, including, inter alia, those controlling the discharge of materials into the environment, requiring removal and clean-up of environmental contamination, establishing certification, licensing, health and safety, taxes, labour and training standards, operation of the vessels or otherwise relating to the protection of human health and the environment. The amendment or modification of such existing regulations or the adoption of new regulations curtailing or further regulating SeaBird's business could have a material adverse effect on SeaBird's operating results and financial condition. The Company cannot predict the extent to which future earnings or capital expenditures may be affected by compliance with such new regulations. The amendment or modification of existing regulations or the adoption of new regulations could also limit the use of SeaBird's fixed assets, in particular its vessels. SeaBird cannot predict the extent to which the use of its fixed assets may be affected by compliance with such new regulations.

2.2 Risk factors relating to SeaBird's financing

Financial risks

SeaBird has invested significant amounts in acquiring vessels and equipment. However, there can be no assurance that SeaBird is able to recover all costs and expenses associated with such investments. In general, SeaBird's future revenues are uncertain and depend on a variety of factors, many of which will be beyond SeaBird's control. SeaBird cannot guarantee that its investments will yield a satisfactory rate of return.

Liquidity risks

SeaBird is dependent upon timely payments of receivables from customers as well as having access to long term funding. Inability to collect receivables from major customers could have a severe negative impact on SeaBird's cash flow and liquidity. In order to successfully execute SeaBird's strategies, and to flexibly and effectively react to new opportunities and threats arising, SeaBird may seek to raise additional capital through equity issuance, debt financing, collaborative arrangements, strategic alliances or from other sources. If SeaBird is unable to generate adequate funds from operations or from additional sources, the business, results from operations and financial condition may be materially and adversely affected. Moreover, SeaBird's ability to obtain

such additional capital may be significantly affected by the general economic conditions at that particular point in time. Failure to obtain such capital could have severe detrimental impact on SeaBird's operations and financial situation and could ultimately lead to bankruptcy.

Risks related to performance bonds and liquidated damages

SeaBird may from time to time have performance bonds issued by banks in connection with its projects. If completions of such projects are delayed beyond the relevant deadlines SeaBird might be liable to cover part or all of such performance bonds and could consequently suffer liquidated damages on its contracts.

Risks related to debt arrangements

SeaBird's current and future debt arrangements may include covenants and undertakings of general, financial and technical nature and such debt arrangements may contain cross-default provisions. Failure by SeaBird to meet any of the covenants or undertakings could result in all outstanding amounts under the different debt arrangements becoming immediately due for payment. In addition, security rights granted to the lenders could be enforced. If outstanding debts were declared due for immediate payment, there would be no assurances that SeaBird would be able to meet its obligations, and there are no assurances that SeaBird would be able to obtain alternative financing, either on a timely basis or at all. Any breach of existing covenants and undertakings with a subsequent claim for repayment of all debts outstanding would thus have a material adverse effect on SeaBird's financial position and is likely to have a material adverse effect on the value of the Shares and the Company's operations and results.

Risk associated with exchange rate fluctuations

SeaBird has operations and performs businesses in a variety of currencies. However, SeaBird has no material outstanding foreign exchange contracts and cash is mainly held in USD. To manage the possibility of foreign exchange risk arising from future commercial transactions and recognised assets and liabilities, entities in the the SeaBird group may from time to time enter into various foreign exchange contracts. However, these activities provide only limited protection against potential currency-related losses.

Risk associated with interest rates

SeaBird's interest rate risk is mainly linked to its long-term and short-term interest-bearing debt. Interest-bearing debt issued at variable rates expose SeaBird to cash flow interest rate risk, while interest-bearing debt issued at fixed rates expose SeaBird to fair value interest rate risk. SeaBird aims to offset major effects linked to changes in the market rate, but an increase in interest rates can materially adversely affect SeaBird's cash flows and financial condition. Failure to comply with financial and other covenants may have a material adverse effect on SeaBird, including potential increased financial cost, requirement for additional security, new loan agreements on less favourable terms or cancellation of loans.

General tax risk

The Company is incorporated in Cyprus and has been tax resident in Norway since December 2011. The SeaBird group has subsidiaries and branches in Norway, Cyprus and in a number of other countries. The overall tax liability will depend on where the source of revenues is and/or where profits are accumulated and subject to taxation, as the different jurisdictions have very differing tax regimes and taxation rates. The taxation rules to which SeaBird is subject are of a complicated nature, and differences in interpretation between SeaBird and the relevant tax authorities may lead to SeaBird being subject to unexpected claims for unpaid taxes or sanctions as a consequence of breach of applicable tax legislation. The tax liability may also depend on the tax residence of the shareholders (and in certain instances indirect shareholders) of the Company, which may vary from time to time as the Shares are subject to trading. The tax position of investors may vary with

respect to each such individual investor, and investors should seek to obtain independent tax advice prior to purchasing or subscribing for shares in the Company.

Notice from Internal Revenue Service in the USA

SeaBird has received a notice from the Internal Revenue Service in the USA with requests to file tax returns and consequently a demand for paying tax for certain companies for previous years. The potential tax liability is uncertain and could potentially result in extra tax cost. SeaBird has accrued for USD 1.2 million as of year-end 2014 for this potential tax liability.

2.3 Risk factors relating to the Shares and the Warrants

Share price volatility

The SeaBird share price could experience substantial fluctuations caused by a number of factors. Many of these will be outside the Company's control and may be independent of its operational and financial development. Factors which may affect the share price include, but is not limited to, the following:

- Reactions to quarterly and annual reports published by the Company
- Changes in analysts' estimates
- Changes in the seismic industry in general
- Changes in market and financial prospects
- Rumours and speculation in the market
- The general sentiment in the stock market

Risks related to issuance of Shares or other securities

The Company has no current plans for future offerings of Shares. However, it is possible that the Company may decide to offer additional Shares in the future in order to strengthen its capital base or for other reasons. Any additional offering of Shares may be made at a significant discount to the prevailing market price and could have a material adverse effect on the market price of the outstanding Shares.

Risks associated with dilution

The Company may require additional capital in the future to finance its business activities and growth plans. The issuance of Shares in order to raise such additional capital, or as means of honouring options or warrants, may have a dilutive effect on the ownership interests of the shareholders of the Company at that time.

Due to regulatory requirements under foreign securities laws or other factors, foreign investors may not be able to participate in a new issuance of Shares or other securities and may face dilution as a result. Any investor that is unable or unwilling to participate in the Company's future share issuances will have their percentage shareholding diluted. Further, if foreign holders of the Shares are not able to receive trade or exercise pre-emptive rights granted in respect of their Shares in any rights offering by the Company, then they may not receive the economic benefit of such rights. In addition, their proportional ownership interests in the Company will be diluted.

Additional risks for holders of Shares that are registered in a nominee account

Beneficial owners of Shares that are registered in a nominee account (e.g., through brokers, dealers or third parties) may not be able to vote for such Shares unless their ownership is re-registered in their names with the VPS prior to the Company's general meetings. The Company cannot guarantee that beneficial owners of the Shares will receive the notice for a general meeting in time to instruct their nominees to either affect a re-registration of their Shares or otherwise vote for their Shares in the manner desired by such beneficial owners.

Transfer restrictions under the securities laws of United States and other jurisdictions

The Company has not registered its Shares under the U.S. Securities Act or the securities laws of other jurisdictions other than Norway, and the Company does not expect do so in the future. The Shares may not be offered or sold in the United States or to U.S. persons (as defined in Regulation S under the U.S. Securities Act), nor may they be offered or sold in any other jurisdiction in which the registration of the Shares is required but has not taken place, unless an exemption from the applicable registration requirement is available or the offer or sale of shares occurs in connection with a transaction that is not subject to these provisions. In addition, there can be no assurances that shareholders residing or domiciled in the United States will be able to participate in future capital increases.

2.4 Risk factors relating to the Bonds

SeaBird will assume substantial indebtedness

Following the issuance of Bonds, SeaBird will have substantial indebtedness which may limit the flexibility of its operations, its business, its financial capability and its ability to satisfy its obligations under the Bond Agreement and its other agreements, which could have negative consequences for the bondholders. Further, cross default provisions may be triggered by non-performance of the Bond Issuer or any member of the SeaBird group and may in certain situations be continuing even if the original default has been remedied. This may cause a situation where the SeaBird group and the Bond Issuer are required to prepay a substantial amount of their total indebtedness prior to its scheduled maturity.

SeaBird's cash flow may not be sufficient to service the Bonds

SeaBird is reliant on its subsidiaries to provide revenue and cash flow for it to service the bonds. If the subsidiaries are unable to generate sufficient cash flow from operations, or such cash flow is not available to the Bond Issuer to service its debts, SeaBird may need to obtain additional financing. Inability to obtain such refinancing or financing may have a material adverse effect on SeaBird's business, results of operations and financial position.

There will be only a limited trading market for the Bonds

The Bonds will be new securities for which currently there is no trading market. SeaBird will apply for the Bonds to be listed on the Oslo Stock Exchange or Nordic ABM. The liquidity of any market for the Bonds will depend on the number of holders of those Bonds, investor interest at large and relative to SeaBird and its business segment in particular, and the interest of securities dealers in making a market in those securities and other factors. Accordingly, there can be no assurance as to the liquidity of any such market that may develop or bondholders' ability to sell the Bonds.

The market price of the Bonds may be volatile

The market price of the Bonds could be subject to significant fluctuations in response to actual or anticipated variations in SeaBird's operating results and those of its competitors, adverse business developments, changes to the regulatory environment in which the Bond Issuer operates, changes in financial estimates by securities analysts and the actual or expected sale of a large number of Bonds, interest rates as well as other factors.

The Bonds will be subject to transfer restrictions

The Bonds have not been, and will not be, registered under the U.S. Securities Act, or under the securities laws of any other jurisdiction. The Bonds may not be transferred, offered or resold in the United States or to U.S. persons (as defined in Regulation S under the U.S. Securities Act) nor may they be transferred, offered or resold in any other jurisdiction in which the registration of the Bonds is required but has not taken place, unless an exemption from the applicable registration

requirement is available or the transfer, offer or resale of the Bonds occurs in connection with a transaction that is not subject to these provisions.

SeaBird may incur additional indebtedness

Despite SeaBird's current levels of indebtedness, group companies may incur substantially more debt, including in relation to new vessel and equipment leases, which could further exacerbate the risks associated with its substantial indebtedness and adversely affect its ability to service the Bonds and their trading price.

The Bond Agreement contains provisions permitting the Trustee or certain defined majorities to make decisions binding for all bondholders

The Bond Agreement contains 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. Further, the Trustee may, without the consent of the bondholders, agree to certain modifications, waivers, authorisations of breaches of the Bond Agreement and other finance documents (as defined in the Bond Agreement) and the substitution of the Bond Issuer which, in the opinion of the Trustee, are proper to make. Such modifications which will be binding upon the bondholders will be further described in the Bond Agreement.

Upon a change of control event the Bond Issuer may not be able to redeem the bonds

Upon the occurrence of a change of control event (as described in the Bond Agreement), each individual bondholder shall have a right of pre-payment of the Bonds at a price of 101% of par value plus all accrued and unpaid interest to the date of redemption together with a prepayment premium established in the Bond Agreement. However, it is possible that the Bond Issuer may not have sufficient funds at the time of the change of control event to make the required redemption of Bonds. The Bond Issuer's failure to redeem tendered Bonds would constitute an event of default under the Bond Agreement.

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

In accordance with the terms and conditions of the Bond Agreement, the Bonds are subject to mandatory prepayment by the Bond Issuer on the occurrence of certain specified events. Following any early redemption after the occurrence of a Mandatory Prepayment Event (as defined in the Bond Agreement), 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 and may only be able to do so at a significantly lower rate. It is further possible that the Bond Issuer will not have sufficient funds at the time of the Mandatory Prepayment Event to make the required redemption of Bonds.

The Bonds and their security may rank junior to certain preferred claims

As a general matter, the Bond Issuer's liabilities in respect of the Bonds may, in the event of a bankruptcy or insolvency proceeding or similar proceeding, rank junior to certain of the Bond Issuer's liabilities that may be entitled to priority under the laws of the relevant jurisdiction, including maritime liens. Further, the laws of the jurisdictions in which SeaBird's vessels may operate may give rise to the existence of maritime liens which may take priority over the liens securing the Bonds. Such liens may arise in support of, among other things, claims by unpaid ship builders or ship repairers remaining in possession of the vessels and claims for salvage. Maritime liens can sometimes attach without any court action, registration or documentation and accordingly their existence cannot necessarily be identified.

The value of the collateral securing the Bonds may not be sufficient to satisfy the Bond Issuers' obligations under the Bonds

There can be no assurance that the Trustee will be able to sell any of the security for the Bond Issue, including the vessels serving as collateral, without delays (or even at all) or that the proceeds obtained will be sufficient to pay all of the secured obligations. The value of the vessels and other collateral securing the Bonds and the amount actually received on any sale of the vessels and such other collateral will depend upon many factors.

The enforcement of rights as a bondholder across multiple jurisdictions may prove difficult

The enforcement of rights as a bondholder across multiple jurisdictions may prove difficult. Furthermore, in the event any bondholder's rights as a bondholder have been infringed, it may be difficult to enforce judgments against the Bond Issuer or its directors or management. The Bond Issuer is incorporated in Cyprus and the guarantors are incorporated under the laws of Cyprus, Singapore and Norway. The vessels serving as collateral are registered in the ship registry of Panama and operate globally. Their business is operated primarily from offices in Limassol (Cyprus), Oslo (Norway), Houston (USA), Singapore, Dubai (United Arab Emirates) and St. Petersburg (Russia). Local laws may prevent or restrict bondholders from enforcing a judgment against SeaBird' assets, the assets of its senior managers, the assets of the group parent company and/or the assets of the directors or management of the group parent company.

Any bankruptcy or insolvency proceedings may involve Cypriot, Norwegian and Singaporean insolvency law

As the Bond Issuer is incorporated in Cyprus and the guarantors are incorporated under the laws of Cyprus, Norway and Singapore, an insolvency proceeding relating to the Bond Issuer or any of the guarantors, even if brought in another jurisdiction, would likely involve Cypriot insolvency laws and possibly Norwegian and Singaporean insolvency law, the procedural and substantive provisions of which may differ from comparable provisions of those of other jurisdictions with which investors are familiar.

Following a default, the Trustee may not be able to realize any or all of the security

It may be difficult or even impossible for the Trustee to enforce the security. In particular, the enforcement of vessel mortgages (including the ones to be provided over each of the vessels) can be complicated, very costly, convoluted and time consuming. For example, it can be difficult to locate the vessels without the assistance of a specialist agency, or problematic to enforce the mortgage as it would be subject to the laws of the place where the vessel is situated at the time of enforcement. Even if the initial arrest of either of the vessels is achieved, the process (if any) by which it can be sold and the proceeds ultimately realized varies greatly from jurisdiction to jurisdiction. These issues further increase the risk that, after the enforcement of the security, following deduction of all costs and expenses incurred in connection with the enforcement, there may be insufficient funds to settle amounts owed under the Bonds. These and other factors relating to a forced sale of collateral could result in the bondholders losing all or part of their investment.

Failures or inadequacies in perfecting security

It is always possible that inadequacies or failures in perfecting the security may arise. Such inadequacies or failures may, inter alia, lead to unexpected and/or conflicting claims of bondholders, inability to enforce the security, reduced effectiveness of the security, loss of priority against other claims.

3 RESPONSIBILITY FOR THE PROSPECTUS

The board of directors of SeaBird Exploration Plc accepts responsibility for the information contained in this Prospectus. The members of the board of directors confirm that, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is, to the best of their knowledge, in accordance with the facts and contains no omission likely to affect its import.

30 April 2015

The board of directors of SeaBird Exploration Plc

Åge Korsvold
(Chairman)

Kitty Hall
(Director)

Kjell Mathiassen
(Director)

Melvin Teigen
(Director)

4 BACKGROUND RELATING TO THE RESTRUCTURING

4.1 Events leading up to the Restructuring

Towards the end of 2013 it became apparent to the board of directors and management of SeaBird that its working capital would be insufficient to cover its financial obligations over the next 12 months. In particular, available liquidity was insufficient to repay a convertible loan (as described in Section 10.2.5.2) upon its maturity in September 2014. As a consequence, SeaBird sought alternatives in the capital markets to manage near-term maturing debt.

Starting early 2014, SeaBird actively engaged with its largest stakeholders with the objective of securing a refinancing of its debt. To that extent, SeaBird and its financial advisors consulted with Nordic Trustee ASA (in its capacity as trustee for the SBX03 bond loan) and an informal ad hoc committee of SBX03 bondholders, as well as with other stakeholders, to explore alternatives to recapitalize the Company. In October 2014, at the request of the SBX03 ad hoc committee, SeaBird engaged AlixPartners London LLP to, *inter alia*, assist with information flow and to engage with the various stakeholders and advisors in order to achieve a restructuring with a sustainable capital structure.

During 2014, the industry environment for SeaBird deteriorated with reduced activity, which negatively impacted SeaBird's liquidity position. As a consequence, SeaBird was not able to pay its payables when due, including lease hires on leased vessels and other payables.

SeaBird, whose Shares are listed on Oslo Børs, announced the refinancing efforts on 1 October 2014, upon which the Shares were suspended from trading until the announcement of the Restructuring on 29 January 2015.

4.2 Announcement of the Restructuring

On 29 January 2015, SeaBird announced that agreement had been reached with certain lenders and creditors on the principal terms of the Restructuring, being a consensual restructuring of the SeaBird group. The purpose of the Restructuring is to facilitate a comprehensive restructuring of the SeaBird group's balance sheet and provide new funding for SeaBird.

The Restructuring followed the events described above and announcements made in 2014 to the effect that SeaBird was in default of its existing bonds, certain debt obligations and certain other financial commitments, and required new sources of funds to continue its operations. Consequently, SeaBird had for several months been in close dialogue with its creditors and other stakeholders in pursuit of new funding, resulting in agreement in principle reached with several of the SeaBird group's stakeholders with respect to the Restructuring.

4.3 Components of the Restructuring

The Restructuring comprised, among other things, the following:

- i. the issue by a Company subsidiary of SBX04, a new 3-year secured bond in two tranches, as further described in Section 5.4, including the subscription by TGS-NOPEC Geophysical Company ASA or any of its affiliates for USD 5 million in Tranche A of SBX04;
- ii. certain trade creditors claims against the SeaBird group to be converted into SBX04 and certain claims of a bunkering supplier to be converted into a credit line facility;
- iii. the principal amount outstanding under SBX03 being converted with 20% (approximately USD 16.2 million) into SBX04 and the remaining 80% (approximately USD 64.7 million) into equity at NOK 0.30 per share;

- iv. the principal amount outstanding under a convertible loan provided to the Company by Perestroika AS being converted with 20% (approximately USD 3 million) into SBX04 and the remaining approximately 80% (approximately USD 11.9 million) into equity at NOK 0.30 per share;
- v. outstanding charter hire for the Munin Explorer, Geo Pacific, Hawk Explorer and Voyager Explorer to be partially converted into SBX04 or a credit line facility, partially converted into equity and/or partially written down and the ongoing charter obligations to undergo certain amendments including a reduction in total charter hire of above USD 25,000 per day yielding an annual pre-tax cash flow improvement of above USD 9 million;
- vi. USD 0.7 million of restructuring advisory fees to be converted into SBX04 and USD 2.8 million of such fee being exchanged for 70,933,500 New Shares; and
- vii. a minimum of USD 8.5 million in new equity to be raised from certain investors, at NOK 0.10 per share, (which included a subscription by SBX03 holders of all monies standing to the credit of an interest service account pledged in favour of SBX03), and where each new share thus subscribed will entitle the subscriber to a three year warrant to subscribe for another share at a subscription price of NOK 0.10 per share.

In respect of the new equity requirement set out in item (vii) above, the Company had received commitments for subscriptions from stakeholders for approximately USD 6.5 million of this amount at NOK 0.10 per share, with the remaining approximately USD 2 million being guaranteed by a guarantee consortium, with a 2.5% guarantee commission. Of said amounts, Perestroika AS would subscribe for USD 2.5 million, and guarantee USD 1 million. In order to, amongst other things, eliminate the need for use of the guarantee, the Company announced its intention to seek further subscriptions for new equity (with warrants as described above) for a period from 29 January 2015 to 2 February 2015 at 16:30 CET. On 3 February 2015, SeaBird announced that it had received and accepted subscriptions for new equity in an amount of approximately USD 11.6 million.

In order to implement the share issue being undertaken as part of the Restructuring in the most tax efficient and timely manner, which was also the reason for raising the new equity as a private placement and not a rights issue, an extraordinary general meeting of the Company ("EGM1") was convened whereby the New Preference Shares would be issued for a limited period of time, being a new class of shares of the Company bearing certain special and increased rights resulting in 500 times shareholder rights (including voting rights and dividend rights) compared to the ordinary shares of the Company. The shares issued as new equity and the shares issued through conversion of debt were issued as New Preference Shares at a price of 500 times the subscription price per ordinary share (i.e. 500 times NOK 0.1 for new equity and 500 times NOK 0.3 for shares issued through conversion of debt). EGM1 was held on 19 February 2015 and approved of the issuance of the New Preference Shares.

In order to facilitate the conversion of the New Preference Shares into ordinary shares, a second separate extraordinary general meeting ("EGM2") was convened in which the Company would reduce its authorized and issued share capital through a reduction of the nominal value of its shares from USD 0.10 to USD 0.0001 and the authorized share capital of the Company should be simultaneously increased to a higher amount to be divided into ordinary shares of USD 0.0001 each, such higher amount to be specified in the notice for EGM2. The New Preference Shares should be convertible automatically into ordinary shares in the Company at a rate of 1 New Preference Share to 500 ordinary shares of nominal value USD 0.0001 each once the capital reduction was completed after notice periods, required under Cypriot regulations, had expired. EGM2 was held on 5 March 2015 and approved of the matters described above. The notice period expired on 3 April 2015 with no objections being made. Following such conversion, there are no New Preference Shares outstanding in the Company.

5 THE ISSUE AND LISTING OF THE NEW SHARES, WARRANTS AND BONDS

5.1 General information

5.1.1 Background

The background for the issue of the New Shares, the Warrants and the Bonds is described in Section 4.

The issue of the New Shares, the Warrants and the Bonds was announced on 29 January 2015 as part of the Restructuring of SeaBird, and update on the issue of the New Shares and Warrants was announced on 3 February 2015. The issue of the New Shares, the Warrants and the Bonds were documented by an investor presentation (which was made public by announcement on 29 January 2015), term sheets and terms of application.

As part of the Restructuring, SeaBird agreed to issue USD 11.6 million of new equity with warrants, a USD 29.3 million three-year secured bond (SBX04), a USD 2.4 million three-year secured credit facility and a USD 2.1 million three-year unsecured loan. SeaBird further agreed to convert the SBX03 loan of USD 80.9 million as well as a convertible loan of USD 14.9 million into a combination of Shares and the new SBX04 bond. Additionally, outstanding charter hires and vendor obligations were converted into equity, debt and/or partially written down.

The purpose of the Restructuring was to facilitate a comprehensive restructuring of the SeaBird group's balance sheet and provide new funding for SeaBird.

5.1.2 Proceeds, expenses, and use of proceeds

The table below sets forth an overview of the proceeds and uses of proceeds, including expenses, relating to the issue of the New Shares and the Bonds. There were no proceeds from the issue of the Warrants.

Sources of funds (USD million)		Uses of funds (USD million)	
Bond issue SBX04		General corporate purposes	13.3
- Tranche A (paid in cash)	5.0	Debt, payables and fees converted into SBX04	24.3
- Tranche B (conversion of debt)	24.3	Payables converted to new credit facilities	4.5
New credit facilities (conversion of debt)	4.5	Legal fees to be paid in cash	1.6
New equity (paid in cash)	11.6	Restructuring agent fees to be paid in cash	0.6
		Financial advisors' fees to be paid in cash	1.2
Sources of funds	45.5	Uses of funds	45.5

The net proceeds, described as the amount to be applied towards general corporate purposes, will primarily be applied towards SeaBird's working capital requirements. There are no particular plans for application of these proceeds towards particular investments (within or outside of the ordinary course of business), acquisitions of other businesses, or to discharge, reduce or retire financial indebtedness beyond the scheduled amortisation plans.

5.1.3 Advisors

ABG Sundal Collier Norge ASA, Fearnley Securities AS and Clarksons Platou Securities AS acted as financial advisors to the Company in respect of the Restructuring and as managers in respect of the issue of the New Shares, the Warrants and the Bonds. Advokatfirmaet Schjødt AS and Montanios & Montanios acted as Norwegian and Cypriot legal counsel to the Company, respectively. AlixPartners London LLP was engaged by the Company to, *inter alia*, assist with information flow and to engage

with the various stakeholders and advisors in order to achieve a sustainable capital structure as an effect of the Restructuring.

5.1.4 Interests of natural and legal persons involved

The Managers and their affiliates may have interests in the New Shares, the Warrants and the Bonds as they have provided from time to time, and may in the future provide, investment and commercial services to the Company and its affiliates in the ordinary course of their respective businesses, for which they may have received and may continue to receive customary fees and commissions. The Managers, their employees and any affiliate may currently own existing Shares and Bonds in the Company.

In particular, the Managers received, as part of the Restructuring, part settlement for restructuring advisory fees by means of USD 0.7 million in the Bond Issue, 70,933,500 New Shares and 70,933,500 Warrants.

The Managers have received a commission in connection with the issue of the New Shares, the Warrants and the Bonds and, as such, have an interest in the issue of the New Shares, the Warrants and the Bonds.

5.1.5 Publication of information

In addition to press releases, which will be posted on the Company's web site, the Company will use the Oslo Børs information system to publish information relating to its securities.

The Company does not intend to provide post-issuance information in respect of the Warrants.

5.2 Information specific to the issue and listing of the New Shares

5.2.1 The New Shares

The following main terms are applicable to the New Shares. A more detailed overview of the share capital of SeaBird Exploration Plc and the rights attached to the Shares is provided in Section 11.

Type and class of the New Shares	Ordinary shares of SeaBird Exploration Plc. Pending the publication of this Prospectus, the New Shares were issued as New Preference Shares with ISIN CY0105552125, and having rights corresponding to 500 ordinary shares. Following the publication of this Prospectus, each such New Preference Share will be converted into 500 New Shares under the same ISIN as the Company's existing Shares, being CY0101162119, and automatically become listed and tradable on Oslo Børs under the trading symbol "SBX".
Legislation under which the New Shares are created	The New Shares will, upon the publication of this Prospectus, be issued as ordinary shares in SeaBird Exploration Plc pursuant to the Articles of Association and in accordance with the Cyprus Companies Law, Chapter 113.
Form of securities	The Company's register of shareholders is maintained by the Company and kept in physical form at its registered office. Cyprus law requires that the Company's primary register is kept in Cyprus. To achieve compatibility of the requirements under Cyprus company law as to the registration and transfer of shares with Norwegian requirements, the shares are in uncertificated form. Since the Company's primary shareholders' register is kept in Cyprus, the VPS is treated as an overseas supplemental register which is deemed to form part of the main register of shareholders. The VPS registrar for the Shares is DNB Bank ASA, Verdipapirservice, P.O. Box 1600, N-0021 Oslo, Norway.

Rights attached to the New Shares	<p>The New Shares were entitled to any dividend declared by the Company from the date of their issuance and payment which was on 3 March 2015.</p> <p>All ordinary shares of the Company are entitled to dividends, if so declared, and there are no particular restrictions applicable on payment of dividends to non-residents of Cyprus. Any dividends will be declared in USD; however, shareholders who have supplied the Norwegian Central Securities Depository with a NOK account will receive their dividend in NOK to such account.</p> <p>All ordinary shares of the Company are entitled to one vote in a general meeting of the shareholders.</p> <p>The general meeting of the Company has authorized the board of directors to revoke pre-emptive rights of shareholders to subscribe for new shares being issued within the authorized capital of the Company.</p> <p>All ordinary shares of the Company have the right to their pro-rata share in profits and any surplus in the event of liquidation.</p>
Resolution	<p>The resolutions pursuant to which the New Shares were issued was made by general meetings of the Company in two steps:</p> <p>An extraordinary general meeting of the Company was held on 19 February 2015 to issue, for a limited period of time, a new class of shares referred to as New Preference Shares bearing certain special and increased rights resulting in 500 times shareholder rights (including voting rights and dividend rights) compared to the ordinary shares of the Company. Pursuant to this resolution, the board of directors resolved to issue the New Preference Shares on 2 March 2015.</p> <p>An extraordinary general meeting of the Company was held on 5 March 2015, in which the Company reduced its authorized and issued share capital through a reduction of the nominal value of its shares from USD 0.10 to USD 0.0001 and increased its authorized share capital. Further, at such general meeting the resolutions were passed whereby each New Preference Share would be automatically converted into 500 ordinary shares once the capital reduction had been completed after the notice period required under Cypriot regulations. Such conversion took place on 30 April 2015.</p>
Issue date	<p>On 2 March 2015, the Company issued 6,015,693 preference shares, each automatically convertible into 500 ordinary shares upon the reduction of the nominal value of its shares from US\$0.1 to US\$0.0001 and issue by the Registrar of Companies in Cyprus of the relevant certificate confirming such reduction. Such reduction is currently expected to be completed in April 2015, upon which the preference shares will be converted to 3,007,846,500 ordinary shares. After the approval of the Prospectus, these new ordinary shares will be transferred to the ISIN of the Company's ordinary shares (expected to take place on or about 7 May 2015), and admitted to trading on the Oslo Stock Exchange.</p>
Restrictions on transferability..	<p>The New Shares are freely transferable.</p>
Rules on mandatory takeover bids, squeeze-out and sellout..	<p>See Section 11.5.13.</p>
Public takeover bids	<p>The shares of the Company have not been subject to voluntary or mandatory takeover bids.</p>
Withholding tax	<p>Under current tax regulations applicable to the Company, no tax is being withheld in Cyprus in respect of dividends paid by the Company to non-Cyprus resident shareholders. No withholding tax is imposed as an effect of the issue of the New Shares nor by their listing.</p>

5.2.2 Summary of the terms of the issue of the New Shares

The following main terms applied to the issue of the New Shares. The issue of the New Share has been completed and no further New Shares are being offered by means of this Prospectus or otherwise.

Conditions for the offer.....	The issue of the New Shares is completed and irrevokable, and no further conditions apply for the issuance of the New Shares.
Amount of the offer	A total of 3,007,846,500 New Shares of the Company were offered as part of the Restructuring. No existing shares were offered for sale by any shareholder.
Time period and application process	2,123,159,000 of the New Shares were subscribed by converting stakeholders as announced on 29 January 2015, with the remaining 884,687,500 New Shares being subscribed in a private placement with a subscription period commencing on 29 January 2015 and ending on 2 February 2015.
Minimum and maximum application.....	The minimum application in the issue of the New Shares, including the private placement, was the NOK equivalent of EUR 100,000. No maximum application applied.
Method of payment and settlement	Settlement of the New Shares (by means of the New Preference Shares) took place on 3 March 2015, with the equivalent of 884,687,500 New Shares being settled against NOK 0.10 in cash per New Share and the remaining equivalent of 2,123,159,000 New Shares being settled against the part conversion of liabilities at NOK 0.30 per New Share. Settlement was made in VPS, the Norwegian Central Securities Depository.
Announcement.....	Announcement of the completion of the issue of the New Shares was made on Oslo Børs on 3 February 2015, with announcement of completed settlement thereof on 3 March 2015.
Pre-emptive rights.....	No pre-emptive rights applied to the issue of the New Shares.
Categories of investors.....	The New Shares were offered to known existing stakeholders of SeaBird on 29 January 2015 and to other investors, with no specific tranche being allocated to any category of investors.
Allocation to related parties and large investors	76,000,000 of the New Shares (2.53%) were allocated to Ordinat Shipping AS, a company wholly owned by a former board member of SeaBird Exploration Plc until his resignation on 6 November 2014, Mr. John Olav Økland. No other New Shares were allocated to members of SeaBird's management, supervisory or administrative bodies in the issue of the New Shares. A significant part of the New Shares were issued to prior SBX03 bondholders, the identity of which was not known to the Company, as well as to other prior lenders and creditors. The following investors gave notification of significant holdings in the Company immediately following the announcement of the Restructuring: <ul style="list-style-type: none"> • Perestroika AS, owning Shares and Warrants corresponding to 16.06% of the issued share capital and 17.27% of the fully diluted share capital, as last notified on 4 March 2015; • AOG Investment Ltd., owning Shares and Warrants corresponding to 12.93% of the issued share capital and 10.99% of the fully diluted share capital, as last notified on 4 March 2015;

- Farallon Capital Europe LLC acting together with Farallon Capital Management LLC, acting as investment managers for multiple entities owning Shares and Warrants corresponding to 11.81% of the issued share capital and 10.04% of the fully diluted share capital, as last notified on 4 March 2015;
- Pacifcor, LLC, owning Shares and Warrants corresponding to 6.24% of the issued share capital and 6.57% of the fully diluted share capital, as last notified on 5 March 2015;
- Ordinat Shipping AS, owning Shares and Warrants corresponding to 4.34% of the issued share capital and 5.29% of the fully diluted share capital, as last notified on 4 March 2015.

Pre-allotment disclosure	As the issue of the New Shares has been completed, such pre-allotment disclosures are not relevant. The issue of the New Shares was not split into specific tranches (such as retail or employee tranches). Allocation to each investor was done by the board of directors of SeaBird Exploration Plc. The minimum allocation applied in the issue of the New Shares was 8,700,000 Shares.
Notification of allocation	Each subscriber was informed by mail of his or her conditional allocation, which was subject to the resolution thereof being made by the board of directors under authorisation by resolution of an extraordinary general meeting of the Company held on 19 February 2015.
Over-allotment / "green shoe".	No over-allotment was applied in the issue of the New Shares and no stabilisation measures were undertaken as part thereof.
Pricing.....	2,123,159,800 of the New Shares, representing shares issued as settlement for conversion of liabilities, were subscribed at a fixed subscription price of NOK 0.30 per New Share, while the remaining 884,687,500 New Shares, representing shares issued against cash settlement, were subscribed at a fixed subscription price of NOK 0.10 per New Share.
Basis for pricing; reasons for revoked pre-emptive rights.....	The subscription price applied in the issue of the New Shares represented a discount to the market price of the shares of SeaBird prior to the announcement of the Restructuring, being NOK 0.95 per share on 30 September 2014 when the Company's shares were suspended from trading until the announcement of the Restructuring on 29 January 2015. The basis for deciding the subscription price was the large capital requirement under the Restructuring and a negotiation with the parties converting liabilities into New Shares. The basis for revoking pre-emptive rights in the issue of the New Shares was the timing constraints under which the issue of the New Shares needed to be concluded as part of the Restructuring.
Potential disparity between the subscription price and cost to related persons	To the knowledge of SeaBird, no member of administrative, management or supervisory bodies or senior management have acquired shares in the Company during the past year, or have rights to acquire such shares, at a share price which is lower than the highest subscription price applied in the issue of the New Shares.
Managers	The managers of the issue of the New Shares were: ABG Sundal Collier Norge ASA, Munkedamsveien 45E, N-0201, Oslo, Norway Fearnley Securities AS, P.O.Box 1158 Sentrum, N-0107 Oslo, Norway Clarksons Platou Securities AS, Munkedamsveien 62C, N-0270 Oslo, Norway
Depository agent	DNB Bank ASA, Verdipapirservice, P.O. Box 1600, N-0021 Oslo, Norway.
Underwriting	The following entities provided a guarantee, by agreement dated on or before 27 January 2015, for the subscription of a minimum of USD

2.0million in the private placement being a part of the issue of the New Shares, against a fee of 2.5% of their respective guarantee amounts as set out below:

Perestroika AS (Statsminister Michelsens vei 38, 5230 Paradis, Norway) – USD 1.0 million
 Tigerstaden AS (Lilleakerveien 16, 0283 Oslo, Norway) – USD 0.5 million
 MP Pensjon PK (Lakkegata 23, 0187 Oslo, Norway) – NOK 0.25 million
 Imagine Capital AS (Bakkavör 28, 170 Seltjarnanes, Iceland) – USD 0.12 million
 NEF Kapitalforvaltning AS (Munkedamsveien 35, 0250 Oslo, Norway) – USD 0.12 million

5.2.3 Admission to trading and dealing arrangements

The following main terms apply to the listing of the New Shares.

Listing of the New Shares	The New Shares become tradeable on Oslo Børs upon publication of this Prospectus and the subsequent conversion into the ordinary ISIN of the Company's Shares, expected to take place on or about 7 May 2015, under the trading symbol "SBX". No arrangements have been made for the trading of the New Shares on other regulated markets.
Market maker arrangements ...	The Company does not have arrangements with entities to provide market making or similar activities in respect of the Shares.
Stabilization arrangements	No price stabilization arrangements are in place or have been made in respect of the New Shares.

5.2.4 Shares following the issue of the New Shares; Dilution

As a consequence of the new issue of the New Shares, the number of issued Shares in the Company was increased from 57,581,246 to 3,065,427,746 Shares, each with a nominal value of USD 0.0001. A description of the Shares is set forth in Section 11 herein.

Shareholders who did not participate in the issue of the New Shares were subject to a direct dilution of their ownership as set forth in the table below, which also sets forth the dilutive effect pursuant to the exercise of the Warrants:

	Prior to issue of the New Shares	After issue of the New Shares	Upon full exercise of the Warrants
Number of Shares.....	57,581,246	3,065,427,746	3,950,115,246
% dilution.....	-	98.1%	98.5%

5.3 Information specific to the issue and listing of the Warrants

5.3.1 The Warrants

The following main terms are applicable to the Warrants.

Type and class of securities	Warrants each giving the right to subscribe for one ordinary share of SeaBird Exploration Plc at a fixed price of NOK 0.10 per ordinary share. The Warrants are registered in book-entry form in VPS with ISIN CY0135682116 and with DNB Bank, Verdipapirservice, P.O.Box 1600, N-0021 Oslo as registrar.
Relation to underlying securities.....	Each Warrant can be used to subscribe, within their expiration on 15 January 2018, for one Share of the Company at an exercise price of NOK

0.10. The value of the Warrants lies in the positive difference, if any, between the market price of the share price of the Shares and the exercise price of the Warrants, or in such expected future difference. The Warrants have no value if exercised at a time when the market price of the Shares are lower than the exercise price of the Warrants, as Shares could then be acquired at a lower price in the market.

If not exercised until their expiration, the Warrants will lapse with no value.

Legislation	The Warrants are issued under Cyprus law.
Currency	The currency for the Warrants (in relation to the exercise price) is NOK.
Ranking.....	Not applicable.
Rights and procedures.....	The Warrants do not give rights to any dividend declared by the Company or other shareholder rights, until having been exercised and Shares have been issued pursuant to such exercise. The Shares issued following exercise of Warrants shall carry a right to dividend from the accounting year in which such Shares are issued and other shareholder rights upon the date of issue. Exercise of the Warrants shall be made by written request to the board of directors, clearly instructing the Company that a certain number of Warrants shall be exercised and including the number of Shares to be subscribed for. The Warrants do not give right in the event of a bankruptcy.
Resolutions	The issuance of the Warrants was resolved by a meeting of the board of directors of the Company on 2 March 2015 pursuant to an authorization provided by a general meeting of the Company on 19 February 2015.
Issue date	The Warrants were issued on 2 March 2015.
Transferability	There are no restrictions on the transferability of the Warrants.
Expiration.....	The Warrants may be exercised by their holders at any time prior to 15 January 2018.
Settlement procedures	Payment for subscribed Shares pursuant to exercise of the Warrants shall be made no later than 10 business days after the exercise notice has been sent to a bank account nominated in writing by the Company to the holder of the Warrant. The Company shall cause the subscribed Shares to be issued within three months of due exercise of the Warrants and payment of the Shares.
Return on warrants.....	Not applicable.
Withholding tax.....	Under current tax regulations applicable to SeaBird Exploration Plc, no withholding tax is imposed as an effect of the issue of the Warrants not by their listing.
Exercise price.....	NOK 0.10 per Share, being the subscription price for which Shares can be subscribed under the Warrants.
Information about underlying security	Holders of Warrants may inform themselves about the underlying security for the Warrants, being the Shares of SeaBird Exploration Plc with ISIN CY0101162119, through the trading system on Oslo Børs where the Shares are traded under the trading symbol "SBX". The trading in the underlying security, being the Shares of the Company, may be affected by suspensions, trading halts, delisting and similar events.
Potential disruptions affecting underlying security	Not applicable.
Adjustment rules	In the event the Company's share capital or number of Shares is changed

by way of a stock split or stock consolidation, or another capital transaction for no consideration with the same effect for the holder of a Warrant, then the number of Warrants, and the consideration for the Shares to be issued in the Company upon exercise of the Warrants, shall be adjusted accordingly and, if necessary, rounded downwards to the nearest whole number.

5.3.2 The issue of the Warrants

The following main terms applied to the issue of the Warrants. The issue of the Warrants has been completed and no further Warrants are being issued by means of this Prospectus or otherwise.

Conditions for the offer.....	The issue of the Warrants is completed and irrevokable, and no further conditions apply for the issuance of the Warrants.
Total amount of the offer.....	A total of 884,687,500 Warrants were offered, against no separate consideration.
Time period and application process	The Warrants were subscribed as part of the private placement being part of the Restructuring with a subscription period commencing on 29 January 2015 and ending on 2 February 2015.
Minimum and maximum application	Not applicable.
Method of payment and settlement	Not applicable.
Announcement	Announcement of the completion of the offer of the Warrants was made on Oslo Børs on 3 February 2015, with announcement of completed settlement thereof on 3 March 2015.
Categories of investors.....	The issue of the Warrants was made to known existing stakeholders of SeaBird on 29 January 2015 and to other investors, with no specific tranche being allocated to any category of investors.
Notification of allocation	Each subscriber was informed by mail of his or her conditional allocation, which was subject to the resolution thereof being made by the board of directors under authorisation by resolution of an extraordinary general meeting of the Company held on 19 February 2015.
Pricing.....	No separate consideration was paid for the Warrants.
Managers	The managers for the issue of the Warrants were: ABG Sundal Collier Norge ASA, Munkedamsveien 45E, N-0201, Oslo, Norway Fearnley Securities AS, P.O.Box 1158 Sentrum, N-0107 Oslo, Norway Clarksons Platou Securities AS, Munkedamsveien 62C, N-0270 Oslo, Norway.
Paying and depository agent ...	DNB Bank ASA, Verdipapirservice, P.O.Box 1600, N-0021 Oslo, Norway.
Underwriting	Not applicable.
Calculation agent.....	DNB Bank ASA, Verdipapirservice, P.O.Box 1600, N-0021 Oslo, Norway.

5.3.3 Admission to trading and dealing arrangements

The following main terms apply to the listing of the Warrants.

Listing of the Warrants	Application for listing of the Warrants on Oslo Børs has been made. No arrangements have been made for the trading of the Warrants on other
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regulated markets.

Market maker arrangements ...	The Company does not have arrangements with entities to provide market making or similar activities for the Warrants.
Stabilization arrangements	No price stabilization arrangements are in place or have been made in respect of the Warrants.

5.4 Information specific to the issue of the Bonds

5.4.1 The Bonds

The following main terms are applicable to the Bonds. The full terms in respect of the Bonds are given in the bond agreement which is appended hereto as Appendix 1.

Name, type and class of the Bonds	SeaBird Exploration Finance Limited First Lien Callable Bond Issue 2015/2018, divided into a Tranche A of USD 5.0 million (ISIN NO 001 0732043) and a Tranche B of USD 24.3 million (ISIN NO 001 0732076).
Legislation	The bond agreement has been prepared under Norwegian law with disputes thereunder to be subject to Norwegian courts (at the competent legal venue of the trustee).
Registration and registrar	The Bonds are registered in book-entry form with the Norwegian Central Securities Depository (Nw.: Verdipapirsentralen, VPS) with DNB Bank ASA, Verdipapirservice, P.O.Box 1600, N-0021, Norway as the registrar.
Currency	The currency of the Bonds is USD.
Ranking.....	The Bonds shall rank as senior secured debt of the Bond Issuer, secured on a first priority basis in certain assets of the Bond Issuer and the guarantors (being the Company and its material operating subsidiaries), and otherwise rank at least pari passu with the claims of its other unsubordinated creditors, except for obligations which are mandatorily preferred by law. The Bonds shall rank ahead of any subordinated capital. Reference is made to Clause 8.2 of the bond agreement in respect of the Bonds, appended hereto as Appendix 1.
Rights attached to the Bonds ..	<p>The bondholders' meeting represents the supreme authority of the bondholders' community in all matters relating to the Bonds, and has the power to make all decisions altering the terms and conditions of the Bonds, including, but not limited to, any reduction of principal or interest and any conversion of the Bonds into other capital classes. The bondholders have the right to vote in the bondholders' meeting.</p> <p>The authority, procedures and resolutions applicable to the bondholders' meeting are further set out in Clause 22 of the bond agreement.</p>
Interest rate and provisions relating to interests payable....	<p>Tranche A shall bear interest at 12.0% per annum, quarterly interest payment.</p> <p>Tranche B shall bear interest at 6.0% per annum, quarterly interest payment.</p> <p>Interest on the Bonds shall start to accrue on the settlement date and shall be payable quarterly in arrears on the interest payment day in March, June, September and December each year, with the first interest payment being 3 June 2015 and the last interest payment date being 3 March 2018. If the relevant interest payment date is not a banking day in Oslo, interest shall be paid on the next banking day in Oslo.</p> <p>The day count fraction in respect of the calculation of the payable interest</p>

amount shall be "30/360".

The time limit on the validity of claims to interest and repayment of principal in respect of the Bonds is in accordance with the Norwegian Limitation Act of May 18, 1979 No. 18, being 10 years.

Maturity and amortisation..... No amortisation shall be made for the two first years after the settlement date of the Bonds. Thereafter, from and including the interest payment date in June 2017, the Bonds shall be repaid in quarterly instalments of USD 2.0 million on each interest payment date and a balloon repayment on maturity date being 3 March 2018. Instalments shall be made on pro-rata basis between Tranche A and Tranche B.

Mandatory prepayment shall be made in the events of certain events (sale or disposal of a vessel, cessation of full ownership in a guarantor, sale of the SeaBird group's multi client library, or total loss of a vessel). The distribution of mandatory prepayment between Tranche A, Tranche B and other creditors in each such event is set out in Clause 10.4 of the Bond Agreement appended hereto.

Upon the occurrence of a change of control event (as used in the Bond Agreement Clause 10.3), each bondholder has the right to require that the Issuer redeems the bonds held by that bondholder (a "put option") at a price of 101% of par plus accrued interest. The put option must be exercised within 30 calendar days after the Bond Issuer has given notification to the Bond Trustee of a change of control event. Such notification shall be given as soon as possible after a change of control event has taken place, see the Bond Agreement section 10.3.

Bond Issuer's call option..... The Bond Issuer may redeem the Bonds (in part or in whole) at any time before maturity date at par value (plus accrued unpaid interest on the redeemed Bonds).

The Bond Issuer shall notify the Bond trustee and the bondholders no later than ten banking days prior to settlement of the call. The terms of such early redemption are set out in Clause 10.2 of the bond agreement for the Bonds, appended hereto as Appendix 1.

Yield Tranche A of the Bonds carries a coupon of 12.0% per annum with quarterly interest payments, which equals a yield to maturity of 12.55% on the basis of the par value of the Bonds. The yield to any investor will depend on the market price of the Bonds.

Tranche B of the Bonds carries a coupon of 6.0% per annum with quarterly interest payments, which equals a yield to maturity of 6.14% on the basis of the par value of the Bonds. The yield to any investor will depend on the market price of the Bonds.

The yield is calculated in the following way, where r is the effective annual yield, i the nominal rate, and n the number of compounding periods per year (4 for quarterly compounding):

$$r = (1 + i/n)^n - 1$$

Bondholders' representatives .. Nordic Trustee ASA acts as trustee for the bondholders. The provisions applying to such representation are set out in Clause 23 of the bond agreement for the Bonds, appended hereto as Appendix 1.

Resolution The bond agreement in respect of SBX04 was signed on 2 March 2015 pursuant to an authorisation provided to the signatories thereof by a meeting of the board of directors of the Company on 20 February 2015.

Issue date The Bonds were issued on 3 March 2015.

Transferability	The Bonds are not subject to restrictions on transfer. Application will be made for listing on Oslo Børs or Nordic ABM no later than six months after the settlement date.
Withholding tax	The Bond Issuer shall pay any stamp duty and other public fees in connection with the Bonds, but not in respect of trading in the secondary market, except to the extent by reason of operation of applicable laws, and shall deduct at source any applicable withholding tax payable pursuant to law, subject to standard gross-up and gross-up call provisions. Under current tax regulations applicable to SeaBird Exploration Plc, no tax is being withheld in Cyprus in respect of interest payments or repayment of the Bonds to non-Cyprus resident lenders. No withholding tax is imposed as an effect of the issue of the Bonds nor by their listing.

5.4.2 Summary of the terms of the Bond Issue

The following main terms applied to the Bond Issue. The Bond Issue has been completed and no further Bonds are being offered by means of this Prospectus or otherwise.

Conditions for the offer.....	The Bond Issue is completed and irrevokable, and no further conditions apply for the issuance of the Bonds.
Total amount of the offer.....	The total amount of Bonds issued in the Bond Issue was USD 29,344,751, divided into Tranche A of USD 5,000,000 and Tranche B of USD 24,344,751, with the nominal value of each bond being USD 1.
Time period and application process	Not applicable. The Bond Issue was subscribed as part of the Restructuring, as announced on 29 January 2015.
Minimum and maximum application.....	Not applicable. No individual minimum or maximum amount applied to the Bond Issue.
Method of payment and settlement	Tranche A was settled against payment of USD 5,000,000 in cash. Tranche B, of USD 24,344,751, was settled against retirement of other liabilities.
Announcement	The Bond Issue was announced on 29 January 2015.
Pre-emptive rights	No pre-emptive rights applied for the Bond Issue.
Categories of investors.....	Not applicable.
Allocation to related parties and large investors	Tranche A, of USD 5.0 million, was subscribed in full by TGS-NOPEC Geophysical Company ASA (or an affiliate thereof), being an unrelated party which is a client of SeaBird. Tranche B, of USD 24.3 million, was subscribed by conversion from SBX03 (approximately USD 3 million), by conversion of a convertible loan issued to Perestroika AS (approximately USD 16.2 million) and by conversion of other liabilities. The Company does not have an overview of the prior holders of SBX03, nor of the holders of SBX04.
Notification of allocation	The Bonds were allocated, and notice was given, in accordance with the terms of the agreed Restructuring.
Pricing.....	The Bonds were issued at 100% of par.
Managers	The managers of the Bond Issue were: ABG Sundal Collier Norge ASA, Munkedamsveien 45E, N-0201, Oslo, Norway Fearnley Securities AS, P.O.Box 1158 Sentrum, N-0107 Oslo, Norway Clarksons Platou Securities AS, Munkedamsveien 62C, N-0270 Oslo, Norway
Agent.....	DNB Bank ASA, Verdipapirservice, P.O.Box 1600, N-0021 Oslo, Norway.

Underwriting No underwriting or guarantee for the full subscription of the Bond Issue was provided.

5.4.3 Listing of the Bonds

The following main terms apply to the listing and trading of the Bonds.

Application for listing Under the bondholder agreement, the Bond Issuer has committed to apply for listing of the Bonds on Oslo Børs or Nordic ABM no later than six months after the settlement date for the Bonds. An application for listing of the Bonds on Oslo Børs or Nordic ABM is expected to be submitted upon approval and publication of this Prospectus.

Listing on other markets..... No arrangements have been made for the trading of the Bonds on other regulated markets.

Market maker arrangements... No market-maker arrangements have been made for the Bonds.

5.4.4 Issuer information in respect of the Bonds

Reference is made to Section 14.1.

5.4.5 Guarantor information in respect of the Bonds

Reference is made to Section 14.2.

5.5 Transfer restrictions

5.5.1 General

No actions have been taken, and no actions are intended to be taken, to register the New Shares, the Warrants or the Bonds in any other jurisdiction than in Norway. The transfer of any of these securities in or into various jurisdictions may be restricted or affected by law in such jurisdictions.

No securities of the Company are being offered by means of this Prospectus. This Prospectus does not constitute an invitation to purchase any of the securities of the Company in any jurisdiction in which such offer or sale would be unlawful. No one has taken any action that would permit a offering of the securities of the Company to occur outside of Norway. Accordingly, neither this Prospectus nor any advertisement or any other material may be distributed or published in any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. The Company and the Managers require persons in possession of this Prospectus to inform themselves about and to observe any such restrictions. The securities of the Company may be 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 such restrictions may constitute a violation of the securities laws of any such jurisdiction.

The following is a summary of certain transfer restrictions that may apply to the securities of the Company pursuant to legislation in certain jurisdictions. The contents do not constitute an exhaustive description of all transfer restrictions that may apply in such jurisdictions, and similar or other restrictions may also follow from applicable laws and regulations in other jurisdictions.

5.5.2 Transfer restrictions – United States

The securities of the Company have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Terms defined in Rule 144A or Regulation S shall have the same meaning when used in this Section.

Each purchaser of the securities of the Company outside the United States pursuant to Regulation S will be deemed to have acknowledged, represented and agreed that it has received a copy of this Prospectus and such other information as it deems necessary to make an informed decision and that:

- The purchaser is authorised to consummate the purchase of the securities of the Company in compliance with all applicable laws and regulations.
- The purchaser acknowledges that the securities of the Company have not been and will not be registered under the Securities Act or with any securities regulatory authority or any state of the United States, and are subject to significant restrictions on transfer.
- The purchaser is, and the person, if any, for whose account or benefit the purchaser is acquiring the securities of the Company was located outside the United States at the time the buy order for the securities of the Company was originated and continues to be located outside the United States and has not purchased the securities of the Company for the benefit of any person in the United States or entered into any arrangement for the transfer of the securities of the Company to any person in the United States.
- The purchaser is not an affiliate of the Company or a person acting on behalf of such affiliate, and is not in the business of buying and selling securities or, if it is in such business, it did not acquire the securities of the Company from the Company or an affiliate thereof in the initial distribution of such securities.
- The purchaser is aware of the restrictions on the offer and sale of the securities of the Company pursuant to Regulation S described in this Prospectus.
- The securities of the Company have not been offered to it by means of any "directed selling efforts" as defined in Regulation S.
- The Company shall not recognise any offer, sale, pledge or other transfer of the securities of the Company made other than in compliance with the above restrictions.
- The purchaser acknowledges that the Company, the Managers and their respective advisers will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

Each purchaser of the securities of the Company within the United States pursuant to Rule 144A acknowledges, represents and agrees that it has received a copy of this Prospectus and such other information as it deems necessary to make an informed investment decision and that:

- The purchaser is authorized to consummate the purchase of the securities of the Company in compliance with all applicable laws and regulations.
- The purchaser acknowledges that the Securities of the Company have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and are subject to significant restrictions to transfer.
- The purchaser (i) is a QIB (as defined in Rule 144A), (ii) is aware that the sale to it is being made in reliance on Rule 144A and (iii) is acquiring such Securities of the Company for its own account or for the account of a QIB, in each case for investment and not with a view to any resale or distribution of the Securities of the Company, as the case may be.
- The purchaser is aware that the Securities of the Company are being offered in the United States in a transaction not involving any Offering in the United States within the meaning of the U.S. Securities Act.
- If, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Securities of the Company, as the case may be, such shares may be offered, sold, pledged or otherwise transferred only (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A, (ii) in accordance with Regulation S, (iii) in accordance with Rule 144 (if

available), (iv) pursuant to any other exemption from the registration requirements of the U.S. Securities Act, subject to the receipt by the Company of an opinion of counsel or such other evidence that the Company may reasonably require that such sale or transfer is in compliance with the U.S. Securities Act or (v) 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 or territory of the United States or any other jurisdiction.

- The purchaser is not an affiliate of the Company or a person acting on behalf of such affiliate, and is not in the business of buying and selling securities or, if it is in such business, it did not acquire the Securities of the Company from the Company or an affiliate thereof in the initial distribution of such Shares.
- The Securities of the Company are "restricted securities" within the meaning of Rule 144A (3) and no representation is made as to the availability of the exemption provided by Rule 144 for resale of any Securities of the Company, as the case may be.
- The Company shall not recognise any offer, sale pledge or other transfer of the Securities of the Company made other than in compliance with the above-stated restrictions.
- The purchaser acknowledges that the Company, the Selling Shareholder, the Managers and their respective advisers will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements. No securities are being offered in any jurisdiction by means of this Prospectus.

5.5.3 *Transfer restrictions – other jurisdictions*

Similar or other restrictions may also exist for investors in other jurisdictions in respect of the securities of the Company.

6 DESCRIPTION OF SEABIRD

6.1 Group and industry overview

6.1.1 The SeaBird group

SeaBird is a global provider of marine acquisition for seismic data, and associated products and services to the oil and gas industry. SeaBird specializes in high quality operations targeting the high end of the 2D, source and niche 3D seismic sectors. Main focus for the company is client proprietary seismic surveys (contract seismic), and to a lesser extent seismic surveys for multi-client sales. Main success criteria for the company are an unrelenting focus on Health, Safety, Security, Environment and Quality (HSSEQ), combined with efficient collection of high quality seismic data.

SeaBird owns four vessels (Harrier Explorer, Aquila Explorer, Osprey Explorer and Northern Explorer) and charters four vessels (Geo Pacific, Hawk Explorer, Voyager Explorer and Munin Explorer) through bareboat agreements. These eight vessels, together with associated seismic equipment, make up SeaBird's principal assets, and together with trained crews, make up its principal sources of income. A further description of the fleet and key assets is set forth in Section 6.5.

During the fall of 2014 and beginning of 2015, mainly as a result of market conditions having deteriorated over time to render SeaBird unable to meet its financial obligations, SeaBird completed the Restructuring described in Section 4.

The ultimate parent company of the SeaBird group, SeaBird Exploration Plc, is a public limited liability company incorporated in the Republic of Cyprus. An overview of the group structure is set forth in Section 6.3. SeaBird has been listed on the Oslo Stock Exchange since April 2006 under the ticker-code "SBX".

6.1.2 Industry and business overview

A presentation of the seismic industry and the key drivers for market conditions in this industry is set forth in Section 8.

The seismic industry plays an important role in the exploration of the world's hydrocarbon resources (oil and gas). Seismic surveys are undertaken to scan geological formations for patterns that can indicate opportunities for hydrocarbons in the ground, whether on land or under the sea bed, or to provide information about known formations of such hydrocarbons.

Seismic surveys make use of acoustic waves that are sent into the ground and which are reflected by the ground. The acoustic patterns reflected can be processed to provide information about the structure of the subsurface.

When making offshore seismic surveys, specialized vessels and equipment are used to send and receive these acoustic waves. The principal form of equipment used is so-called streamers, being long cables with recording equipment that are referred to as hydrophones.

Seismic surveys can be undertaken in several manners, giving different detail of information and at different cost. These types of surveys are often referred to as 2D, 3D and 4D surveys, referring to the number of dimensions that are surveyed. 2D seismic makes use of a single streamer and represents an efficient method to scan large areas at a competitive cost, while 3D seismic makes use of more streamers at a higher cost. 4D seismic makes use of several 3D surveys, adding time as the fourth dimension, and is more costly.

In addition to the seismic surveys undertaken by vessels and streamers, being mobile equipment, seismic surveys can also be done by means of stationary equipment placed on the sea bed, referred to as ocean bottom nodes. Such surveys are generally more costly than conventional seismic surveys undertaken by vessels.

The principal types of seismic surveys, and the equipment employed in each type of survey, can be summarized as follows:

- Conventional 2D vessels towing one streamer and an array of air-guns;
- Conventional 3D vessels towing from two to twenty streamers and an array of air-guns;
- Ocean bottom survey vessels operating air guns and deploying recording devices on the seafloor; and;
- Source vessels only operating air guns. These are used if there is a need to increase the distance between the recordings (2D or 3D vessel) or if there is a need for several sources (gun arrays) in different locations.

SeaBird's business is principally related to the ownership and operation of vessels used as 2D and/or 3D seismic vessels, or as source vessels. All of the vessels in the Group's fleet are capable of working both as seismic vessels and as source vessels. Two of the vessels have 3D capability, while the remaining six vessels have 2D capability. SeaBird's engagement in 3D seismic is referred to as niche 3D, as the vessels are smaller and have less streamer capacity than the more advanced and expensive vessels that dominate the 3D market. SeaBird's engagement in 2D seismic is referred to as "high end", making reference to its ability to provide service to the major oil companies, which involves approval of HSSEQ systems as further set out in Section 6.6. Companies without such approvals will not be able to have their vessels employed by such oil companies, but may find employment for their vessels with other seismic companies having such approvals, or with other clients that have less stringent demands to HSSEQ systems. An overview of the vessels and their specifications is set forth in Section 6.5.

SeaBird principally employs its vessels in so-called contract seismic, where the client becomes the sole owner of the seismic data being collected. An overview of the contract coverage for SeaBird's vessels is provided in Section 6.5.1.

SeaBird also collects seismic data for its own account (in whole or part), for later sales to third parties. This is referred to as multi-client seismic. Multi-client seismic carries a higher risk, as costs are carried with no certainty of their recovery through later sales. Multi-client seismic traditionally accounts for a smaller part of SeaBird's business. An overview of SeaBird's multi-client seismic and multi-client library is provided in Section 6.5.2.

The processing of seismic raw data is a computer intensive process, and the analysis of such seismic data is a highly specialized and expertized operation. The majority of data collected by SeaBird's vessels is delivered for processing and analysis by its clients.

6.2 History

SeaBird was founded in 1996, when a predecessor company was formed to supply seismic vessel capacity to larger seismic service providers. From 2000, the business model was extended to offer seismic services directly to end customers and leverage the extensive competency developed in-house. SeaBird had at this stage constructed a team of highly experienced industry professionals with significant expertise in high-quality seismic operations.

SeaBird's shares were listed on Oslo Børs in 2006. The same year, the company acquired an ocean bottom node seismic company, a business which was subsequently divested in 2011. Since 2011, SeaBird has focused solely on marine seismic operation.

SeaBird currently has a global fleet of efficient vessels targeting the 2D, source and niche 3D seismic sectors. SeaBird believes it is one of the world's largest independent suppliers of 2D and source seismic services.

In January 2015, announced that agreement had been reached with certain lenders and creditors on the principal terms of the Restructuring, being a consensual restructuring of the SeaBird group. The purpose of the Restructuring is to facilitate a comprehensive restructuring of the SeaBird group's balance sheet and provide new funding for SeaBird.

The Restructuring followed announcements made in 2014 to the effect that SeaBird was in default of its existing bonds, certain debt obligations and certain other financial commitments, and required new sources of funds to continue its operations. Consequently, SeaBird had for several months been in close dialogue with its creditors and other stakeholders in pursuit of new funding, resulting in agreement in principle reached with several of the SeaBird group's stakeholders with respect to the Restructuring. The background to the Restructuring is further set out in Section 4 and the components of the Restructuring are further set out in Sections 4 and 5.

6.3 Legal and group structure

The Company serves as SeaBird's group parent company and is a public company limited by shares, registered under the Companies Law, Ch. 113 of the statute Laws of the Republic of Cyprus (as amended) and with registration number 259593 in the Registry of Companies, being a department of the Cyprus Ministry of Commerce, Industry and Tourism. The Company was originally incorporated on 28 August 2000 under the International Business Companies Act of 1984 chapter 291 of the laws of the British Virgin Islands, then under the name "GeoSea Holdings Limited". The Company re-domiciled to Cyprus on 18 December 2009 changing its name to SeaBird Exploration Plc. SeaBird and SeaBird Exploration are commercial names used to describe the group and its business.

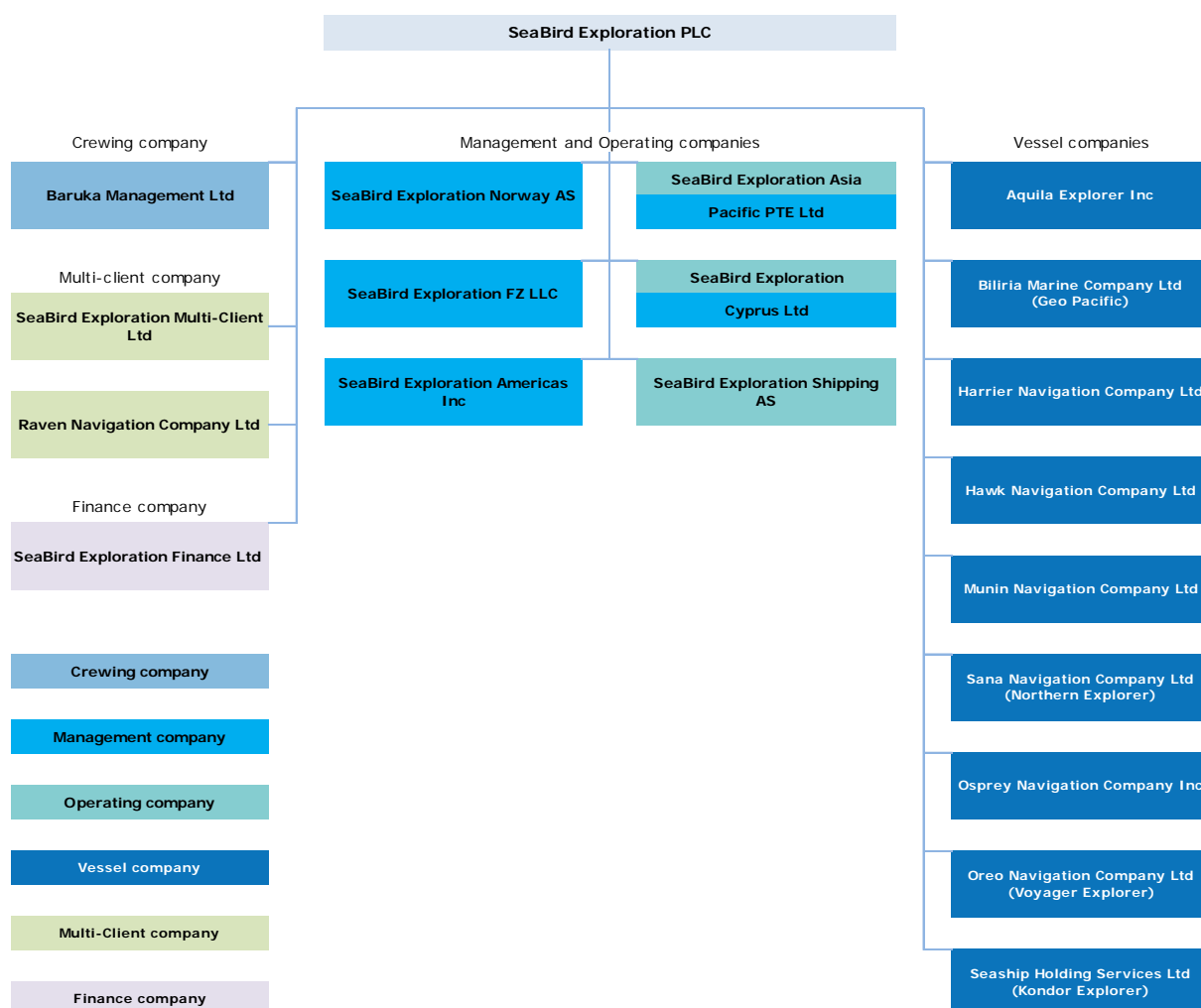
The Company has its registered office which is also the SeaBird group head office at World Trade Center, Ariadne House, 333, 28th October Street, 3106 Limassol, Cyprus. SeaBird's web site can be found at www.sbexp.com.

Offices of the SeaBird group include:

- Limassol (Cyprus, head office): SeaBird Exploration Plc, World Trade Center, Ariadne House, 333, 28th October Street, 3106 Limassol, Cyprus. Tel: +357 2581 4416, fax: +357 2581 4420, e-mail: corporatecyprus@sbexp.com
- Dubai (United Arab Emirates): SeaBird Exploration FZ-LLc, Al Shathe Tower, 35th floor, P.O.Box 500549, Media City, Dubai, UAS. Tel: +971 4427 1700, fax: +971 4429 0644, e-mail: corporatedubai@sbexp.com. The office in Dubai is in the process of being closed down and is no longer a principal office of the SeaBird group.
- Houston (Texas, USA): SeaBird Exploration Americas Inc., 820 Gessner, Suite 1275, Houston, TX 77024, USA. Tel: + 1 281 5561 666, fax: +1 281 5565 315, e-mail: corporatehouston@sbexp.com
- Oslo (Norway): SeaBird Exploration Norway AS, Cort Adelers gate 16, P.O. Box 1302 Vika, 0112 Oslo, Norway. Enterprise no: 977 236 371. Tel: +47 2240 2700, fax: +47 2240 2701, e-mail: corporateoslo@sbexp.com
- Singapore: SeaBird Exploration Asia Pacific Pte. Ltd., 1 Fullerton Road, #02-01 One Fullerton, Singapore 049213. Tel: +65 6832 5593, fax: +65 6725 0949, e-mail: corporatesing@sbexp.com

SeaBird also maintains a staffing office in St. Petersburg, Russia.

The SeaBird group's operations are performed by a set of subsidiaries, a chart of which is set out below.



The table below sets forth an overview of the legal entities being active part of the SeaBird group. All subsidiaries are wholly owned.

Name	Registration	Function
SeaBird Exploration Plc	Cyprus	Group parent company (holding company with no operational functions)
Aquila Explorer Inc.	Cyprus	Vessel holding company
Baruka Management Limited	Cyprus	Crewing company
Biliria Marine Company Ltd	Cyprus	Vessel holding company
Harrier Navigation Company Limited	Cyprus	Vessel holding company
Hawk Navigation Company Limited	Cyprus	Vessel holding company
Munin Navigation Company Limited	Cyprus	Vessel holding company
Oreo Navigation Company Limited	Cyprus	Vessel holding company
Osprey Navigation Company Inc.	Cyprus	Vessel holding company
Raven Navigation Company Limited	Cyprus	Multi-client seismic company
Sana Navigation Company Limited	Cyprus	Vessel holding company

SeaBird Exploration Americas Inc.	U.S.A.	Management company
SeaBird Exploration Finance Ltd	Cyprus	Financing / lending company
SeaBird Exploration FZ-LLc	United Arab Emirates	Management company
SeaBird Exploration Norway AS	Norway	Management company
SeaBird Exploration Multi-Client Ltd	Cyprus	Multi-client seismic company
SeaBird Exploration Cyprus Ltd	Cyprus	Management company
SeaBird Exploration Asia Pacific PTE Ltd	Singapore	Management / operating company
SeaBird Exploration Shipping AS	Norway	Operating company

In addition to the companies above, all of which have active functions in the SeaBird group as per the date of this Prospectus, there are also certain dormant subsidiaries as set out in note 13 to the parent company financial statements in the annual report 2014 (see Section 13.4).

Other than as set forth above, the SeaBird group does not have holdings in which it holds a proportion of the capital likely to have a significant effect on the assessment of its own assets and liabilities, financial position or profits and losses.

6.4 Vision, goals/objectives and strategy

The SeaBird group's vision is to be the most reliable and productive service provider in focus areas, based on low cost operations, experienced crews and unparalleled technology expertise in the high end of the 2D, niche 3D and source marine seismic markets and to be a complete seismic services provider, covering the full range of its client needs.

- Global market leader in SeaBird's principal sectors for the oil and gas industry and multi-client companies
- Best in class maritime operation
- Unique competence in frontier markets and niche seismic
- Complex survey areas, shallow water and high risk
- Leading 2D seismic technology development
- Highly reputable HSSEQ program which differentiates SeaBird in its segment

The goal is to be a market leader in the high end of the seismic market within its niches, by building on its strong sides, retaining focus on cost without compromising on Health, Safety, Security, Environment and Quality (HSSEQ), and through building long term relationships with key clients and remaining conservative with regards to acquiring debt.

When using the term "high end" above, SeaBird makes reference to companies that are approved for employment by the major oil companies, which involves approval of HSSEQ systems. Companies without such approvals will not be able to have their vessels employed by such oil companies, but may find employment for their vessels with other seismic companies having such approvals, or with other clients that have less stringent demands to HSSEQ systems.

6.5 The fleet and main assets

The SeaBird fleet consists of the following vessels:

M/V Geo Pacific



Building year: 1987 (rebuilt in 1998)

Seismic: 3D

Ownership: Bareboat charter until 31 December 2015. The owner may terminate the charter at its convenience.

Bareboat charter details: Day rate of USD 9,600 when idle or used as source or 2D vessel. When used in 3D mode, the day rate is USD 20,400.

M/V Voyager Explorer



Building year: 2005

Seismic: 2D / 3D

Ownership: Bareboat charter until August 2016. The owner may terminate the charter at its convenience.

Bareboat charter details: From 1 April 2015 a day rate of USD 6,200 when idle or used as source or 2D vessel. When used in 3D mode, the day rate is USD 13,200.

M/V Northern Explorer



Building year: 1987

Converted for seismic operation in: 1998

Upgraded: 2005

Seismic: 2D

Ownership: Owned by SeaBird

M/V Hawk Explorer



Building year: 1984

Converted for seismic operation in: 2006

Seismic: 2D

Ownership: Bareboat until 29 February 2016, at which time SeaBird can purchase the vessel for USD 3.25 million or extend the charter period for a further 12 months, with a purchase option of USD 1.75 million at the end of such period.

Bareboat charter details: A day rate of USD 6,600.

M/V Aquila Explorer



Building year: 1982

Converted for seismic operation in: 2007

Seismic: 2D

Ownership: Owned by SeaBird

M/V Harrier Explorer



Building year: 1979

Converted for seismic operation in: 2007

Seismic: 2D

Ownership: Owned by SeaBird

M/V Osprey Explorer



Building year: 1985
 Converted for seismic operation in: 2006
 Seismic: 2D
 Ownership: Owned by SeaBird

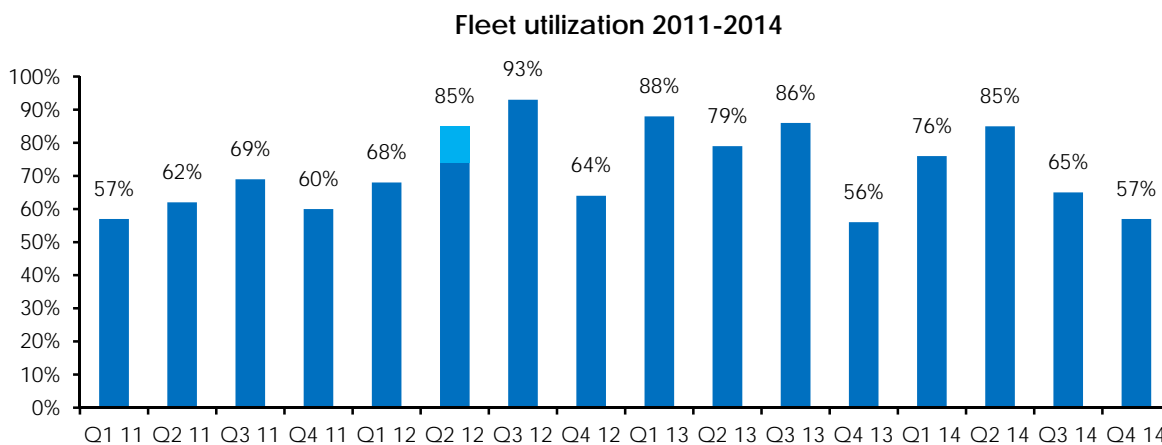
M/V Munin Explorer



Building year: 1989
 Converted for seismic operation in: 2007
 Seismic: 2D
 Ownership: Bareboat charter until 31 October 2019
 Bareboat charter details: Day rate of USD 12,240 until August 2015, with annual escalation of 2% throughout the charter period.

6.5.1 Vessel utilization, chartering and contract coverage

The chart below provides an illustration of SeaBird’s aggregate vessel utilization, calculated as a quarterly average, for the period since 2011. For purpose of this illustration the utilization of the second quarter of 2012 (85%) has been adjusted to exclude a former vessel (GGs Atlantic), while the vessel Geo Pacific has been included from the second quarter of 2013.



Two of the vessels in SeaBird’s fleet are in lay-up as per the date of this Prospectus, being “Geo Pacific” and “Voyager Explorer”. “Geo Pacific” was laid-up in Q1 2015 and is currently expected to remain laid-up until the end of its charter period at year-end 2015. “Voyager Explorer” was laid-up in November 2014 in anticipation of reactivation when the seismic market recovers.

Chartering of SeaBird’s vessels is generally based on contracts with duration between one and three months, although contracts may be shorter or longer. As a consequence of the generally short contract duration, SeaBird is dependent on continuously finding and developing new contract opportunities. Utilisation will depend on the ability to secure new contracts in continuation of existing contracts in order to minimise idle periods. Geographic proximity of such new contracts is also of importance to minimise the time spend in transit between survey areas.

As per the date of this Prospectus, SeaBird has contracts for future employment contracts for its vessels corresponding to approximately 55 months of vessel utilization, representing aggregate

contract revenue of approximately USD 115 million, of which a contract with TGS-NOPEC makes up a significant part. In light of the recent drop in oil prices, and the resulting uncertainty relating to investments by oil companies and service providers to the energy companies, the start-up of these contracts represents a material uncertainty for SeaBird. There can be no assurance that the contracts will not be delayed or cancelled, in which case SeaBird will have limited opportunities to take legal action against the respective contract parties.

In addition to the contracts described above, SeaBird is in advanced stage negotiations for various additional contracts. There can be no assurance that these additional and expected contracts will materialize, nor any certainty about the duration or amounts of such additional contracts.

6.5.2 Contract seismic and multi-client seismic; seismic library

SeaBird principally employs its vessels in so-called contract seismic, where the vessels are employed on fixed contracts for the campaign. When performed for an end-user client, the client becomes the sole owner of the seismic data being collected. An overview of the contract coverage for SeaBird's vessels is provided in Section 6.5.1.

SeaBird also collects seismic data for its own account (in whole or part), for later sales to third parties. This is referred to as multi-client seismic, and is a conceptually different business model than contract seismic.

In the multi-client business model the seismic companies plan, acquire and process the data at their own risk, and offer the processed data for license to clients on a non-exclusive basis. Under this model the clients benefit from access to high quality data at a lower cost compared to acquiring the same data on a proprietary contract basis, but forfeit any exclusivity to the data. Such data is typically acquired over open acreage in anticipation of licensing by the relevant authority and is used by clients for risk evaluation and prospect identification prior to them making a bid for acreage. For the seismic companies the benefit comes from the potential for multiple sales that in total can exceed the revenue that would have been otherwise derived from a contract survey.

The risk aspects of the two models differ as contracted work is commenced against pre-defined revenue while the income from multi-client projects is speculative and contingent on external factors such as the attractiveness to clients of the associated acreage being offered for lease. However, it is common practice in the seismic industry that client pre-funding is sought by the seismic companies for their multi-client projects according to the companies' risk appetite, in order to mitigate these risks, sometimes up to or exceeding the full pre-funding of the survey equivalent to that of the contract model.

SeaBird's main activity is contract seismic, which accounted for 86% of revenues in 2014 (2013: 94%, 2012: 87%). Multi-client is mainly used to stabilize fluctuations in contract market. Contract work is lumpy subject to the demand from third parties, hence multi-client work is a way to fill the gaps between contracts and make the best use of the vessels. SeaBird often does multi-client work in collaboration with other third-party multi-client specialists.

As of 31 December 2014 the book value of SeaBird's multi-client library was USD 14.7 million and consisted of the following main surveys: in Australia Acheron 2D, Duvalia 2D, and Vampire 2D; in North Atlantic surveys West of Hebrides 2D, Rockall II. 2D and S.Porcupine 2D; in Norway Snospurv 2D and Mid-Norway 2D (Spiderman Well); in West Africa Sao Tome & Principe 3D and Namibia Area 1, 2, 3 & 5 2D; in Indonesia Biak2d; and in the Philippines Pala-Sulu 2D, Pinatubo 2D and Mialara 2D; as illustrated on the map below:



6.5.3 Commercial and technical management of the vessels

SeaBird is handling both commercial and technical management of all the vessels in its fleet. Responsibility lies with SeaBird's Operations Department, through the Maritime and Seismic support departments.

6.5.4 New products and/or services

SeaBird has not introduced, and does not plan to introduce, significant new products or services.

The board of directors of the Company does not expect any major changes in SeaBird's principal activities in the foreseeable future.

6.5.5 Statements regarding competitive position

The statements made by SeaBird in this Prospectus regarding its competitive position are provided on a "going concern" basis and are not based on any assumptions of changes in its relative competitive position, other than as described in this Prospectus.

6.5.6 Environmental issues

SeaBird is not aware of environmental issues that currently affect, or may reasonably be expected to affect, the utilisation of its assets. SeaBird's business activities do not rely on environmentally hazardous cargoes or substances, with the exception of the fuel used by its vessels.

6.6 HSSEQ systems and policies

SeaBird' policies for HSSEQ (Health, Safety, Security, Environment, and Quality) are developed to provide guidance and direction for all persons in the SeaBird group, at all levels, areas and spheres of its operations and offices. These policies have been detailed to provide a structured and practical approach in achieving its objectives, bringing value and applying ethics and moral in how SeaBird performs its work worldwide, be that on- or offshore.

The policies are fully integrated into its SeaBird's management systems; which are based on a framework defined by OGP (International Association of Oil & Gas Producers, an industry association) of 7 elements to attain continuous improvement. This is further aligned to its accreditations which are the highest in the Industry covering: ISO 9001 (Quality), ISO 14001 (Environment), OHSAS 18001 (Occupational Health and Safety), BSC (British Safety Council), ISM/ISPS (Maritime Document of Control), ISNetworld, Achilles and FPAL (Verification bodies). The systems are regularly audited for effectiveness by its clients based on OGP guidance of e.g. (but not limited to) 291, 317, 331, 361, 432, 510 etc. to ensure SeaBirds systems are aligned to those of its clients.

The systems have been honed over a period of years to achieve robust and end user functionality which adds value to the company by providing all the required processes and tools to support the company on and offshore at all sites.

SeaBird employs the following management systems to meet its HSSEQ requirements:

- SeaNet – the day to day operating database of forms and other active information which is used as a collator to store data which primarily satisfies OHSAS 18001 and ISM/ISPS.
- SeaArc – the repository or archive of all key and critical strategic information which satisfies ISO 9001, ISO 14001 and ISM.

The systems have been robustly constructed to achieve and control all objectives, strategies and goals which SeaBird has on a daily, weekly, monthly and yearly planning basis.

6.7 Property, plant and equipment

SeaBird leases its offices from several parties, with such lease agreements being entered into on commercial terms and satisfactory to its needs. SeaBird has no owned premises. Offices in Norway are leased until 2017, while offices in Cyprus, Singapore, St. Petersburg and Houston are office units leased from office hotel arrangements. In addition, SeaBird holds a small office in Dubai on lease for 12 months ending January 2016 to facilitate local requirements and proper migration from the United Arab Emirates. No particular arrangements or infrastructure is required for SeaBird's office needs.

The majority of assets owned by SeaBird are seismic vessels, as set out in Section 6.5. An overview of investments (historical, ongoing and planned) is provided in Section 10.1. The encumbrances on SeaBird's vessels are set out in Section 10.2.5.

6.8 Material contracts

6.8.1 Dependence on contracts and licences

An overview of the contract backlog for the employment of SeaBird's vessels is provided in Section 6.5.1. For the year 2014, two major clients accounted for an aggregate of 36% of the consolidated revenues.

SeaBird's business and profitability is dependent on entering into new operating contracts as existing contracts come to an end. These contracts are entered into in a competitive market based on bidding procedures against other seismic operators with capacities and availabilities matching the requirements of the respective clients. Reference is made to Section 8 for a discussion of the competitive situation for SeaBird's vessels.

To the extent that SeaBird relies on third parties to perform services, SeaBird does not believe any such third party to be critical to its operation. Third party services are purchased in an open and competitive market, and are selected on the basis of price and quality.

For streamers and other seismic equipment, SeaBird relies on approvals from US authorities to be receiver of US controlled technology exported from the United States. Should such approvals be revoked, SeaBird would suffer a reduced selection of supplies and might not have access to the industry preferred technology.

In the opinion of the Company, and except as forth above, SeaBird is not dependent on any particular licences, industrial, commercial or financial contracts or manufacturing processes to conduct its business.

6.8.2 Material contracts outside the ordinary course of business

SeaBird is not a party to any material contract other than contracts entered into in the ordinary course of business.

6.9 Changes in framework conditions

With the exception of factors customary to the seismic business, as described elsewhere in this Prospectus, SeaBird is not aware of any governmental, economic, fiscal, monetary or political policies or factors that have materially affected, directly or indirectly, its operations, or of proposed changes to such policies or factors that could materially affect its operations.

7 BOARD, MANAGEMENT AND CORPORATE GOVERNANCE

7.1 Board

7.1.1 *Composition of the Board of Directors*

Overall responsibility for the management of the Company and its subsidiaries rests with the board of directors.

Pursuant to the Articles, the board of directors of the Company shall have between two and nine members.

Directors serve for periods of one year at a time, and are elected or re-elected at the annual general meeting unless an extraordinary general meeting is called to elect new directors. The annual general meeting held on 13 May 2014 elected five directors, one of which resigned on 6 November 2014, as set forth in the table below.

Name	Position	Served since
Åge Korsvold	Chairman	2014
Kitty Hall	Director	2012
Kjell Mathiassen	Director	2006
Melvin Teigen	Director	2009
John Olav Økland	Resigned on 6 November 2014	

The Company's current board of directors is composed of four members, all of which have been elected by the shareholders. The names, positions, and term of the members of the current board of directors are set out in the table below. The Company's business address (Ariadne House, 333, 28th October Street, Limassol, Cyprus), serves as c/o address for each member of the board of directors.

Under the Code of Practice (as defined and further described in Section 7.5) it is recommended, to ensure independence from special interests, that the majority of the members of the board should be independent of a company's executive personnel and material business contacts, and that at least two of the members of the board should be independent of the main shareholders. None of the directors of the Company are, or are affiliated with, executive personnel of the Company, although it should be noted that one director of the Company, Mr. Kjell Mathiassen, was employed by a Group company until his retirement in July 2014. One former director of the Company until his resignation on 6 November 2014, Mr. John Olav Økland, is affiliated with Ordinat Shipping AS, being a material business contact and, until the Restructuring, a significant shareholder of the Company.

7.1.2 *Brief biographies of the members of the Board of Directors*

Set out below are brief biographies of the members of the board of directors of the Company, including their relevant management expertise and experience, an indication of any significant principal activities performed by them outside the Company and names of companies and partnerships of which a member of the board of directors is or has been a member of the administrative, management or supervisory bodies or partner the previous five years (not including directorships and management positions in subsidiaries of the Company), where for purpose of this overview "C" indicates the position of chairperson and "D" indicates director.

Åge Korsvold – Chairman

Mr. Korsvold was elected to his position in April 2014. He holds an MBA from the Wharton School of the University of Pennsylvania from 1971. Following a varied career in industry and finance, Mr. Korsvold was appointed CEO of Storebrand, a leading Norwegian insurance company in 1994. In 2001, he became CEO of Kistefos, a privately held investment company with a broad portfolio of wholly- and partially owned investments in offshore services, shipping, technology venture capital, and other technology investments, partly with Norwegian, and partly with global scope. He resigned from Kistefos in 2011 and was appointed CEO of Orkla, a USD 9 billion market capital company, during its transition from a broadly based industrial firm to a focused branded consumer goods company. Mr. Korsvold left Orkla in 1Q 2014. He is a Norwegian citizen and resides in Oslo, Norway.

Overview of current directorships, partnerships and management positions:

- *Gyljandi AS (CEO/D), Kjøde & Kjøde AS (C), Vardia Insurance Group ASA (C), AS Dikkedokken (C), RK Offshore AS (C), KjødeTransport AS (C), AS Rolf Kjøde (C), Morten Mjør Grimsrud Stiftelse (C), Kjøde Shipping AS (C), Tyveholmen AS (D), Tyveholmen Kontorfellesskap AS (D), Green Resources AS (D), Sapa AS (D), Aweco Invest AS (D), Timex Group B.V. (D)*

Overview of directorships, partnerships and management positions during past five years, no longer held:

- *Orkla ASA (CEO/deputy chairman), Vika Finans AS (CEO), Kistefos AS (CEO), Rieber & Søn AS (C), Rolf Kjøde Skip I AS (C), Orkla Brands AS (C), Infront AS (C), Bergmoen AS (C), Bergmoen Tomt AS (C), Bergmoen Øst 2 AS (C), Gardermoen Næringspark AS (C), Sagveien Boligbygg KS (C), Waterfront Shipping AS (C), Western Bulk ASA (C), Bryggen 2005 AS (C), Odin Viking AS (C), Odin Viking 2 AS (C), Kistefos Venture Capital II DA (C), Viking Invest AS (C), Kistefos Equity Holding AS (C), Kistefos Venture Capital Fond II AS (C), Kistefos Venture Capital AS (C), Kistefos International Equity AS (C), Kistefos Eiendom AS (C), Viking Barge AS (C), Viking Barge DA (C), Bergmoen Øst 3 AS (C), Bergmoen Sør AS (C), Bergmoen Vest AS (C), Viking Icebreaking & Offshore AS (C), Partrederiet Odin Viking DA (C), Coop Norge Bergmoen Eiendom AS (C), Protia AS (C), Kistefos Rederi AS (C), Western Bulk Shipowning VI AS (C), Nye Bergmoen AS (C), Bulk Reorganisering AS (C), AS Bagatelle (C), Vika Finans AS (D), Springfondet 1B KS (D), Springfondet 1B AS (D), Springfondet 1A KS (D), Springfondet 1A AS (D), Springfondet II AS (D), Rederi AB Transatlantic (D), Kistefos Alliance (deputy member), Kistefos Venture Capital Fond II AS (Point of contact)*

Kitty Hall – Director

Mrs. Katherine (“Kitty”) J. Martin (nee Hall) was appointed as a director of the Company in 2012. She has a BSc in Geology from the University of Leeds and an MSc in Stratigraphy from Birkbeck College, University of London. She has more than thirty years’ experience from the upstream oil industry including twenty-five years as Chief Executive of specialist geophysical contractors ARKeX Ltd (2004-2010) and ARK Geophysics Ltd (1986-2004), together with experience as a board member for both public and private service companies. She is a British citizen and resides in the United Kingdom.

Overview of current directorships, partnerships and management positions:

- *Det Norske Oljeselskap (D), Milton Keynes Parks Trust (trustee), Peak MK Ltd (owner)*

Overview of directorships, partnerships and management positions during past five years, no longer held:

- *Petroleum Exploration Society of Great Britain (PESGB) (Vice President 2011-2013), ARKeX Ltd (D, President 2010-2011, Chief Executive 2004-2010), Sevan Drilling AS (D), Polarcus Ltd (D), International Association of Geophysical Contractors (IAGC) (D), Eastern Echo plc (D),*

Kjell H. Mathiassen – Director

Mr. Mathiassen is one of the founders of SeaBird and has served as a director of the Company since 2006. He is educated as Maritime Chief Engineer Tromsø 1962-64, Norwegian Navy Engineer Horten 1965, Polymer Process Engineer Porsgrunn 1975-1977, Several Fire & Safety courses in

Horten 1977. He has significant experience from the marine, offshore and seismic industry. His track record includes Cross Ship Repair (owner and director 1992-1996), SeaTankers/Fredriksen Group (Director Technical Services 1982-1992), Gotaas Larsen (Fleet Maritime Superintendent 1978-1982), as well as various onboard work as serving engineering officer. Mr. Mathiassen has experience as Technical Director from international shipping industries. Mr. Mathiassen is a Norwegian citizen, and resides in Norway.

Overview of current directorships, partnerships and management positions:

- None except for Company and subsidiaries

Overview of directorships, partnerships and management positions during past five years, no longer held:

- None except for Company subsidiaries

Melvin Teigen – Director

Mr. Teigen was appointed as director of the Company in 2009. He holds a bachelor degree from Agder Distrikthøyskole (1979-1982) and a Master in Business and Economics degree from the Norwegian School of Management (BI), Norway (1984-1986). Mr. Teigen currently holds the position of CEO of Corporate Solutions AS. He is a Norwegian citizen, and resides in Oslo, Norway.

Overview of current directorships, partnerships and management positions:

- Sissener Sirius ASA (CEO), Corporate Solutions AS (CEO), PolyDisplay AS (C), Corporate Solutions AS (D), Kollektivtrafikkens Personellservice SA (CEO), Proinvestor AS (deputy)

Overview of directorships, partnerships and management positions during past five years, no longer held:

- Sissener Energy (CEO 2010-2013), Zpey AS (C/D), SkiPeg AS (C), MMC Hotel Elverum AS (D), Elverum Hotell drift AS (D)

7.1.3 Remuneration to the Board of Directors, and benefits upon termination

Aggregate remuneration to the board of directors was USD 238,209 for 2014, USD 254,000 for 2013 and USD 338,000 for 2012.

Mr. Mathiassen, in addition to board member remuneration received salary and benefits as an employee of the group company SeaBird Exploration Norway AS until his retirement in July 2014, which is not included in the amount set forth above. Mr. Mathiassen's employee remuneration amounted to USD 79,655 for 2014.

No member of the board of directors is entitled to benefits upon termination.

7.1.4 Shares and options held by members of the Board of Directors

The table below sets forth shares, options and warrants held by each member of the board of directors (including shares held by spouses, dependent children or companies in which the person has a controlling influence), including the volume weighted average price of shares acquired during the last year.

Name	Shares	Options	Warrants	Total	Price paid
Åge Korsvold	-	-	-	-	-
Kitty Hall	59,025	-	-	59,025	-
Kjell Mathiassen	1,818,833	-	-	1,818,833	-
Melvin Teigen	-	-	-	-	-

7.1.5 Sub-committees of the Board of Directors

The board of directors has appointed an audit committee, currently consisting of the board members Mr. Teigen and Mrs. Hall. The main purpose of the audit committee is to oversee the following matters:

- the integrity of the Company's financial statements and other financial information provided to stockholders and others;
- SeaBird's system of internal controls;
- the engagement and performance of the independent auditors.

The Company has no separate remuneration committee. The entire board is in charge of compensation, incentivisation and retention matters for the employees. The nomination committee is in charge of making proposals for compensation to the board members and the nomination committee.

7.1.6 Nomination committee

The Company has a nomination committee elected by the general meeting, consisting of Thomas Aanmoen (Chairman), Birger Nergaard and Kjell Mathiassen. The general meeting also elects the leader of the nomination committee and determines its compensation.

The nomination committee of SeaBird shall consider and report to the board of directors for resolutions on the following matters:

- nominees for election as shareholder appointed members of the board of directors and the chairperson of the board of directors.
- nominees for election of the nomination committee.
- the proposed remuneration of the board of directors and the members of the nomination committee.

The report of the nomination committee shall be enclosed to the notice for the annual general meeting. The nomination committee shall operate in accordance with generally accepted principles for good corporate governance.

Having a nomination committee is not required pursuant to the Company's Memorandum or Articles, as it is not recognised as a corporate body in home state legislation.

7.2 Management

7.2.1 Overview of key management positions

The names and positions of the members of key management of the Company are set out in the table below. The Company's business address (Ariadne House, 333, 28th October Street, Limassol, Cyprus), serves as c/o address for each member of management unless otherwise stated.

Name	Position	Employed since
Dag Reynolds	Chief Executive Officer	2012
Nils Haugestad	Chief Financial Officer	2012
Alexander Holst	General Counsel	2006
Kjell Mangerøy	VP Business Development	2006
Steinar Fjeldbo	VP Operations	2014
Graham Stark	VP HSSEQ	2007

7.2.2 Brief biographies of the members of management

Set out below are brief biographies of the key management of the Company, including their relevant management expertise and experience, an indication of any significant principal activities performed by them outside the Company and names of companies and partnerships of which a member of management is or has been a member of the administrative, management or supervisory bodies or partner the previous five years (not including directorships and management positions in subsidiaries of the Company), where for purpose of this overview "C" indicates the position of chairperson and "D" indicates director.

Dag Reynolds - Chief Executive Officer

Mr. Reynolds has more than 25 years of experience from the offshore industry. He spent 9 years with PGS before joining SeaBird in 2005 as CEO. He was instrumental in building up the Company and listing it on the Oslo Stock Exchange in 2006. Mr. Reynolds retired at the end of 2007 and co-founded Spring Energy AS, a small independent oil company. Mr. Reynolds held the position as Executive Vice President Sales with EMGS AS from January 2010 until joining SeaBird again in April 2012.

Overview of current directorships, partnerships and management positions:

- *Pioner Kapital AS (D)*

Overview of directorships, partnerships and management positions during past five years, no longer held:

- *Spring Energy Norway AS (C/D), Spring Energy Exploration AS (D), EMGS ASA (EVP Sales, directorships in group companies)*

Nils Haugestad – Chief Financial Officer

Mr. Haugestad has held the position as Chief Financial Officer of the Company since 1 April 2012. Mr. Haugestad has over 20 years' experience in investment banking, principal investments and corporate strategy. He came from the position as Chief Executive Officer and founding partner of Fokus Capital Ltd. Prior to this, Mr. Haugestad was Chief Operating Officer of Evolvence Capital Ltd. Mr. Haugestad has previously held a number of positions in New York with Citigroup, Citicorp Venture Capital, Credit Suisse, RBC Capital Markets and UBS. Mr. Haugestad holds a Bachelor of Science degree from the Wharton School, University of Pennsylvania and a Master of Business Administration degree from Harvard Business School.

Overview of current directorships, partnerships and management positions:

- *None except from Company and subsidiaries*

Overview of directorships, partnerships and management positions during past five years, no longer held:

- *Fokus Capital (CEO 2009-2012), Evolvence (CO 2008–2009)*

Alexander Holst – General Counsel

Mr. Holst acts as General Counsel for the Company through SeaBird Exploration Norway AS, where he has been employed since March 2006. He holds a law degree from the University of Oslo, Norway. Prior to joining SeaBird, from 1995 to 2006 Mr. Holst served as Senior Legal Counsel with Petroleum Geo-Services ASA and its group of companies, and served a number of the PGS Group companies as a director. Mr. Holst served as legal counsel with Schlumberger seismic division Geco and Geco-Prakla from 1989 to 1994. He is a Norwegian citizen and resides in Oslo, Norway with business address Cort Adelersgt. 16, Oslo, Norway. He has more than 25 years experience from the seismic industry.

Overview of current directorships, partnerships and management positions:

- *None except from Company and subsidiaries*

Overview of directorships, partnerships and management positions during past five years, no longer held:

- *None except from Company and subsidiaries*

Kjell Mangerøy – VP Business Development

Mr. Mangerøy has held the position as VP Business Development in the Company since February 2008. Prior to the appointment of VP Business Development, he held the position as VP Operations since 2006. Before joining SeaBird he held the position of Business Development Manager (Africa) for PGS from 2001 to 2006 based in London and from 1995 to 2001 he held the position of Operations Manager in PGS based in Oslo. From 1985 to 1995 he worked for CGG on board vessels as Party Chief and later as Operations Manager based in London for 3 years before opening an office for CGG in Stavanger in 1992. From 1976 to 1985 he held various positions in several seismic and survey companies before joining CGG. Mr Mangerøy has extensive experience from 35 years in the seismic industry. Mr. Mangerøy is a Norwegian citizen and resides in Dubai.

Overview of current directorships, partnerships and management positions:

- *None except from Company and subsidiaries*

Overview of directorships, partnerships and management positions during past five years, no longer held:

- *None except from Company and subsidiaries*

Steinar Fjeldbo – VP Operations

Mr. Fjeldbo joined SeaBird in February 2014, after 22 years in the seismic industry working for Geco-Prakla, WesternGeco, Reservoir Exploration Technology, Fugro GeoTeam and CGG. Nine of these years were offshore and the rest in operational management. Mr. Fjeldbo has a military and technical education from the Royal Norwegian Navy where he had 6 years' service, specializing on sonar and other technical equipment on submarines. Mr. Fjeldbo is a Norwegian citizen and resides in Dubai.

Overview of current directorships, partnerships and management positions:

- *None except from Company and subsidiaries*

Overview of directorships, partnerships and management positions during past five years, no longer held:

- *CGG (Vessel Manager, 2013), Fugro-Geoteam AS (Operations & Performance Manager 2012-2013, Vessel Director 2011-2012, Project Manager 2010-2012), RXT ASA (Operations Manager 2005-2010)*

Graham Stark – VP HSSEQ

Mr. Stark has held the position as VP HSSEQ since July 2011. He holds an MSc in occupational health and safety management (OH&S), and also holds internationally recognized certification in management system design, ISO / OHSAS and EN 9100 auditing and competency in behavioural science.

Mr. Stark's background is in mechanical engineering, with formal credentials gained at the Royal School of Military Engineering. Mr. Stark has worked in the oil and gas industry for more than 30 years in all areas of up, mid and downstream operations, with the last 14 years being specifically in HSSEQ roles for leading E & P companies. Mr. Stark has been with SeaBird since 2007 and has been involved with SeaBird's design and implementation of the company's management system and accreditation. He also serves on the board of directors for the IAGC, an international trade organization representing the geophysical industry, on behalf of SeaBird.

Overview of current directorships, partnerships and management positions:

- None except for Company and subsidiaries

Overview of directorships, partnerships and management positions during past five years, no longer held:

- None except for Company and subsidiaries

7.2.3 Remuneration and benefits to members of management

7.2.3.1 Total remuneration

The following amounts have been paid or set aside for salaries and other benefits for the members of key management of the SeaBird group, being defined as Dag Reynolds (CEO from April 2012), Tim Isden (CEO until February 2012), Thor Higravf (COO until February 2012), Alexander Holst (General Counsel), Babak Jabbari (VP Operations from February 2012 until July 2014), Steinar Fjeldbo (VP Operations from July 2014), Graham Stark (VP HSSEQ) and Nils Haugestad (CFO from April 2012):

(figures in USD '000)	2014	2013	2012
Salaries and other short-term employee benefits	2,834	2,305	2,309
Bonus payments	-	-	-
Post employment benefits	25	27	1,116
Total key management compensation	2,859	2,332	3,425

7.2.3.2 Agreements providing benefits upon termination of employment

On a general basis, upon termination by the Company without legal cause or at change of control, the members of key management of the Company may receive up to one year benefit as contracted severance compensation. Mr. Holst is entitled to 12 months' salary and benefits upon termination of employment for any cause.

Save for the above mentioned and as set out below, none of the service contracts for members of key management with the Company or any of its subsidiaries provide for benefits upon termination of employment.

- In connection with the ongoing termination of SeaBird's office in Dubai, the persons employed in such office are entitled to an end of service fee. SeaBird has set aside in its accounts for 2014 an amount corresponding to USD 1.0 million for such amount, which will be paid to its employees upon their end of service during 2015. As part thereof, four persons set out in this section will be entitled to such payments, being Nils Haugestad – USD 68,296, Kjell Mangerøy – USD 115,877, Steinar Fjeldbo – USD 15,451, and Graham Stark – USD 81,427. Such amounts were not paid during 2014 and are not included in the amounts set out as their remuneration for 2014 above.

7.2.4 Shares and options held by members of management

The table below sets forth shares, options and warrants held by each member of key management (including shares held by spouses, dependent children or companies in which the person has a controlling influence), including the volume weighted average price of shares acquired during the last year.

Name	Shares	Options	Warrants	Total	Price paid
Dag Reynolds	100,000	1,000,000	-	1,100,000	-
Nils Haugestad	9,770	421,941	-	431,711	-
Alexander Holst	2,500	33,334	-	35,834	-
Kjell Mangerøy	2,990	33,334	-	36,324	-
Steinar Fjeldbo	-	-	-	-	-
Graham Stark	-	16,667	-	16,667	-

The options provided to members of key management have been provided as part of SeaBird's stock option plan which is further described in Section 7.6.3.

7.3 Loans and guarantees provided to directors or management

The Company does not have a policy for granting loans and guarantees and has not granted any loans or guarantees to any of the members of its board of directors, key management or other parties related to these groups.

7.4 Conflicts of interest and other disclosures

The Company believes that it has taken reasonable steps to avoid, and to mitigate effects of, potential conflicts of interests arising from the board members' and key management's private interests and other duties. Except as set forth below, there are no potential conflicts of interest between any duties to the Company of the members of the board or the senior management and their private interests and/or other duties.

- The Company's board member Mr. Mathiassen and the former board member until his resignation on 6 November 2014 Mr. Økland have significant shareholdings in the Company, directly or indirectly. There can be no guarantee that their personal interests in the capacity as shareholders may not in the future deviate from the interest of the Company and the remaining shareholders.
- The Company's former board member until his resignation on 6 November 2014 Mr. Økland is a shareholder (directly and/or indirectly) of Ordinat Shipping AS and Geo Pacific AS, which are the owners of the two vessels (Geo Pacific and Munin Explorer) that are leased by SeaBird. As an event subsequent to year-end 2014, as part of the Restructuring, the concerned parties Fugro, Ordinat Shipping AS and SeaBird, have agreed to replace the existing charter parties in respect of Geo Pacific, with the new agreement reducing the charter rate and releasing Ordinat Shipping AS from its obligations towards SeaBird and Fugro as head owner. See Section 13.1 for a description of the related party transactions. There can be no guarantee that the personal interests of Mr. Økland in the capacity as shareholder of Ordinat Shipping AS may not in the future deviate from the interest of the Company and the remaining shareholders.

During the last five years preceding the date of this Prospectus, no member of the board of directors or the key management has:

- had any convictions in relation to fraudulent offences;
- been officially publicly incriminated and/or sanctioned by any statutory or regulatory authorities (including designated professional bodies) or been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct the affairs of a company; or

- been associated with any bankruptcy, receivership or liquidation.

There are no family relationship between any member of the board of directors and the member of the executive management. It should be noted, for sake of good order, that a son of the Company's board member Mr. Mathiassen is employed by a SeaBird group company.

There are no arrangements or understandings with major shareholders, customers, suppliers or others, pursuant to which members of the board of directors or key management were selected to their positions in the Company.

No member of the board of directors or key management is subject to restrictions on their disposal of the Company's securities within any period of time.

7.5 Corporate governance

The Company and the board of directors has adopted and implemented corporate governance principles that are based on the Norwegian Code of Practice of Corporate Governance, as last published on 30 October 2014 (the "Code of Practice"). The Company's annual corporate governance report also fulfils the requirement in Directive D190-2007-04 of the Cyprus SEC dated 23 November 2012.

The Company has disclosed its corporate governance principles in its annual report and on its website www.sbexp.com.

The Code of Practice is a "comply or explain" guideline and the board of directors will state and explain any deviation from the recommended guidelines in the annual report.

The Company is, in all material respects, in compliance with the Code of Practice. However, in March 2015, the Company issued preference shares, in order to undertake a restructuring of the group without delay. Further, the auditor and the nomination committee were not present at the annual general meeting. The preference shares are intended to be converted to ordinary shares in Q2 2015. The nomination committee is not regulated in the Company's memorandum and articles of association, which is the custom in Cyprus. The board of directors has made no self-assessment in 2014.

7.6 Employees

7.6.1 Overview of employees

The table below shows the development in the average number of employees in SeaBird for the years 2014, 2013 and 2012. There has been a modest reduction, in particular related to the office in the United Arab Emirates, but not a material change in the number of employees from the average in 2014 to the date of this Prospectus.

	2014	2013	2012
Average number of employees	556	516	510

The table below shows provides an overview the geographical location of the employees in SeaBird as an average for 2014, divided into onshore and offshore employees.

	Onshore	Offshore	Total
Cyprus	8	476	484
Norway	12		12
Singapore	1		1
United Arab Emirates	51		51
Russia	6		6
USA	2		2

Marine and seismic offshore staff is in general employed in the crewing subsidiary, Baruka Management Limited. The remainder is on-shore staff.

7.6.2 Loans provided to employees

SeaBird has no loans outstanding to employees.

7.6.3 Arrangements for involving the employees in the shares of the Company

SeaBird uses stock options as an incentive for key employees. On 20 February 2012, as part of his employment contract, Mr. Reynolds (CEO) received 3,000,000 share options at a strike price of NOK 2.50 (equalling the average share price on the trading day 6 February 2012 plus approximately 10%).

Furthermore, on 13 August 2012 a total of 2,065,822 share options were granted to a total of 13 employees, of which the following share options were granted to persons being set out in Section 7.2 herein as key management of SeaBird: Nils Haugestad – 1,265,822, Alexander Holst – 100,000, Kjell Mangerøy – 100,000, Graham Start – 50,000. No options were issued to members of the board of directors. The options had an exercise price of NOK 3.95, which represented the closing price for the SeaBird share on the Oslo Stock Exchange the last day before the grant date, 10 August 2012.

No options have been granted since 13 August 2012.

On 4 November 2013, employees in SeaBird exercised their rights to purchase from the Company 1,655,268 shares at a pre-agreed price. Each such share was issued at the applicable strike price and had a weighted average price of NOK 3.07. This transaction represented the 1/3 of the options that were exercisable from 13 August 2013.

During 2014 no options were exercised, while 1,621,942 options expired and 100,000 options were forfeited.

As at 31 December 2014 and the date of this Prospectus, there are a total of 1,621,945 share options outstanding to 11 employees.

These remaining outstanding options may be exercised from 13 August 2015. All options must be exercised by 1 November 2015, or, if resolved by the board of directors, at the latest on the date of the first quarterly report of the company after such date.

7.6.4 Pensions

SeaBird has a defined contribution pension scheme, and contributions for Company's subsidiaries in Norway and USA are expensed on a continuous basis. With the exception set out below, there are no specific amounts set aside or accrued by the Company or its subsidiaries to provide additional pensions, retirement or similar benefits upon termination of employment.

- In connection with the ongoing termination of SeaBird's office in Dubai, the persons employed in such office are entitled to an end of service fee. SeaBird has set aside in its accounts for 2014 an amount corresponding to USD 1.0 million for such amount, which will be paid to its employees upon their end of service during 2015. As part thereof, four persons set out in Section 7.2 as key management will be entitled to such payments, being Nils Haugestad – USD 68,296, Kjell Mangerøy – USD 115,877, Steinar Fjeldbo – USD 15,451, and Graham Stark – USD 81,427. Such amounts were not paid during 2014 and are not included in the amounts set out as their remuneration for 2014 in Section 7.2.3.

8 MARKET CONDITIONS

The demand for seismic surveys is in general correlated with the oil price. During the last 9 months the oil price has dropped significantly from above USD 100 per barrel down to the current level of between USD 50 and 60 per barrel. With lower oil prices, new exploration and production projects become less profitable for the oil companies, which impact their spending on seismic services. On the positive side new markets for exploration are opening up which off-sets some of the impact from the drop in the oil price. Currently, the company is experiencing demand from projects in Mexico.

8.1 Marine geophysical services

Seismic data is conventionally collected by discharging a wave of acoustic energy just below the water's surface from energy sources towed behind a survey vessel. At rock layer boundaries, parts of the waves are reflected back to the streamers. Hydrophones detect and convert these reflections into digital data, which in turn are recorded onboard the survey vessel.

There are several seismic techniques that are being used to analyse potential sub-sea reservoirs. These can roughly be categorised as 2-, 3- and 4-dimensional analyses, as well as the developing electro-magnetic surveying. 2-dimensional seismic survey is the most cost efficient method, conducted by having a survey vessel towing a single streamer. The seismic survey will generate data which generally represents a vertical cross-section along the line tracked by the streamer, and is the preferred method for initial analysis of larger areas.

An alternative to this is simply to use more streamers to produce several parallel 2D cross-section data. This will later be processed to produce a 3D image of the subsurface, often used when initial 2D analyses indicate findings. Normally, one will use several streamers attached to one survey vessel, but where longer offset and wide azimuth analyses are required, several source vessels may be used. This process requires more sophisticated navigation equipment to ensure a precise determination of the positions of streamers and energy sources; hence it is a more costly approach.

A fourth dimension, evolution over time, is used to efficiently determine the changes occurring in the reservoir as a result of hydrocarbon production or injection of water or gas into the reservoir by comparing the repeated datasets. Time-lapse or 4D seismic involves comparing the results of 3D seismic surveys repeated at considerable time intervals (e.g. before a field starts producing versus various post-production stages).

8.2 Drivers of demand for marine geophysical services

In addition to the technological developments that affect the cost, quality and reliability of marine seismic data, demand for marine geophysical services is driven by the oil industry's incentives to invest in exploration, development and production. The willingness to invest is a consequence of current revenues, acreage available for exploration and production combined with the global oil and gas demand/supply balance. These factors are, in turn, affected by various political and economic factors, such as global production levels, prices of alternative energy sources, government policies, and the political stability in the oil producing countries. In general the demand for geophysical services is therefore driven by:

- Future demand/supply balance for oil and gas
- Oil and gas companies' exploration and production spending

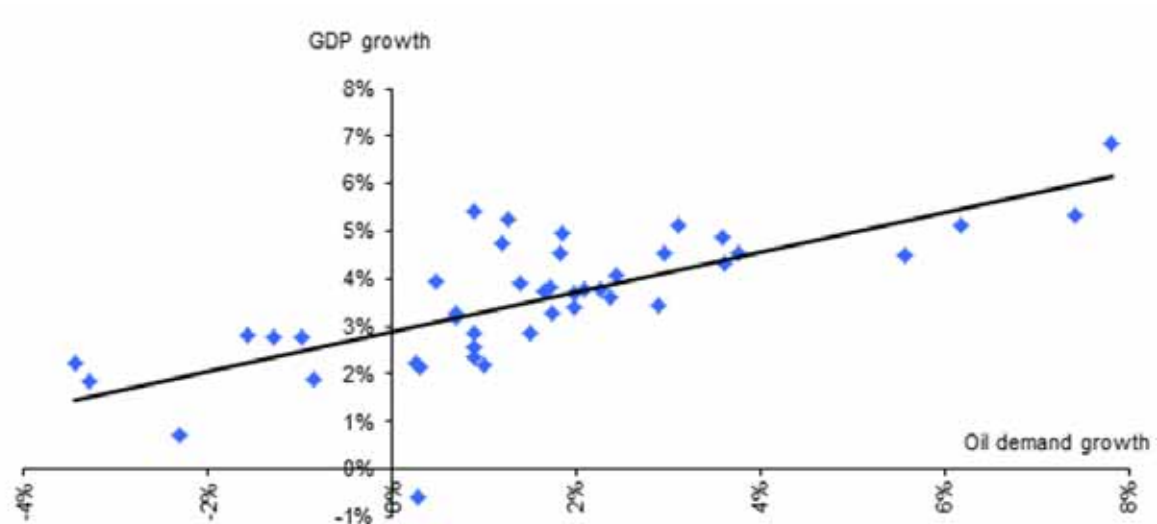
From the end of the 1990's, global E&P spending saw a decade of growth. This growth was capped by the economic recession that started in 2008. The result was a decrease in year-on-year global

exploration and production (E&P) spending in 2009. The recession had a significant short-term impact on the global energy demand, illustrated by the severe drop in oil prices. At USD 30.28 per barrel, the oil price trough was reached in December 2008. In 2009 oil prices recovered on OPEC's above-average compliance to agreed-upon production targets, and trended upwards throughout the year. The positive trend in oil prices continued in 2010, with contract prices reaching USD 89 per barrel in December. Along with higher oil prices, oil companies invested more heavily in developing new resources, illustrated by a year-on-year increase in E&P spending for 2010. From 2011 to 2012 the oil price volatility has been significant, illustrated by oil prices ranging from USD 74 to USD 114 during the period. Through 2013 and H1 2014 the oil price has been slightly less volatile with values ranging between USD 90 to 110 per barrel. However in the second half of 2014 the oil price has fallen back from highs of around USD 110 down to a bottom of approximately USD 48 per barrel as supply fears waned with OPEC production hitting a two-year high coupled with a decline in global demand on weak economic data. Consequently the short term outlook for the industry is challenging as exploration spend is expected to be deferred.

The opening of new exploration provinces like Mexico is expected to mitigate the negativ impact from the oil price somewhat as this is a positive contributor to demand. The graph below illustrates the development in the oil price (West Texas Intermediate), from 2000 until February 2015 (source: Factset, April 2015).



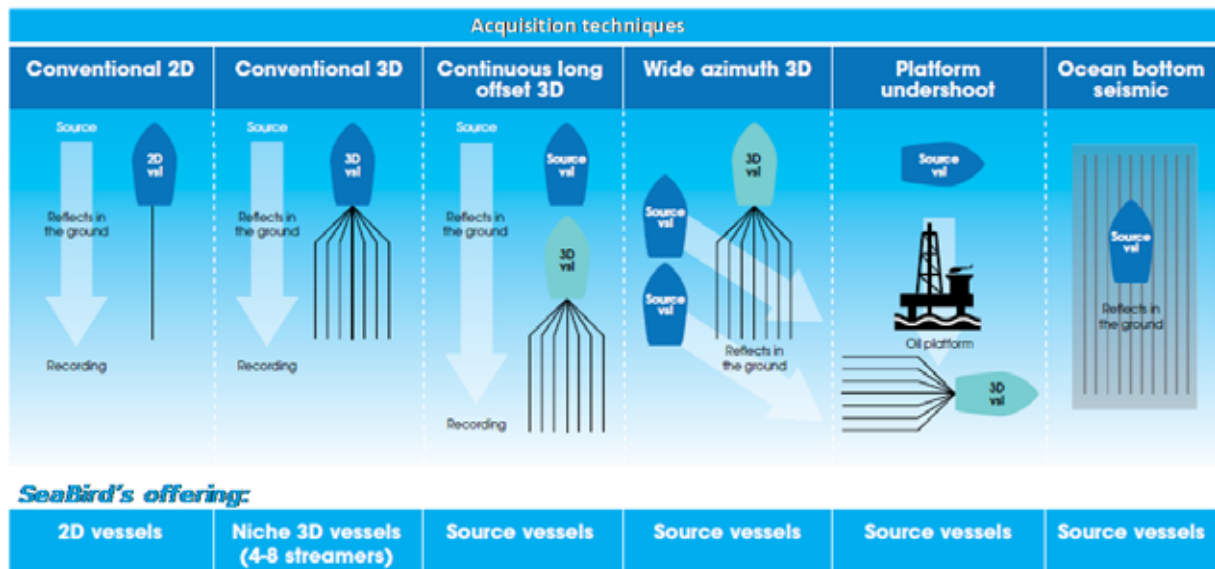
As the graph below illustrates, global oil demand is directly linked to global GDP (gross domestic product) growth. As the world experienced a recession in 2008 global oil demand shrank by 1.6% according to the US Energy Information Administration. This was followed with an increase in consumption in 2010, 2011, 2012 and 2013 where demand increased by 3.1%, 1.4%, 0.7% and 1.5% respectively.



Sources: World GDP growth from IMF, World Economic Outlook Database, April 2014, and Oil demand sourced from US Department of Energy, EIA (<http://www.eia.gov>)

8.3 SeaBird’s main markets

SeaBird specializes in high quality operations within the high end of the source vessel and 2D market, as well as the niche 3D market (by means of smaller vessels with 4-8 streamers). The exhibit below illustrates different marine seismic shooting techniques and SeaBird’s related offering. As seen from the exhibit SeaBird is a service provider across all core seismic markets (source: SeaBird).



8.3.1 About the 2D market

2D seismic is critical for frontier exploration as it is less costly to cover a large area with 2D seismic compared with 3D seismic. 2D is then often used in frontier areas or when new areas are opened up for seismic exploration. Examples of these types of markets are Somalia, Gabon, Mozambique, Madagascar, Sierra Leone, Liberia, Panama, Myanmar, Falkland Islands, Arctic areas, and most importantly Mexico. As described in Section 6.5.1, a large part of the current backlog for SeaBird is a contract with TGS-NOPEC which relates to work in Mexico. In August 2014 Mexico passed a law

framework that would end a 76-year state monopoly opening up for foreign oil companies and then also creating a need for seismic services in the country.

8.3.2 About the source vessel market

SeaBird also operates in the source markets. Demand for such vessels improved continuously in the latter part of the last decade. As oil exploration and development are moving into more complex structures the quality of the data is increasingly important. The seismic industry has developed several of techniques to improve the data quality when shooting complex geological structures. Source vessels are usually required in these advanced 3D surveys. SeaBird fills this need on a contract basis with the 3D seismic provider in charge.

8.3.3 About the niche 3D market

For smaller 3D surveys, and also for surveys involving longer transits, it might be beneficial for the client to hire a smaller vessel with typically 4-8 streamer capability as these vessels are less costly to operate than the larger, more sophisticated and more expensive vessels that dominate the 3D market, having capacity for 12 or more streamers. While a vessel with fewer streamers uses longer time to cover an area, it is typically less costly to mobilise and transit; hence these vessels might prove economically beneficial for smaller surveys. The market is a natural fit with SeaBird's fleet, and is primarily targeted towards oil companies that require prequalification.

Currently this market is under pressure from the excess capacity and low rates in the 3D market.

8.4 Geographical markets

SeaBird has a global presence and is serving customers around the globe. Having a sizeable fleet is critical to be able to reduce transit and achieve economics of scale. Vessels are being moved between geographical areas; however it is obviously a benefit to have a vessel nearby when the company bids for contract work as that would reduce the time spent in transit and keeping cost down. A comment on the various geographical markets is given below.

8.4.1 Europe, Africa and the Middle East

The Northern Europe season is expected by SeaBird to be slower than in previous years as a result of the current market outlook. Nevertheless, with licensing rounds scheduled for 2015 in the United Kingdom and Norway, a number of large multi-client surveys are expected to take up a substantial portion of vessel capacity. SeaBird anticipates increased activity in Africa upon further license round announcements.

8.4.2 Asia Pacific

SeaBird is continuing to see robust activity in Australasia. South East Asia also continues to remain a core region with significant new programmes announced.

8.4.3 North and South America

North America is seeing a significant increase in market activity. The growth in demand is in large part the result of recent legislative changes in Mexico as well as anticipated reforms with respect to the U.S. East Coast.

8.4.4 Fleet location and key focus areas

The geographical location of the SeaBird fleet varies from time to time, depending on the location of the seismic campaigns being undertaken. As per mid April 2015, the vessels are located as follows: Munin Explorer – Brazil, Norther Explorer – Spain, Voyager Explorer – Malaysia (laid-up Labuan), Osprey Explorer – US Gulf area, Aquila Explorer – Australia, Harrier Explorer – Singapore, Geo Pacific – Norway (laid-up Lyngdal), and Hawk Explorer – Gibraltar.

The vessels are able to operate globally and seek employment in the key regions relevant for exploration of oil and gas reserves, including the US Gulf and South America, Northern America / Greenland, North Sea / Western Europe, Mediterranean, and West / East Africa.

8.5 Client base

Major oil companies have stringent requirements for their suppliers when it comes to HSSEQ systems and track record. SeaBird's leading HSSEQ systems, as described in Section 6.6, prequalify the Company to work with most oil majors, which sets SeaBird apart from many of its smaller competitors. SeaBird's clients include national oil companies, independent oil companies and seismic companies. When working for seismic companies it is usually either as a vessel provider for companies doing multi client surveys without having any vessels (such as TGS-NOPEC), or as a source vessel provider.

Examples of the clients within the different categories base are given below:



8.6 Competitors

SeaBird views itself as a market leader in the high-end 2D seismic services segment. SeaBird believes it has one of the largest fleet in this segment. The large 3D seismic companies including PGS, WesternGeco and CGG also have vessels in this market but 2D and source work are not their primary focus. With the exception of WesternGeco, the others typically have between 1-2 vessels in the 2D and source market. As the 3D market has weakened, these operators have taken low-end 3D vessels and put them to use as 2D vessels while awaiting a recovery in the 3D market. These vessels are typically too costly to operate efficiently in 2D mode, but it has been a better alternative than laying them up. Lately it has been a trend that these vessels have been laid-up or retired as market conditions in the 3D market have experienced a prolonged downturn, with reduced likelihood of the low-end 3D vessels returning to 3D operation.

The global seismic market is fragmented with several global and local suppliers competing in the various regions. The table below sets forth an overview of the various companies providing marine seismic services and an overview of their capabilities (source: ABG Sundal Collier equity research). Abbreviations used in the table make reference to multi-client library (MC) and different surveying methods being electromagnetic surveying (EM) and ocean bottom surveying (OBS).

Company	Marine streamer			Permanent			Shallow		
	2D/source	3D	MC	EM	OBS	res. monitoring	Processing	Water	Equipment
SeaBird	Y	(Y)	Y						
PGS	Y	Y	Y	Y		Y	Y		
WesternGeco	Y	Y	Y		Y	Y	Y	Y	Y
CGG	Y	Y	Y		Y	Y	Y	Y	Y
TGS Nopec			Y			Y	Y		
Spectrum			Y				Y		
Polarcus		Y	Y						
Dolphin		Y	Y				Y		
Fugro			Y						
EMGS			Y	Y					
Petromarker				Y					
SMNG	Y								
BGP	Y	Y	Y				Y	Y	Y
COSL	Y	Y							
Geokinetics								Y	
Global Geophysical								Y	
Tidelands Geophysical								Y	
ION			Y		Y		Y		Y
Seitel								Y	
Geospace Techn. (OYO)									Y
Bolt Technologies									Y
Fairfield			Y	Y	Y	Y	Y	Y	Y
Seismic Searcher			Y						
GeoPartners			Y						
SpecPartners			Y						
Searcher Seismic			Y						
MCG			Y						
Seabed Geosolution					Y				

9 SELECTED FINANCIAL INFORMATION

9.1 Overview and basis of presentation

9.1.1 Financial information presented

The following consolidated financial figures have been derived from the Company's audited consolidated financial statements for 2014, 2013 (restated as set forth in Section 9.1.3) and 2012, which have been incorporated into this Prospectus by reference (see Section 13.4). Comparative historical financial information is based on restated figures.

9.1.2 Basis for presentation

The audited consolidated financial statements for 2014, 2013 and 2012 have been prepared in full compliance with IFRS.

The amounts from the financial statements are presented in USD, rounded to the nearest thousand, unless otherwise stated. USD is the reporting as well as the functional currency for SeaBird and its operations.

9.1.3 Accounting principles

The accounting policies applied in the preparation of the consolidated financial statements can be found in note 2 in the annual report 2014, incorporated by reference to this Prospectus (see Section 13.4).

As of 1 January 2014, the company changed its accounting policy on the recognition and measurement of revenue and cost related to seismic surveys. Revenues and costs are recognized in line with project completion starting from first shot point in the seismic survey and ending at demobilization. The consolidated financial statements for 2013 have been restated accordingly. The effects of such restatements are set out in note 31 to the annual report 2014 (see Section 13.4). The changes resulting from these restatements were not material.

9.2 Auditors and information being subject to audit

The auditor for the Company and the group companies since 2008, when the Company changed its principal place of business to Cyprus, is BDO Ltd (236 Strovolou Avenue, PO Box 25277, CY2048 Strovolos, Nicosia, Cyprus). BDO Ltd are members of the Institute of Certified Public Accountants of Cyprus, and are registered as Certified Public Accountants and Registered Auditors (CY). BDO Ltd is independent of SeaBird in all respects.

The group audit report for 2014 contained the following emphasis of matter: "Without qualifying our opinion, we draw attention to note 2.22 to the financial statements which indicates that as at 31 December 2014 the Group's current assets totalled \$47.3m whilst its current liabilities totalled \$181.9m. As detailed in notes 17 and 29, the Group was in default of several of its borrowing facilities as at 31 December 2014 and has since announced the successful completion of the restructuring of these facilities and other liabilities. The Group also incurred a loss of \$99.8m on continuing operations for the year ended 31 December 2014 including impairment charges totalling \$38.3m. These conditions, along with other matters set forth in note 2.22 indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern."

The group audit report for 2013 contained the following emphasis of matter: "We draw attention to note 2.23 to the financial statements which indicates that as at 31 December 2013 the Group's current liabilities exceeded its current assets by \$0.5m. The Group also incurred a loss of \$6.7m on

continuing operations for the year ended 31 December 2013. These conditions, along with other matters set forth in note 2.23 indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern. Our opinion is not qualified in respect of this matter."

The audit report for 2012 was issued without qualifications.

BDO Ltd has not audited, reviewed or produced any report on any other information provided in this Prospectus.

9.3 Summary financial information

The table below provides a summary of the financial information given elsewhere in this Prospectus, including information incorporated by reference, and is qualified in its entirety by such other financial information. The table also sets forth selected key figures calculated on the basis of such financial information. Comparative historical financial information is based on restated figures.

(USD millions unless otherwise stated)	2014	2013 (restated)	2012
Statement of comprehensive income			
Total revenues	129.3	177.3	163.3
EBITDA	(7.9)	31.6	38.6
EBIT	(79.9)	4.5	4.2
Profit (loss) for the period	(99.8)	(7.0)	(11.5)
Statement of financial position			
Total non-current assets	93.6	131.2	135.4
Total current assets	47.3	58.2	61.9
Total assets	141.0	189.4	197.4
Total equity	(40.9)	57.7	52.8
Non-current liabilities	-	73.1	95.1
Current liabilities	181.9	58.6	49.4
Total equity and liabilities	141.0	189.4	197.4
Statement of cash flows			
Operating activities, net	40.3	27.1	19.9
Investing activities, net	(37.4)	(23.5)	(21.6)
Financing activities, net	(8.1)	(6.2)	3.1
Net change in cash and equivalents	(5.2)	(2.6)	1.4
Cash and equivalents at period end	7.0	12.2	14.7
Key figures			
Average number of shares ('000)	57,581	45,077	32,343
Earnings per share (USD)	(1.72)	(0.16)	(0.36)
Dividend per share (USD)	0	0	0
Equity ratio (%)	(29.0%)	30.4%	26.4%
Working capital ratio (%)	26.0%	99.3%	125.3%
Interest coverage ratio (%)	0%	37.7%	101.1%

9.4 Condensed consolidated historical financial information

The sections below summarise the consolidated financial statements for the years ended 31 December 2014, 2013 (restated) and 2012. The figures presented do not reflect the effects of the Restructuring which took place after the end of 2014, and which is further described as a subsequent event in Section 9.7.

9.4.1 Condensed consolidated statement of profit and loss

(USD '000)	2014 Audited	2013 Audited, restated	2012 Audited
Revenues	129,268	177,270	163,331
Cost of sales	(107,988)	(127,823)	(103,711)
Cost of multi-client sales	-		(5,056)
Selling general and administrative expenses	(30,640)	(19,365)	(16,843)
Other income (expenses), net	1,489	1,538	838
Earnings before interest tax depreciation and amortization (EBITDA)	(7,871)	31,620	38,559
Depreciation and amortization	(33,701)	(27,080)	(34,408)
Impairment	(38,310)	-	-
Earnings before interest and taxes (EBIT)	(79,882)	4,540	4,151
Interest expense	(16,978)	(12,040)	(12,391)
Other financial items, net	(787)	(829)	(1,072)
Change in fair value of conversion rights	-	-	-
Profit/(loss) before income tax	(97,647)	(8,329)	(9,312)
Income tax	(2,171)	1,331	(8,871)
Profit/(loss) continuing operations	(99,818)	(6,998)	(18,183)
Net profit/(loss) discontinued operations	1,015	3,045	6,668
Profit/(loss) for the period	(99,803)	(3,953)	(11,515)
Profit/(loss) attributable to shareholders of the parent	(98,803)	(3,953)	(11,515)
Earnings per share			
Basic	(1.24)	(0.10)	(0.36)
Diluted	(1.24)	(0.10)	(0.36)
Earnings per share from continued operations			
Basic	(1.24)	(0.15)	(0.56)
Diluted	(1.24)	(0.15)	(0.56)
Consolidated statement of comprehensive income	2014	2013	2012
(USD '000)	Audited	Audited, restated	Audited
Profit/Loss	(98,803)	(3,953)	(11,515)
Other comprehensive income	-	-	-
Net movement in currency translation reserve and other changes	216	109	32
Total other comprehensive income net of tax	216	109	32
Total comprehensive income	(98,587)	(3,884)	(11,483)
Total comprehensive income attributable to shareholders of the parent	(98,587)	(3,884)	(11,483)
Total	(98,587)	(3,884)	(11,483)

9.4.2 Condensed consolidated statement of financial position

(USD '000)	2014 Audited	2013 Audited, restated	2012 Audited
Assets			
Non-current assets, total	93,644	131,245	135,425
Property plant and equipment	78,877	122,829	130,774
Multi-client library	14,685	7,067	3,384
Goodwill	-	1,267	1,267
Long term investment	82	82	-
Current assets, total	47,342	58,176	61,946
Inventories	4,463	4,367	3,920
Trade receivables	14,215	24,712	33,069
Other current assets	21,692	16,942	10,213
Due from related parties	-	-	-
Cash and cash equivalents	6,972	12,155	14,744
Total assets	140,986	189,421	197,371
Equity and liabilities			
Shareholders' equity, total	(40,921)	57,666	52,801
Paid in capital	189,125	129,125	180,761
Equity component of convertible loan	6,296	6,296	6,296
Currency translation reserve	(407)	(392)	(180)
Share options granted	1,327	1,097	8,495
Retained earnings	(237,261)	(138,460)	(142,571)
Liabilities, total	181,907	131,755	144,570
Non-current liabilities, total	-	73,111	95,147
Loans and borrowings	-	72,008	94,299
Provision for end of service benefit	-	1,103	848
Current liabilities, total	181,907	58,644	49,423
Trade and other payables	63,631	25,254	27,325
Provisions	9,580	-	-
Loans and borrowings	102,217	27,262	7,851
Tax liabilities	6,479	6,128	14,247
Total equity and liabilities	140,986	189,421	197,371

9.4.3 Condensed consolidated statement of changes in equity

Column headings in respect of the table below are as follows:

A – Paid in capital

B – Equity component of convertible loan

C – Share options granted

D – Retained earning

E – Currency

(USD '000)	A	B	C	D	E	Total
Balance at 1 January 2012	166,720	6,296	7,554	(130,711)	(212)	49,647
<i>Comprehensive income for the year</i>						
Profit	-	-	-	(11,515)	-	(11,515)
Currency translation reserve	-	-	-	-	32	32
Total comprehensive income for the year	-	-	-	(11,515)	32	(11,483)
<i>Contributions by and distributions to owners</i>						
Share issue	14,041	-	-	-	-	14,041
Equity component of convertible loan	-	-	-	-	-	-
Share option granted/cancelled	-	-	941	-	-	941
Total contributions/distributions by/to owners	14,041	-	941	-	-	14,982
31 December 2012	180,761	6,296	8,495	(142,226)	(180)	53,146
Balance at 1 January 2013	180,761	6,296	8,495	(142,226)	(180)	53,146
<i>Comprehensive income for the year</i>						
Profit	-	-	-	(3,953)	-	(3,953)
Currency translation reserve	-	-	-	-	(212)	(212)
Total comprehensive income for the year	-	-	-	(3,953)	(212)	(4,165)
<i>Contributions by and distributions to owners</i>						
Share issue	-	-	-	-	-	-
Equity component of convertible loan	8,364	-	-	-	-	8,364
Share option granted/cancelled	-	-	(7,398)	7,719	-	321
Total contributions/distributions by/to owners	8,364	-	(7,398)	7,719	-	8,685
31 December 2013 (restated)	189,125	6,296	1,097	(138,460)	(392)	57,666
Balance at 1 January 2014	189,125	6,296	1,097	(138,460)	(392)	57,666
<i>Comprehensive income for the year</i>						
Profit	-	-	-	(98,803)	-	(98,803)
Currency translation reserve	-	-	-	-	(14)	(14)
Total comprehensive income for the year	-	-	-	(98,803)	(14)	(98,817)
<i>Contributions by and distributions to owners</i>						
Share issue	-	-	-	-	-	-
Equity component of convertible loan	-	-	-	-	-	-
Share option granted/cancelled	-	-	229	-	-	229
Total contributions/distributions by/to owners	-	-	229	-	-	-
31 December 2014	189,125	6,296	1,327	(237,261)	(407)	(40,921)

9.4.4 Condensed consolidated statement of cash flows

(USD '000)	2014 Audited	2013 Audited, restated	2012 Audited
Cash flows from operating activities			
Profit/loss before income tax	(97,647)	(8,019)	(9,312)
Adjustments for:			
Depreciation amortization and impairment	72,010	27,080	34,296
Unrealized exchange gain/loss	566	(1,277)	419
Accelerated finance charge on bond loan	5,102	-	-
Amortization of interest	8,935	-	-
Goodwill impairment	1,267	10,333	10,053
Paid income tax	(1,833)	(3,321)	(1,067)
Earned on employee stock option plan	230	541	941
Increase/decrease in inventories	(96)	(446)	(335)
Increase/decrease in trade and other receivables	6,518	5,287	(6,404)
Increase/decrease from divested companies	-	-	-
Increase/decrease in due from related parties	-	-	427
Increase/decrease in trade and other payables	45,213	(2,777)	(9,113)
Net cash from operating activities	40,265	27,091	19,905
Cash flows from investing activities			
Capital expenditures	(7,828)	(17,079)	(15,008)
Multi-client investment	(29,560)	(6,307)	(6,556)
Long term investment	-	(83)	-
Net cash flow on disposal of subsidiaries	-	-	-
Net cash used in investing activities	(37,388)	(23,469)	(21,564)
Cash flows from financing activities			
Proceeds from issuance of ordinary shares	-	8,346	14,041
Receipts from borrowings	-	-	-
Repayment of borrowings	(5,110)	(7,851)	(5,464)
Movement in borrowings	414	87	-0
Interest paid	(3,349)	(6,596)	(5,505)
Net movement in currency fluctuations	(15)	(215)	31
Net cash from financing activities	(8,060)	(6,211)	3,103
Net decrease/increase in cash and cash equivalents	(5,183)	(2,589)	1,444
Cash and cash equivalents at beginning of the period	12,155	14,744	13,300
Cash and cash equivalents discontinued operations	-	-	-
Cash and cash equivalents at end of the period	6,972	12,155	14,744

9.5 Segment information**9.5.1 Business segments**

All SeaBird's seismic services and operations are conducted and monitored as one business segment, being seismic business. Within this segment, revenues are recorded as being originated

from contract sales or sales from multi-client library. Comparative historical financial information is based on restated figures.

(USD '000)	2014	2013 (restated)	2012
Revenues by business segment			
Contract	111,411	166,289	141,618
Multi-client	17,856	10,981	21,713
Total	129,268	177,270	163,331

9.5.2 Geographical segments

The table below provides an overview of the geographical distribution of SeaBird's operating revenues, assets, and capital expenditures.

(USD '000)	2014	2013 (restated)	2012
Revenues per geographical segment			
Europe Africa & Middle East (EAME region)	70,208	38,361	71,723
North & South America (NSA region)	20,304	69,108	48,243
Asia Pacific (APAC region)	38,755	69,800	43,365
Total	129,268	177,270	163,331
Assets distributed per geographical segment			
Europe Africa & Middle East (EAME region)	140,986	188,851	197,371
North & South America (NSA region)	-	-	-
Asia Pacific (APAC region)	-	-	-
Total	140,986	188,851	197,371
Capital expenditure per geographical segment			
Europe Africa & Middle East (EAME region)	7,828	17,079	15,008
North & South America (NSA region)	-	-	-
Asia Pacific (APAC region)	-	-	-
Total	7,828	15,008	15,008

A substantial portion of the property and equipment is mobile due to SeaBird's world-wide operation. Asset locations at the end of a period are not necessarily indicative of the geographic distribution of the revenues generated by such assets during the period.

Geographic distribution of assets is based upon location of physical ownership. Goodwill is presented in the same geographic area as the underlying acquired assets. The geographic distribution of revenues is based upon location of performance.

Capital expenditure is based on the location of the company that is making the investment.

9.6 Comments to the statements and cash flows

The tables and information included below should be read in conjunction with the information included elsewhere in this Prospectus, including the financial statements and related notes of the SeaBird group which are incorporated into this Prospectus by reference (see Section 13.4).

9.6.1 The financial year 2014 compared to 2013

9.6.1.1 Financial result and operations

SeaBird reported consolidated revenues of USD 129.3 million for the year ended 31 December 2014, down from USD 177.3 million (restated) in 2013. The decrease in revenues of USD 48.0 million was mainly attributable to reduced fleet utilization as a result of the weakened market demand experienced in the second half of the year. This market softness was driven by the decline in oil price and more cautious spending by industry participants. The niche 3D market is yet to recover, as such the Voyager was idle and the Geo Pacific spent the majority of the first nine months on multi-client activity.

Charter hire and operating expenses decreased by 15% to USD 108.0 million in 2014, down from USD 127.8 million in 2013. The main reason for the decrease was related to lower fleet utilization and the Geo Pacific being engaged in multi-client activity until early September 2014.

Selling, general and administrative expenses were USD 30.6 million in 2014 compared with USD 19.4 million in 2013. The increase was predominantly due to non-recurring bad debt charges against certain long-dated receivables, restructuring advisory costs and expenses associated with the office relocation from Dubai to Limassol and Oslo.

Earnings before interest, taxes, depreciation and amortisation (EBITDA) were negative USD 7.9 million for 2014, down from USD 31.6 million in 2013. Depreciation and amortization increased by 24% to USD 33.7 million in 2014, mainly due to higher multi-client sales amortization during the period. Impairments for 2014 were USD 38.3 million, which related to property, plant and equipment and multi-client survey impairments triggered by current market weakness.

9.6.1.2 Balance sheet

At 31 December 2014, cash and cash equivalents amounted to USD 7.0 million, compared to USD 12.2 million at the end of 2013. Net interest-bearing debt at 31 December 2014 was USD 95.2 million, marginally up from USD 87.1 million at 31 December 2013.

Equity at 31 December 2014 was negative USD 40.9 million, down from USD 57.6 million at 31 December 2013. The decrease was a result of non-recurring restructuring provisions, impairment charges and negative earnings during the year.

Property, plant and equipment at 31 December 2014 was USD 78.9 million, down from USD 122.8 million at 31 December 2013, mainly due to impairment charges taken against vessel and equipment which were triggered by the current market weakness, along with normalized depreciation for the period.

Goodwill at 31 December 2014 was nil, down from USD 1.3 million at 31 December 2013. The decrease was a result of a goodwill impairment that was performed in Q4 2014.

Multi-client library at 31 December 2014 was USD 14.9 million, up from USD 7.1 million at 31 December 2013. The increase was a result of investments in the multi-client library during the year.

Current assets at 31 December 2014 was USD 47.3 million, down from USD 58.2 million at 31 December 2013, mainly as a result of reduced trade receivables and lower cash and cash equivalents.

Non-current loans and borrowings at 31 December 2014 were nil, down from USD 72.0 million at 31 December 2013. The reduction was a result of a reclassification of loans to current liabilities.

Current liabilities at 31 December 2014 were USD 181.9 million, up from USD 58.6 million at 31 December 2013, mainly as a result of reclassification of loans, increased trade payables and restructuring provisions.

9.6.1.3 Cash flow statement

Net cash flow from operating activities was USD 40.3 million for 2014 compared to USD 27.1 million for 2013. The increase is mainly due to increased trade payables and reduced trade receivables during 2014. Trade payables increased largely due to non-payment of payables and a resulting accumulation of overdue payables at the end of 2014. Trade receivables decreased during 2014 due to a bad debt provision that was charged to the company's profit and loss statement in Q4 2014 and a reduction in trade receivables as part of normal working capital fluctuations.

Net cash flow used in investing activities was USD 37.4 million for 2014 compared to USD 23.5 million for 2013, mainly due to increased multi-client investment resulting from the completion of five surveys during the period. Capital expenditure for 2014 amounted to USD 7.8 million with the majority of the capital cost incurred relating to the planned dry docking of Hawk Explorer and Osprey Explorer as well as the purchase of routine seismic and other equipment across the fleet.

Net cash flow from financing activities was USD 8.1m for 2014 compared to USD 6.2 million for 2013. Main finance activities for the year related to repayment of debt of USD 5.1 million and repayment of interest of USD 3.3 million.

9.6.2 The financial year 2013 compared to 2012

9.6.2.1 Financial result and operations

SeaBird reported consolidated revenues of USD 177.3 million (restated) for the year ended 31 December 2013, up from USD 163.3 million in 2012. The increase in revenues of USD 14.0 million was mainly attributable to the addition of Geo Pacific at the fleet as of January 2013. Since the start of 2013, the Company experienced an increasing activity in the global seismic markets. In addition to solid demand in the 2D sector, the Company also experienced strong demand for shallow-water as well as niche-market 3D surveys.

Charter hire and operating expenses increased by 23% to USD 128.0 million in 2013, up from USD 103.7 million in 2012. The main reason for the increase was again related to the chartering of Geo Pacific in 2013.

Selling, general and administrative expenses were USD 19.4 million in 2013 compared with USD 16.8 million in 2012. The increase was predominantly due to higher consultancy costs related to an ongoing tax review, costs associated with a bond refinancing review and an increase in employee numbers in line with an increased fleet size.

Earnings before interest, taxes, depreciation and amortisation (EBITDA) were USD 31.9 million for 2013, up from USD 38.6 million in 2012. Depreciation and amortization decreased by 21% to USD 27.1 million in 2013, mainly due to lower multi-client sales amortization during the period.

9.6.2.2 Balance sheet

At 31 December 2013, cash and cash equivalents amounted to USD 12.2 million, compared to USD 14.7 million at the end of 2012. Net interest-bearing debt at 31 December 2013 was USD 87.2 million, marginally down from USD 87.4 million at 31 December 2012.

Equity at 31 December 2013 was USD 57.6 million, up from USD 52.8 million at 31 December 2012. The increase was mainly a result of two private placement of shares completed during the year.

Property, plant and equipment at 31 December 2013 was USD 122.8 million, down from USD 130.7 million at 31 December 2012, mainly due to the depreciation of the vessel fleet and related seismic equipment.

Multi-client library at 31 December 2013 was USD 7.1 million, up from USD 3.4 million at 31 December 2012. The increase was a result of investments in the multi-client library during the year.

Current assets at 31 December 2013 were USD 58.2 million, down from USD 61.9 million at 31 December 2012, mainly as a result of reduced trade receivables.

Non-current loans and borrowings at 31 December 2013 were USD 72.0 million, down from USD 94.2 million at 31 December 2012. The reduction was a result of a reclassification of the convertible bond loan and the Hawk lease to current liabilities.

Current liabilities at 31 December 2013 were USD 58.6, up from USD 49.4 million at 31 December 2012, mainly as a result of reclassification of loans offset by reduced tax liabilities.

9.6.2.3 Cash flow statement

Net cash flow from operating activities was USD 25.9 million for 2013 compared to USD 19.9 million for 2012, mainly due to increased collection of receivables resulting from normal working capital fluctuations.

Net cash flow used in investing activities was USD 23.5 million for 2013 compared to USD 21.6 million for 2012, mainly due to increased capital expenditure. Capital expenditure for 2013 amounted to USD 17.1 million with major capital cost items including the docking, main engine and seismic upgrade costs of Geo Pacific, new solid streamer for Osprey Explorer, engine overhaul of Harrier Explorer and dry-docks for Northern Explorer and Aquila Explorer. Multi-client investment amounted to USD 6.3 million in 2013 compared to USD 6.6 million in 2012.

Net cash flow from financing activities was negative USD 5.1m for 2013 compared to positive USD 3.1 million for 2012. Main finance activities for the year related to proceeds from the equity issue of USD 8.4 million and repayment of debt of USD 13.2 million.

9.6.3 The financial year 2012 compared to 2011

9.6.3.1 Financial results and operation

SeaBird reported consolidated revenues of USD 163.3 million for the year ended 31 December 2012, up from USD 81.7 million in 2011. The increase in revenues of USD 81.6 million, or 100%, was mainly attributable to improved market conditions and utilisation of the 2D/3D fleet, full year effect of Voyager, and increased multi-client sales.

Charter hire and operating expenses increased by 53% to USD 103.7 million in 2012 up from USD 67.6 million in 2011. The main reason for the increase was the increased utilisation, full year effect of Voyager and a reduction in capitalisation to the multi-client library.

Selling, general and administrative expenses were USD 16.8 million in 2012 compared with USD 24.5 million in 2011, mainly due to an increase of USD 2 million in bad debts written off in 2011 and cost saving initiatives.

Earnings before interest, taxes, depreciation and amortisation (EBITDA) were USD 38.6 million for the year 2012, up from negative USD 9.4 million in 2011. Depreciation and amortization increased by 21% to USD 34.4 million in 2012, mainly due to full year effect of Voyager.

9.6.3.2 Balance sheet

At 31 December 2012, cash and cash equivalents amounted to USD 14.7 million, compared to USD 13.3 million at the end of 2011. Net interest-bearing debt at 31 December 2012 was USD 87.4 million, down from USD 107.7 million at 31 December 2011, mainly due to cash from operations and the equity issue in Q4 2012.

Equity at 31 December 2012 was USD 52.8 million, up from USD 49.3 million at 31 December 2011. The increase was mainly a result of a private placement of shares completed in Q4 2012 partially offset by negative earnings for the year.

Property, plant and equipment at 31 December 2012 was USD 130.7 million, down from USD 137.1 million at 31 December 2011, mainly due to the depreciation of the vessel fleet and related seismic equipment.

Multi-client library at 31 December 2012 was USD 3.4 million, down from USD 16.6 million at 31 December 2011. The decrease was a result of sale of multi-client assets and sales amortization during the year.

Current assets at 31 December 2012 were USD 61.9 million, down from USD 64.4 million at 31 December 2011, mainly as a result of a reduction in other current assets.

Non-current loans and borrowings at 31 December 2012 were USD 94.2 million, down from USD 99.6 million at 31 December 2011. The reduction was a result of repayment of loans.

Current liabilities at 31 December 2012 were USD 49.4 million, down from USD 69.3 million at 31 December 2011, mainly as a result of reduced trade payables and loans and borrowings offset by increased tax liabilities.

9.6.3.3 Cash flow statement

Net cash flow from operating activities was USD 13.3 million for 2012 compared to negative USD 64.6 million for 2011, mainly due to improved earnings, lowered impairment charges and improved working capital changes during 2012 compared to 2011.

Net cash flow used in investing activities was negative USD 15.0 million for 2012 compared to positive USD 109.3 million for 2011. 2011 was influenced by the proceeds from the sale of a business area related to ocean bottom nodes. Capital expenditure for 2012 amounted to USD 15.0 million. Major capital cost items include the purchase of seismic acquisition equipment and routine engine overhaul for Harrier Explorer, Aquila Explorer which was re-equipped with a 10 km solid streamer and main class renewal and major engine overhaul of Munin Explorer and Aquila Explorer. Furthermore, the Harrier Explorer was equipped with a 12 km solid streamer.

Net cash flow from financing activities was USD 3.1 million for the year compared with negative USD 32.6 million for 2011. The USD 3.1 million was the net result of proceeds from an equity issue of USD 14.0 million and repayment of debt of USD 11.0 million.

9.7 Comments on changes subsequent to year-end 2014, financial situation and trends

9.7.1 Changes subsequent to year-end 2014

Subsequent to year-end 2014, SeaBird has completed the Restructuring, being a consensual restructuring of the SeaBird group. The Restructuring facilitated a comprehensive restructuring of the SeaBird group's balance sheet and provided new funding for SeaBird.

The terms and financial impact of the Restructuring is set out in Sections 4 and 5.

9.7.2 Comments to financial situation

SeaBird expects that the Restructuring, as further outlined in Sections 4 and 5, provides it with adequate financial resources for its continued operation and for its ability to meet its financial obligations, provided that its existing contracts are not being significantly delayed or cancelled, and provided that new contracts can be entered into at acceptable rates as existing contracts come to an end.

Other than as described above, there has been no significant change in SeaBird's financial or trading position since year-end 2014.

9.7.3 Trend information

The global seismic market is regarded as being soft. The significant decline in the oil prices that started in 2014 has caused oil companies to take a cautious spending approach, which has delayed start-ups of seismic campaigns and had a negative impact on seismic demand. The consequences on such delays remain uncertain, but may have a significant negative impact on overall seismic activity, on the timing of planned seismic programmes, and on commencement of new programmes.

The Company expects the current seismic market softness to continue to impact the seismic sector in 2015. Longer term, the Company believes that continued interest in frontier exploration will benefit demand for seismic services.

SeaBird has not experienced any other significant changes or trends outside the ordinary course of business that are significant to it after year-end 2014 and up to the date of this Prospectus.

10 INVESTMENTS AND CAPITAL RESOURCES

10.1 Investments

10.1.1 Principal investments from 2012 to the date of this Prospectus

The exhibit below illustrates SeaBird's principal investments during the years 2014, 2013 and 2012. No significant investments have been made in the period from year-end 2014 to the date of this Prospectus.

(USD '000)	2014	2013	2012
Capital expenditures	7,828	17,079	15,008
Multi-client investments (capitalised costs)	29,560	6,307	6,556
Multi-client investments (capitalised depreciation)	2,802	1,831	862
Sum	40,190	25,217	22,426

10.1.1.1 Principal investments in 2014

Capital expenditures for 2014 amounted to USD 7.8 million. Major capital cost items include the dry-dockings for Hawk Explorer (USD 1.8 million) and Osprey Explorer (USD 1.9 million) and a major purchase of seismic equipment across the fleet (USD 1.2 million).

Multi-client investments were USD 32.4 million in 2014. Major projects during the year were a 3D survey in West Africa (USD 23.7 million), two 2D surveys in the Philippines (USD 5.7 million), one 2D survey in Ireland (USD 1.1 million), one 2D survey in the UK (USD 1.8 million) and other 2D surveys (USD 0.1 million).

The capital expenditure and multi-client investments were financed by the available cash in the SeaBird group.

10.1.1.2 Principal investments in 2013

Capital expenditures for 2013 amounted to USD 17.1 million. Major capital cost items include the docking, main engine and seismic upgrade costs of Geo Pacific (USD 5.9 million), new solid streamer for Osprey Explorer (USD 3.8 million), engine overhaul of Harrier Explorer (USD 1.3 million) and dry-docks for Northern Explorer (USD 1.4 million) and Aquila Explorer (USD 1.3 million).

Multi-client investments were USD 8.1 million in 2013. Major multi-client projects during the year included three 2D surveys that were performed in Norway (USD 1.7 million), Namibia (USD 4.2 million) and the UK (USD 1.0 million). In addition, a 3D survey in West Africa was initiated in 2013 (USD 1.2 million).

The capital expenditure and multi-client investments were financed by the available cash in the SeaBird group.

10.1.1.3 Principal investments in 2012

Capital expenditures for 2012 amounted to USD 15.0 million. Major capital cost items include the purchase of a 12 km solid streamer, seismic acquisition equipment, and routine engine overhaul for Harrier Explorer (USD 3.9 million), Aquila Explorer being re-equipped with a 10 km solid streamer, major engine overhaul and main class renewal (USD 4.6 million), and major engine overhaul including various upgrades of Munin Explorer (USD 2.1 million).

Multi-client investments were USD 7.4 million in 2012. Major projects during the year include three 2D surveys that were performed in the Philippines (USD 2.1 million), Australia (USD 2.7 million) and Barbados (USD 1.6 million). Other multi-client investment amounted to USD 1.0 million.

The capital expenditure and multi-client investments were financed by the available cash in the SeaBird group.

10.1.2 Future investments and other commitments

SeaBird expects to make capital expenditures in 2015 amounting to approximately USD 16 million, primarily related to class renewals, drydockings and upgradings of its vessels. The exact timing and amounts of such expenditures, which are planned to cover seven of the eight vessels in SeaBird's fleet at a planned expense of approximately USD 1 to 3 million per vessel, will depend on the contract situation and employment situation for the vessels, as various maintenance and upgrading components can be postponed.

Capital expenditures not relating to vessels are expected to be less than USD 1 million in 2015. No investments are planned or committed for 2015 in respect of multi-client investments.

For 2016, SeaBird currently expects capital expenditures amounting to approximately USD 11 million in respect of vessel maintenance and USD 10 million in respect of vessel upgrades. Multi-client investments for 2016 are currently expected to amount to approximately 13 million, but no such investments are committed.

10.1.3 Sources of funds needed to fulfill capital expenditure requirements

In accordance with SeaBird's business plans, the planned capital expenditures will be financed from available cash in the SeaBird group.

10.2 Capital resources

SeaBird manages its capital structure and makes adjustments to it in light of changes in economic conditions. By managing capital efficiently, SeaBird believes that it will be able to continue as a going concern while maximising the return to shareholders.

10.2.1 Funding and treasury policies

Financial control and cash management systems enable SeaBird to manage and monitor liquidity needs. Forecasts are maintained and regularly updated to estimate short- and long-term financial requirements. Funding options are evaluated based on longer-term capital needs and involve a review of optimal financing alternatives in conjunction with a targeted capital structure.

10.2.2 Hedging policy and financial risk management

SeaBird has a policy of not hedging currency and interrate risk. Please see note 30 of the annual report 2014 incorporated by reference to this Prospectus (see Section 13.4) for further details on SeaBird's financial risk management and risks related to financial instruments.

10.2.3 Overview of debt facilities and debt maturities

The table below sets forth an overview of SeaBird's borrowings as per year-end 2014, including repayment schedule and anticipated interest payments for each period.

The table illustrates, for each borrowing facility, the amount outstanding at year-end 2014, the amount outstanding after the Restructuring, and the expected amounts maturing for the remainder of 2015 (after the Restructuring) and in each of the years 2016 and 2017, as well as expected interest payments and outstanding amounts for each period.

For the debt referred to as the Hawk lease, the debt maturing in 2016 includes the purchase price related to the exercise of an option to purchase the Hawk Explorer including associated seismic equipment.

(figures in USD millions)	Facility					
Name of facility	SBX03	Perestroika convertible	SBX04	Credit facility	Unsecured note	Hawk lease
Currency	USD	USD	USD	USD	USD	USD
Described in section	10.2.5.1	10.2.5.2	10.2.5.3	10.2.5.4	10.2.5.5	10.2.5.6
Year-end 2014 balance	81.9	14.9	-	-	-	5.1
Per the Restructuring:						
Debt matured or new debt	(81.9)	(14.9)	29.3	2.4	2.1	(0.5)
Outstanding	-	-	29.3	2.4	2.1	4.6
Remainder of 2015:						
Debt maturing			-	-	-	(1.1)
Interest payment			(1.5)	(0.1)	(0.1)	
Outstanding at year-end			29.3	2.4	2.1	3.5
2016:						
Debt maturing			-	-	(0.9)	(3.5)
Interest payment			(2.1)	(0.1)	(0.1)	
Outstanding at year-end			29.3	2.4	1.2	0.0
2017:						
Debt maturing			(6.0)	(0.5)	(0.9)	
Interest payment			(2.0)	(0.1)	(0.1)	
Outstanding at year-end			23.3	1.9	0.2	
After 2017:						
Debt maturing			(23.3)	(1.9)	(0.2)	

SeaBird expects to repay the respective debt facilities upon their maturity by means of available cash on hand and by refinancing in the bank or bond market, depending on the financial situation and available alternatives at the time of such maturity. SeaBird currently does not anticipate the need to refinance or take up new financing until the maturity of the Bonds in 2017.

10.2.4 Status on covenants

As per the date of this Prospectus, the Company and the SeaBird group is in compliance with all its debt covenants.

Prior to the Restructuring, the SeaBird group was in breach of certain covenants related to bond loans, as announced on Oslo Børs. Specifically, SeaBird was in breach of covenants on the Perestroika convertible loan as of 30 September 2014 as a result of the inability to repay the USD 14.9 million face value at maturity, and in breach of balance sheet ratio covenants and cross-default provisions in the SBX03 bond agreement.

10.2.5 Description of debt facilities and lease arrangements

10.2.5.1 SBX03

In 2011, SeaBird issued the Senior Secured bond loan SeaBird Exploration Plc 11/15 6.00 per cent bond, referred to as SBX03, with an par value of USD 89.9 million and with maturity on 18 December 2015. Until year-end 2014, SBX03 had amortized with USD 8.0 million and the outstanding principal amount was USD 81.9 million.

Upon the Restructuring, the Trustee further held USD 2.26 million in an interest retention account on behalf of the SBX03 bondholders. Of the amount in the interest retention account, USD 1.0 million was allocated towards amortization of SBX03, giving an outstanding principal amount of USD 80.9 million, while the remaining balance was allocated as accrued and unpaid interest.

In a bondholders' meeting on 18 February 2015 the bondholders consented to the conversion of 20% of the principal outstanding amount, equal to USD 16.2 million, into the new bond referred to as SBX04, with the remainder being converted into 1,638,581,000 new Shares at NOK 0.30 per Share. The accrued and unpaid interest was applied towards subscription in the private placement being part of the Restructuring at NOK 0.10 per Share. Hence, SBX03 has been settled.

10.2.5.2 Perestroika convertible loan

In 2010, SeaBird issued a convertible bond loan towards Perestroika AS in the amount of USD 14.9 million, with scheduled maturity in September 2014. The Perestroika convertible loan was non-amortizing until maturity and was not repaid on schedule, meaning that the principal amount was USD 14.9 million at year-end 2014 and upon the Restructuring.

As part of the Restructuring, Perestroika AS consented to the conversion of 20% of the principal outstanding amount, equal to USD 3.0 million, into the new bond referred to as SBX04, with the remainder being converted into 302,221,500 new Shares at NOK 0.30 per Share. As a consequence of such conversion, the Perestroika convertible loan has been settled. Perestroika AS also participated in the private placement being part of the Restructuring.

10.2.5.3 SBX04

As part of the Restructuring, SeaBird issued a new bond loan referred to as SBX04, being a senior secured three year bond loan maturing on 3 March 2018. SBX04 is divided into two tranches, being a USD 5.0 million Tranche A which was subscribed by new lending and a USD 24.3 million Tranche B which was converted from SBX03, the Perestroika convertible loan and certain other liabilities.

The key terms of SBX04 are:

- Borrower: SeaBird Exploration Finance Limited, a wholly-owned group company.
- Guarantors: SeaBird Exploration Plc and all material operating subsidiaries.
- Amount: USD 29.3 million, divided into Tranche A of USD 5.0 million and Tranche B of USD 24.3 million.
- Maturity: 3 March 2018.
- Amortization: Two years holiday period; thereafter quarterly instalments of USD 2.0 million.
- Interest: Tranche A 12.0% and Tranche B 6.0%, both payable quarterly commencing in September 2015.
- Call option: Callable at par, in whole or in part, at any time.
- Financial covenants: Leverage ratio of less than 2.5 commencing 31 December 2015, tested on each quarter date. Minimum cash of USD 5.0 million commencing 31 December 2015, tested on each quarter date.
- Security: Guarantees from group companies, share pledges in vessel controlling guarantors, mortgages over owned vessels, assignment of charters and survey contracts with a duration of more than 6 months, assignment of insurances, assignment of earnings, assignment of intra-group loans, bank account pledges and a floating charge. Reference is made to Clause 8.2 of the bond agreement in respect of SBX04, appended hereto as Appendix 1. The security is shared among the Tranche A bondholder, the Tranche B bondholders and the lender under the credit facility set out in Section 10.2.5.4. The Tranche A bondholder has a senior right to full recovery by the security constituted by the multi-client libraries comprised by the floating charges granted by SeaBird Exploration Multi-Client Ltd., Aquila Explorer Inc and Raven Navigation Inc., and the Tranche B bondholders have a senior right to recovery to all other security. Upon an acceleration of the SBX04 Bonds following an event of default, the lender under Tranche A is obliged to take over such multi-client libraries against full redemption of

the Tranche A Bonds, as further described in Clause 21 (*Compulsory Takeover*) of the bond agreement.

- Further terms of SBX04 are set out in Section 5.4.1 herein, and the bondholder agreement in respect of SBX04 is appended hereto.

10.2.5.4 Credit facility

As part of the Restructuring, SeaBird issued a credit facility on terms materially identical to the terms in respect of SBX04 and with the same security as SBX04, except that there are no financial covenants. The credit facility was issued against settlement of other liabilities.

The principal terms of such credit facility are:

- Amount: USD 2.4 million.
- Maturity: 3 March 2018.
- Amortization: Two years holiday period; thereafter quarterly instalments proportionally to SBX04.
- Interest: 6.0%, payable quarterly commencing in September 2015.
- Call option: Callable at par, in whole or in part, at any time.
- Financial covenants: None.
- Security: The credit facility is secured with the same security as SBX04.

10.2.5.5 Unsecured note

As part of the Restructuring, SeaBird further issued an unsecured note in the amount of USD 2.1 million. The unsecured note was issued against settlement of other liabilities.

The principal terms of such unsecured note are:

- Amount: USD 2.1 million.
- Maturity: January 2018.
- Amortization: Nine equal quarterly instalments commencing 1 January 2016.
- Interest: 6.0%, payable quarterly commencing in April 2015.
- Call option: Callable at par, in whole or in part, at any time.
- Financial covenants: None.

10.2.5.6 Hawk lease

The lease of the vessel Hawk Explorer is recognised in the books as a finance lease at USD 5.1 million per year-end 2014, with the terms of such lease having been amended as part of the Restructuring. The firm lease period expires at the end of February 2016 with an option for SeaBird to extend for one more year. SeaBird has an option to purchase the vessel at the end of the firm lease period for USD 3.3 million, and, if the lease is extended, at the end of the extended lease period for USD 1.8 million.

10.2.5.7 Operating lease arrangements

SeaBird leases various vessels (currently the Munin Explorer, Geo Pacific, and Voyager Explorer) and seismic equipment under non-cancellable operating lease arrangements. The leases have varying terms, escalation clauses and renewal rights. Lease rentals relating to operating leases were recognised in an amount of USD 17.1 million for 2014 (2013: USD 20.1 million).

The terms of the leases in respect of Munin Explorer, Geo Pacific and Voyager Explorer were amended as part of the Restructuring. As an effect of such amendments, the future aggregate

minimum lease payments under such non-cancellable operating leases are approximately USD 10 million for the year 2015, approximately USD 19.5 million for the subsequent four year period, and nil thereafter.

10.2.6 Restrictions on use of capital

The agreements in respect of SBX04 and the credit facility contain provisions whereby, upon the sale of material assets and certain other events, the proceeds shall be applied towards a mandatory prepayment of such loans, unless (in the event of the sale of a vessel) applied towards the acquisition of a replacement vessel.

The agreements also contain certain restrictions on granting financial support to or for the benefit of third parties (except for intragroup loans) which provide restrictions on SeaBird's free use of capital. As long as these covenants and undertakings are met, there are no restrictions put on SeaBird's use of capital.

10.2.7 Financial covenants and dividend restrictions

The bond loan agreement in respect of SBX04 contains financial covenants with respect to leverage ratio and free cash, which are set out in Clause 17.3 of the bond agreement. The financial covenants are to be tested each quarter.

Provided that the Company is in compliance with the financial covenants both before and after a declaration of dividends, there are no dividend restrictions in the agreement in respect of SBX04. See also Section 11.3.4 for further details.

10.2.8 Credit ratings

No credit ratings are issued to SeaBird or its debt securities at the request of SeaBird, or with the cooperation of SeaBird in the rating process.

10.2.9 Other capital resources and working capital

SeaBird's working capital requirements will fluctuate depending on the contract coverage for its vessels.

Receivables in respect of vessel revenues are generally paid monthly in arrears of the actual performance of the service. There is a continuous focus on efficient handling of receivables to reduce the amount of capital being tied up.

Payables, which are generally related to various vessel expenses including bunkers, are partly paid in arrears of their actual delivery and partly based on pre-payments. Charter hires for leased vessels are due monthly at the beginning of the month.

SeaBird strives to have a modest working capital buffer which enables it to pay its expenses when due, while at the same time having the ability to withstand normal delays and idle periods between contracts.

In the view of the board of directors of SeaBird Exploration Plc, the Company and the SeaBird group does not have sufficient working capital for its current requirements, being understood as the requirements for a minimum of 12 months from the date of this Prospectus. In making such statement, the board of directors has taken into consideration the headroom between the existing working capital and the requirements which could occur in various scenarios related to its business operation, and in particular, in the event that contracts and other arrangements in respect of the employment of SeaBird's vessels are cancelled or significantly delayed and alternative employment cannot be secured at satisfactory rates. Should these contracts and other arrangements be commenced and completed in accordance with the plans entered into between SeaBird and the respective counterparties, SeaBird does not expect a working capital shortfall. However, in the

event of such contracts being delayed, cancelled or not materialising, SeaBird could have a working capital shortfall which could result in the need for significant amounts of additional financing, which may not be available at that time. The timing of a potential shortfall would depend on the overall employment of SeaBird's vessels, but in the event of all contracts being delayed, could occur during the summer of 2015. The amount of such shortfall would also depend on the overall and alternative employment of SeaBird's vessels, but in a worst case scenario, could amount to approximately USD 50 million for a 12 month period. SeaBird has not as of today made specific alternative plans to cover such potential shortfall, although under those circumstances alternatives may exist to sell or otherwise monetise certain assets or to make other financing arrangements. The ability to sell or otherwise monetise assets, being primarily made up of owned vessels and the multi-client library, would require consent from lenders as all of such assets are held as security for loan arrangements, and may therefore not be available within a short time frame or at all. Should none of these financing arrangements be available at that time, such circumstance would have a significant negative effect on SeaBird's financing situation and its ability to continue operations.

10.2.10 Key ratios

The table below sets forth selected consolidated key ratios for SeaBird for the years 2014, 2013 and 2012.

Key ratio	2014	2013	2012
Working capital ratio (defined as current assets divided by current liabilities)	26%	99%	125%
Interest coverage ratio (defined as EBIT divided by interest expense)	-4.7x	0.4x	0.3x
Solidity (defined as total equity divided by total assets)	-29%	30%	27%

10.3 Capitalization overview

The table below sets forth an overview of SeaBird's capitalisation as per year-end 2014 and adjusted to reflect if the below-mentioned material changes, related to the Restructuring and the effects thereof, had been in place as at that time for comparative purposes.

(USD '000)	31 Dec 2014	Adjustments	Adjusted per the date of this Prospectus
Total current debt			
Guaranteed	-	-	-
Secured	87,267	(85,781)	1,486
Unguaranteed / unsecured	94,640	(31,376)	63,264
Total	181,907	(117,157)	64,750
Total non-current debt (ex. current portion)			
Guaranteed	-	-	-
Secured	-	31,745	31,745
Unguaranteed / unsecured	-	5,575	5,575
Total	-	37,320	37,320
Shareholders' equity			
Share capital	5,758	(5,151)	607
Legal reserves	183,367	28,970	212,337
Other reserves	(230,046)	69,300	(160,746)
Total	(40,921)	93,119	52,198

For purposes of the table above, the following items make up the amounts referred to as adjustments:

- Current guaranteed debt: None.
- Current secured debt: The debt as per 31 December 2014 reflects the bond loan SBX03 (outstanding principal and accrued interest of USD 82.2 million) and the lease on Hawk Explorer (booked at amortised cost of USD 5.1 million). The adjustments reflect (i) the settlement of SBX03, all of which was recorded as current debt with approximately USD 82.2 million, and (ii) the reclassification of approximately USD 3.5 million of lease debt on Hawk Explorer from current to non-current liability, all as effect of the Restructuring. The remaining amount of current secured debt reflects the non-current portion of the lease debt on Hawk Explorer.
- Current unguaranteed / unsecured debt: Reflects (i) the settlement of a convertible bond granted to the Company by Perestroika AS as part of the Restructuring, (ii) net reduction in trade and other payables of USD 18.8 million as a result of the implementation of debt and interest forgiveness and the issue of SBX04 bonds and equity to trade creditors in the Restructuring; (iii) USD 2.4 million in adjustment of provisions reflecting the reversal of a gain recognised in Q4 2014 on the accounts payable debt forgiveness related to the lease of Voyager Explorer, which was offsetting part of the expected loss provision for the remaining lease period of the vessel (the provision was based on the estimated net costs of the onerous lease).
- Non-current guaranteed debt: None.
- Non-current secured debt: Reflects (i) the issuance of SBX04 in an amount of approximately USD 29.3 million, and (ii) the issuance of a credit facility of approximately USD 2.4 million.
- Non-current unguaranteed / unsecured debt: Reflects (i) the issuance of an unsecured credit facility of approximately USD 2.1 million as part of the Restructuring and (ii) the reclassification of approximately USD 3.5 million of lease debt on Hawk Explorer from current to non-current liability.

- Share capital: Reflects (i) the par value of the New Preference Shares issued in the private placement as part of the Restructuring of USD 0.6 million, less (ii) share capital reduction for existing ordinary shares of approximately USD 5.7 million.
- Legal reserves: Reflects (i) the private placement of New Preference Shares and Warrants of approximately USD 10.6 million net of issue costs less issued Warrants valued at fair value of USD 2.7 million (classified under other reserves) and (ii) the issue of New Preference Shares to creditors, net of issue costs, of approximately USD 21.4 million, less (iii) the par value of the issued New Preference Shares of approximately USD 0.6 million.
- Other reserves: Reflects (i) the net non-recurring restructuring gain (excluding fair value adjustments on issued bonds and loans) of approximately USD 60.9 million, (ii) the fair value of issued warrants at USD 2.7 million, and (iii) equity transferred from share capital to other equity of USD 5.7 million.

10.4 Indebtedness overview

The table below sets forth an overview of SeaBird's net indebtedness as per year-end 2014 and adjusted to reflect if the below-mentioned material changes, related to the Restructuring and the effects thereof, had been in place as at that time for comparative purposes.

(USD '000)	31 Dec 2014	Adjustments	Adjusted per the date of this Prospectus
A Cash	6,972	13,282	20,254
B Cash equivalents	-	-	-
C Trading securities	-	-	-
D Liquidity (A+B+C)	6,972	13,282	20,254
E Current financial receivables	14,215	-	14,214
F Current bank debt	-	-	-
G Current portion of long-term debt	-	-	-
H Other current financial debt	181,907	(116,529)	65,376
I Current financial debt (F+G+H)	181,907	(116,529)	65,376
J Net current financial indebtedness (I-E-D)	160,719	(129,811)	30,908
K Non-current bank loans	-	-	-
L Bonds issued	-	29,345	29,345
M Other non-current loans	-	7,989	7,989
N Non-current financial indebtedness (K+L+M)	-	37,335	37,335
O Net financial indebtedness (J+N)	160,719	(92,476)	68,243

For purposes of the table above, the following items make up the amounts referred to as adjustments:

- A – Cash: Reflects the net proceeds from the issue of the New Shares and Bonds as part of the Restructuring.
- B – Cash equivalents: None.
- C – Trading securities: None.
- E – Current financial receivables: None.
- F – Current bank debt: None.
- G – Current portion of long-term debt: None.

- H – Other current financial debt: Reflects (i) the reclassification of approximately USD 3.5 million of lease debt on Hawk Explorer from current to non-current liability, (ii) the settlement of SBX03, all of which was recorded as current debt with approximately USD 82.3 million, (iii) the settlement of a convertible bond granted to the Company by Perestroika AS in the amount of USD 14.9 million, and (iv) the settlement of current trade and other payables with approximately USD 15.9 million, all as part of the Restructuring.
- K – Non-current bank loans: None.
- L – Bonds issued: Reflects the nominal value of the issuance of SBX04.
- M – Other non-current loans: Reflects (i) the reclassification of approximately USD 3.5 million of lease debt on Hawk Explorer from current to non-current liability, (ii) the issuance of a secured credit facility of approximately USD 2.4 million, and (iii) the issuance of an unsecured credit facility of approximately USD 2.1 million, all as part of the Restructuring.

10.4.1 Contingent and other liabilities

The following items are regarded as contingent liabilities:

- SeaBird's bareboat charter contract with Kondor Explorer expired on 28 February 2014. SeaBird has attempted to redeliver the vessel to its owner, a Ukrainian company. However, redelivery of the vessel has been delayed due to the ongoing unrest in Ukraine. SeaBird is seeking to redeliver this vessel as soon as possible. The operating and management costs incurred by the SeaBird from the period of expiry until the end of the year are considered to be approximately the same as the costs of any claim the owner would have against SeaBird for redelivery costs (including reinstatement of the vessel to the necessary condition). Therefore, SeaBird considers that it is unlikely that an additional significant liability exists for such owner claims as at 31 December 2014. Further, SeaBird does not expect to be able to recover any excess costs over the claim the owner may have, and therefore has not recognized any amounts potentially receivable in respect of any possible contingent asset which may have arisen as at 31 December 2014.
- SeaBird received a notice from the Internal Revenue Service in the USA in 2013 with requests to file tax returns and consequently a demand for paying tax for certain companies for previous years. The potential tax liability is uncertain and could potentially result in extra tax cost. SeaBird has accrued for USD 1.2 million for this potential tax liability as per the 31 December 2014 balance sheet date.

Other than as stated above, the Company is not aware of any material liability, direct or indirect, actual or contingent.

11 SHARES, SHARE CAPITAL AND SHAREHOLDER MATTERS

11.1 Shares and share capital

11.1.1 Share capital

As of the date of this Prospectus, the Company's authorized share capital is USD 6,800,000, divided into a maximum of 68,000,000,000 shares, each with a nominal value of USD 0.0001. There are 3,065,427,746 issued and outstanding shares of the Company, including the New Shares, corresponding to a share capital of USD 306,542.7746. All shares are of the same class.

The Shares have all been validly issued, registered and fully paid. The beneficial interests in the Shares are registered in VPS with ISIN CY0101162119, except (a) for six Shares held by nominees as mentioned in Section 11.3.1 below and (b) for the New Shares which will be registered on the above ISIN in VPS (and thus tradable on Oslo Børs) following approval and publication of this Prospectus. The Company's VPS account operator is DNB Bank ASA, Verdipapirservice, P.O.Box 1600, N-0021 Oslo, Norway.

11.1.2 Convertible securities

The Company does not have issued convertible securities. A former convertible bond was settled as part of the Restructuring.

11.1.3 Other obligations over unissued capital

The Company has issued the Warrants, each giving the right to subscribe for one share at a subscription price of NOK 0.10. The number of such Warrants in issue is 884,687,500, each giving the right within their expiration on 15 January 2018 to subscribe for one new Share at a subscription price of NOK 0.10. The Warrants are registered under ISIN CY0135682116 and application for their listing on Oslo Børs has been made. The terms of the Warrants are further set out in Section 5.3.

In addition, the Company has issued stock options to key employees. As at the date of this Prospectus, the total number of options issued is 1,621,945, each giving the right to subscribe for one new Share. The average exercise price under these options is NOK 3.08 per Share. The options must be declared no later than 1 November 2015. The option arrangement is further described in Section 7.6.3.

11.1.4 Capital under option

No capital of any company in the SeaBird group is under option or is agreed, conditionally or unconditionally, to be put under option.

11.1.5 Stock exchange listing

The Company's shares are listed on Oslo Børs under the trading symbol "SBX". The New Shares become listed on Oslo Børs under the same ticker as the existing Shares with effect from the publication of this Prospectus. The Shares are not listed (and no application has been filed for listing) on any other stock exchange or regulated market than Oslo Børs.

Application for listing on the Warrants on Oslo Børs has been made. Stock exchange notification will be made upon their admission to listing.

11.1.6 Historical development in share capital and number of shares

The table below sets forth the historical development in the Company's share capital and the number of issued and outstanding Shares for the period between 1 January 2012 and the date of this Prospectus.

Date	Type of change	Change in share capital (USD)	Par value (USD)	Total share capital after change (USD)	Number of shares after change	Price per share
At 1 Jan 2012			0.01	3,142,597.23	314,259,723	
15 May 2012	1:10 consolidation		0.10	3,142,597.20	31,425,978	
3 Dec 2012	Capital increase	1,100,000	0.10	4,242,597.80	42,425,978	NOK 7.50
14 Feb 2013	Capital increase	150,000	0.10	4,392,597.80	43,925,978	NOK 7.50
4 Nov 2013	Capital increase	165,526.8	0.10	4,558,124.60	45,581,246	NOK 3.07
19 Dec 2013	Capital increase	1,200,000	0.10	5,758,124.60	57,581,246	NOK 3.00
2 Mar 2015	Capital increase	601,569.3	0.10	6,359,693.90	63,596,939 (1)	NOK 50/150
30 Apr 2015	Share capital reduction and share conversion	-295,025.5254	0.0001	306,542.7746	3,065,427,746	-

(1) Consisting of 57,581,246 ordinary shares and 6,015,693 New Preference Shares, each converted into 500 ordinary shares on 30 April 2015.

The Company's share capital as of 1 January 2014 and 31 December 2014, respectively, was USD 5,758,124.60 and USD 5,758,124.60, with the number of shares at the same dates were 57,581,246 and 57,581,246. No shares were issued against consideration in other assets than cash during the period covered by the historical financial information provided in this Prospectus; however, subsequent to year-end 2014 a total of 2,123,159,000 shares were issued as part of the Restructuring and as consideration for liabilities of the SeaBird group.

11.1.7 Authorisations to issue additional shares, etc.

Pursuant to the Memorandum of Association, the Company is authorised to issue a maximum of 68,000,000,000 Shares, each with par value of USD 0.0001. Pursuant to the Articles, subject to any resolution of shareholders, Shares and other securities may be authorised for issue by the directors or by ordinary resolution of the shareholders. Furthermore, subject to the provisions of Cyprus law and the Articles, the board of directors may be authorised to acquire treasury Shares.

An authorization was provided to the board of directors by a shareholders' meeting on 5 March 2015, by which the board of directors was authorized to the issue of Shares for general corporate purposes, restructuring of debt, capitalization of the Company and incentive stock option programmes, on such price and other terms and to such persons as the board of directors may determine. Under such authorization, the shareholders also waived any pre-emption rights they may have to subscribe for new shares.

11.2 Shareholder structure

As of 22 April 2015, the Company had 1,932 holders of its ordinary shares and 176 holders of its New Preference Shares registered in the VPS. The following table provides an overview of the 20 largest shareholders of the Company as of said date, adjusted to reflect the New Shares that were held on a separate ISIN number pending the approval of this Prospectus.

#	Shareholder	Type	Domicile	Ordinary shares	New Preference Shares	Aggregate holding of Shares	%
1	Euroclear Bank S.A.	NOM	BEL	467,451	1,995,927	998,430,951	32.6%
2	Perestroika AS		NOR	-	984,443	492,221,500	16.1%
3	MP Pensjon PK		NOR	-	298,625	149,312,500	4.9%
4	Ordinat Shipping AS		NOR	-	243,229	121,614,500	4.0%
5	Clearstream Banking	NOM	LUX	584,346	227,997	114,582,846	3.7%
6	Barclays Bank Plc	NOM	GBR	-	183,905	91,952,500	3.0%
7	Fugro Norway AS		NOR	-	131,617	65,808,500	2.1%
8	AB Investment AS		NOR	-	120,000	60,000,000	2.0%
9	Northern Trust Co	NOM	GBR	-	112,593	56,296,500	1.8%
10	UBS AG	NOM	GBR	-	80,000	40,000,000	1.3%
11	Telenor PK		NOR	-	77,112	38,556,000	1.3%
12	Vik, Erik Martin		NOR	-	67,861	33,930,500	1.1%
13	SEB Clients Account	NOM	SWE	-	66,000	33,000,000	1.1%
14	Pål T. Evensen AS		NOR	-	65,110	32,555,000	1.1%
15	Skeie Alpha Invest		NOR	-	51,756	25,878,000	0.8%
16	SEB Luxembourg Cl.	NOM	GBR	-	50,000	25,000,000	0.8%
17	J.P. Morgan Lux.	NOM	LUX	-	48,472	24,236,000	0.8%
18	Sanden AS		NOR	-	48,472	24,236,000	0.8%
19	Imagine Capital AS		NOR	-	47,923	23,961,500	0.8%
20	Fearnley Securities AS		NOR	-	47,289	23,644,500	0.8%
	Top 20 shareholders			1,051,797	4,948,331	2,475,217,297	80.7%
	Others			56,529,449	1,067,362	590,210,449	19.3%
	Total			57,581,246	6,015,693	3,065,427,746	100.0%

Neither the Company nor any of its subsidiaries hold any shares (treasury shares) in the Company.

Shareholders holding 5% or more of the Company's shares have an interest in the Company's share capital which is notifiable according to the applicable regulations, as described in Section 11.5.15. The Company is not aware of any persons or entities, except for those set out below, who, directly or indirectly, have an interest of 5% or more of the Shares as of the date of this Prospectus. The following persons or entities have notified of an interest of 5% or more of the Shares in the Company:

- Perestroika AS, who notified on 4 March 2015 that it held holdings corresponding to a total of 492,221,500 Shares and 190,000,000 Warrants, corresponding to 16.06% of the issued share capital and 17.27% of the fully diluted share capital;
- AOG Investments Ltd., who notified on 4 March 2015 that it held holdings corresponding to a total of 396,356,500 Shares and 37,591,000 Warrants, corresponding to 12.93% of the issued capital and 10.99% of the fully diluted share capital;
- Farallon Capital Europe LLC acting together with Farallon Capital Management LLC, acting as investment managers for multiple entities, who notified on 4 March that they held holdings corresponding to 362,137,000 Shares and 34,345,500 Warrants, corresponding to 11.81% of the issued share capital and 10.04% of the fully diluted share capital;
- Pacifcor, LLC, who notified on 5 March 2015 that it held holdings corresponding to a total of 191,308,923 Shares and 68,400,000 Warrants, corresponding to 6.24% of the issued share capital and 6.57% of the fully diluted share capital;

- Ordinat Shipping AS, who notified on 4 March 2015 that it held holdings corresponding to a total of 133,099,623 Shares and 76,000,000 Warrants, corresponding to 4.34% of the issued share capital (thereby passing below 5% ownership) and 5.29% of the fully diluted share capital.

The Company is not aware of any persons or entities who, directly or indirectly, jointly or severally, exercise or could exercise control over the Company. The Company has not taken specific steps to prevent the abuse of such control. The Company is not aware of any arrangements that may result in, prevent, or restrict a change in control over the Company.

The Company is not aware of any shareholders' agreements among its shareholders.

No shareholders of the Company are under lock-up arrangements for their Shares.

11.3 Shareholder rights and shareholder policies

11.3.1 Share classes and voting rights

The Company has one class of shares, and all shares give equal rights in every respect. The special class of shares used to issue the New Preference Shares as part of the Restructuring lapsed upon the conversion of the New Preference Shares into ordinary Shares of the Company by registration on 30 April 2015.

Each share is entitled to one vote at a general meeting of the shareholders of the Company, and no shareholders enjoy different voting rights. Subject to the provisions of Cyprus law and the Articles (see Section 11.5.9), resolutions at a general meeting of the shareholders are passed by a simple majority of the votes present and cast. Blank and invalid votes shall not be counted. In case of an equal vote, the proposal shall be deemed to have been rejected.

Six of the Company's issued Shares are not registered in VPS. This is due to Cyprus legislative provisions, relating to public companies. The six shares not registered in VPS are held by six individuals and are all registered in the register of members of the Company. As described below in section 11.4, the Shares are registered in the name of the VPS Registrar in the register of members of the Company in accordance with the laws of the Republic of Cyprus, and the beneficial shareholders will hold beneficial interests in those shares. The beneficial shareholders must look to the VPS Registrar to vote for their shares. Dividends in cash will be forwarded directly to the beneficial shareholders of the Company to the bank accounts registered on the VPS account of such shareholder.

The Articles do not give pre-emptive rights to subscribe for new shares, however, such rights may exist under Cyprus law, where new shares are issued for a consideration in cash, as mentioned in section 11.5 herein. Shares that the Company purchases or otherwise acquires may be cancelled or held as treasury shares.

11.3.2 Trading rights

The Company's Articles do not contain any limitations with regard to trading of the Shares.

11.3.3 Limitations on the right to own shares

Neither the Memorandum, the Articles nor current company legislation impose limitations with regard to who has the right to own Shares in the Company.

11.3.4 Shareholder and dividend policy

The Company will seek to treat all Shareholders equally in line with applicable regulations.

The Company intends to manage the SeaBird group's assets and business in a manner which provide the highest possible return at an acceptable risk, measured in terms of total dividends and

increases in share price, on the capital invested in the Company over time. This is intended to make SeaBird an attractive investment, and to provide the basis for the Company to raise additional equity when this should be desirable.

The Company will strive to follow a dividend policy favourable to the Shareholders. The amount of any dividends to be distributed will be dependent on, inter alia, the Company's investment requirements and rate of growth. The current debt facilities prevent the Company to make any dividend declarations unless the Company is in compliance with the financial covenant provisions applicable to the SBX04 bond loan, both before and after such dividend declaration, please see Section 10.2.7 for further details.

According to the Company's Articles, dividends may only be declared and paid following a proposal by the board of directors and after the board has made a determinatino concerning the Company's solvency in accordance with the Articles.

No dividends have been paid or proposed in respect of the years 2014, 2013 or 2012.

11.3.5 Information policy and investor relations

The Company endeavours to provide all market participants with timely and equal information.

Such information will take the form of annual reports, quarterly reports, stock exchange bulletins, press releases and investor presentations when appropriate. In addition to current notifications to Oslo Børs, the Company arranges investor presentations in connection with quarterly and annual financial reporting and on other selected occasions.

The Company also pursues an open information policy towards the media and stakeholders of the Company.

All information will be published through the Oslo Børs information system on www.newsweb.no and on the Company's web page www.sbexp.com.

11.4 VPS registration of the Shares

11.4.1 Introduction

It is a legal requirement that shares that are to be admitted to listing on Oslo Børs are registered in a central securities depository licensed to operate in Norway or another share register approved by Oslo Børs, for practical purposes the VPS.

In order to facilitate registration with the VPS, all Shares of the Company (except for six, as described in Section 11.3.1) are registered in the name of the VPS Registrar, in accordance with terms set out in the Registrar Agreement entered into between the Company and the VPS Registrar. The Company's VPS Registrar is DnB Bank ASA, Verdipapirservice, P.O.Box 1600, N-0021 Oslo, Norway.

The VPS Registrar shall register beneficial interest in the Shares in VPS (in Norwegian: "depotbevis"). Therefore, it is not the legal interest in the Shares, but the beneficial interests in the Shares issued by VPS Registrar that are registered in VPS and listed on Oslo Børs. The VPS Registrar is registered as the legal owner of the Shares in the register of members that the Company is required to maintain pursuant to Cyprus law and the Articles. The VPS Registrar, or its designee, holds the Shares as nominee on behalf of each beneficial Shareholder. The VPS Registrar will provide for the registration of each Shareholder's beneficial ownership in the Shares in the VPS on each investor's individual VPS account.

The beneficial ownership of the Shareholders will be registered in the VPS under the category of a "share" and the beneficial ownership will be listed and traded on Oslo Børs. Investors who purchase the Shares (although recorded as owners of the shares in the VPS) will have no direct shareholder

rights in the Company, and will not be treated as a legal shareholder of the Company for the purpose of Cyprus law or the Articles. Each Share registered with the VPS will represent evidence of beneficial ownership of one Share. The Shares registered with the VPS will be freely transferable, with delivery and settlement through the VPS system.

Investors who purchase Shares must look solely to the VPS Registrar for the payment of dividends, for the exercise of voting rights attached to the Shares and for all other rights arising in respect of the Shares. The Registrar has agreed to provide for voting arrangements for the beneficial shareholders on the terms set out in the Registrar Agreement.

11.4.2 Voting and dividends

The VPS Registrar or its designee shall vote for the Shares it holds, or issue a proxy to vote for such Shares, only in accordance with each investor's instructions.

Any dividends will be paid by the Company directly to the VPS Registrar, which has undertaken, in turn, to distribute the dividends to the investors in accordance with the Registrar Agreement.

Investors who have a Norwegian address and investors who have supplied the VPS with details of a Norwegian bank account will receive dividends in NOK. Investors who have a non-Norwegian or address who have not provided details of a Norwegian bank account will receive dividends converted into either their local currencies or, if the VPS Registrar so elects, in USD. Dividends in cash will be forwarded directly to the holders of deposit rights to shares in the Company to the bank accounts registered on the VPS account of the holder of deposit rights. The Articles stipulate that unclaimed dividends on shares may be forfeited for the benefit of the Company after a period of three years after having been declared. Due to the VPS system with registration of bank accounts, this provision is unlikely to have practical effect. Interest does not accrue on declared dividends. All shareholders of the Company will have equal rights to dividends, with the exception on any shares in the Company held by the Company itself.

11.4.3 Non-cash distributions

Whenever the Company intends to distribute assets other than cash, the VPS Registrar will be notified in advance, and the VPS Registrar will in its reasonable discretion determine whether the distribution to investors is lawful and reasonably practicable.

The VPS Registrar will make the distribution net of taxes and governmental charges payable by investors under the terms of the Registrar Agreement. In order to pay the taxes and governmental charges, the VPS Registrar may sell all or a portion of the assets received.

11.4.4 Limitations on liability

The Registrar Agreement limits the Company's and the VPS Registrar's obligations to investors with respect to the Shares. Investors who purchase Shares in the Company should note that the Company and the VPS Registrar disclaim any liability for any loss attributable to circumstances beyond the VPS Registrar's control.

The VPS Registrar further disclaims liability for any losses suffered as a result of the VPS' errors or negligence, save to the extent that the VPS Registrar may hold the VPS liable for such losses.

11.4.5 Amendment and termination

Each of the Company and the VPS Registrar may terminate the Registrar Agreement at any time with 3 months written notice or immediately upon written notice of any material breach by the other party of the Registrar Agreement. The VPS Registrar may terminate the Registrar Agreement if the Company fails to fulfil the payment obligations and if such failure is not remedied before the 10th business day after the VPS Registrar gives the Company written notice of such failure. In the event that the VPS Registrar Agreement is terminated, the Company will use its reasonable best

efforts to enter into a replacement agreement for purposes of permitting the uninterrupted listing of the Shares on Oslo Børs. There can be no assurance, however, that it will enter into such an agreement on substantially the same terms or at all. A termination of the Registrar Agreement could, therefore, adversely affect the listing of the Shares on Oslo Børs. If the Registrar Agreement is terminated and not replaced, the VPS Registrar will use reasonable efforts to cooperate with investors in converting their Shares that are listed on the VPS into Shares registered in the name of the respective Shareholder.

11.4.6 Notices

The Registrar Agreement provides that whenever the VPS Registrar receives any notice, report, accounts, financial statements, circular or other similar document relating to the affairs of the Company, including notice of a general meeting, the VPS Registrar shall ensure that a copy of such document is promptly sent to the registered address of each Shareholder along with any proxy card form or other relevant materials.

11.4.7 Requests for Shares

Subject to the prior written consent from the board of directors, a Shareholder may at any time require the VPS Registrar to procure the registration of the Shares of which the beneficial interests are registered in the VPS in such Shareholder's name. The beneficial interests in the Shares will then first be transferred into the VPS Registrar's VPS account. Such Shares will no longer be admitted to trading on Oslo Børs.

11.5 Constitutional documents and Cyprus law matters

11.5.1 General introduction

The Company is incorporated in the Republic of Cyprus as a public company limited by shares.

The Company is primarily governed by the Companies Law, Cap 113 of the statute laws of the Republic of Cyprus (the "Companies Law") and the Company's Memorandum (the "Memorandum") and Articles of Association (the "Articles"). In addition, it is governed by the terms of the Listing Agreement with Oslo Børs. Further, Oslo Børs' continuing obligations for listed companies apply on certain matters.

11.5.2 Constitutional documents

The constitutional documents of the Company consist of the Memorandum and Articles of Association. The Memorandum deals with the objects and powers of the Company and the Articles deal primarily with the Company's administration, internal regulation and the distribution of rights and authorities between the Company's shareholders and the board of directors.

Under the Articles and the Companies Law the Memorandum and Articles may be amended by a Special Resolution of the Company's general meeting, whereby the majority requirement is not less than three fourths of such Members as being entitled so to do vote in person or by proxy at a duly constituted meeting of the Company. An amendment of the objects and powers contained in the Company's Memorandum would, in addition, require the sanction of the Court.

11.5.3 Objects and Purposes

The Company has full capacity rights, powers and privileges to undertake any of the matters mentioned in clause 3 in the Memorandum, which include, inter alia, any commercial activity relating to providing oil and gas exploration, production and participation, seismic data services onshore, transition zones and offshore, and general offshore energy related services and whatever else may be considered incidental or conducive thereto.

11.5.4 Shares and transfer of shares

The Shares, including the beneficial interests in such Shares held by the VPS Registrar may be transferred freely.

The transfer of a Share is effective when the name of the transferee is entered on the Register of Members. The transfer of the beneficial interests in such Shares held by the VPS Registrar is effective when the name of the transferee is entered on the VPS Register.

11.5.5 Purchase of own Shares

Subject to the Articles and the provisions of the Companies Law, the Company has the power to purchase any Shares in the manner set out in the Articles.

Under the Norwegian Public Companies Act, which does not apply to the Company, there are limited rights for a company to acquire its own shares. These limits are not reflected in identical terms in the Articles. However, there are fairly similar, albeit less stringent, limitations in said respect reflected in the Articles. These limitations include a shareholder approval requirement and a maximum 10% holding requirement.

11.5.6 Redemption provisions

A share in the Company may, according to the Company's Articles of Association, be issued with such preferred, deferred or other special rights or such restrictions, whether with regard to dividend, voting, return of capital or otherwise as the Company may from time to time by Ordinary Resolution (requiring a simple majority) determine. No such shares are however issued per date of this Prospectus.

Subject to section 57 of the Companies Law, it is possible for the Company to issue any class of its shares on terms that they shall be redeemed at the option of the Company. Section 57 (1) of the Companies Law provides inter alia, that:

- a) no shares shall be redeemed except out of profits of the company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purposes of the redemption;
- b) no shares shall be redeemed unless they are fully paid;
- c) the premium, if any, payable on redemption, must have been provided for out of the profits of the company or out of the company's share premium account before the shares are redeemed;
- d) where any shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the capital redemption reserve fund", a sum equal to the nominal amount of the shares redeemed, and the provisions of the Companies Law relating to the reduction of the share capital of a company shall, except as provided in section 57, apply as if the capital redemption reserve fund were paid-up share capital of the company.

In addition to the above and always subject to the provisions of the Companies Law, the Company may, pursuant to its Articles of Association, acquire its own shares if and in so far as the Company in General Meeting by a Special Resolution has authorised the board of directors to acquire such shares, provided in all cases, that the Company shall not purchase more than such number of such shares as shall result in the Company at any time holding more than 10 per cent of the Company's issued shares.

The authorisation may be given for no more than twelve months on each occasion, notwithstanding any other provisions.

The Law contains detailed provisions, relating to the conditions for the purchase by a Company of its own shares.

11.5.7 Rights to any surplus in the event of liquidation

According to the Company's Articles of Association, subject to any special rights conferred on the holders of any existing shares or class of shares, each share in the Company confers upon the Members the right to an equal share in the distribution of the surplus assets of the Company on its liquidation.

At present, there is only one class of shares in the Company, hence, all shareholders have equal rights.

11.5.8 Conversion provisions

No conversion provisions exist in relation to the Company's shares, save that the Company may, by Ordinary Resolution and subject to the provisions of the Companies Law,

- (a) convert any paid up shares into stock and reconvert any stock into paid up shares of any denomination,
- (b) consolidate and divide all or any of its share capital into shares of a larger amount than its existing shares, and
- (c) subdivide its existing shares, or any of them, into shares of a smaller amount than is fixed by its Memorandum of Association.

If, at any time, the Company's shares are divided into different classes, the rights attached to any class may only be varied by a Resolution passed at a meeting of the holders of the issued shares in that class and taken by a majority of two-thirds of the votes. When at least half of the issued share capital of that class is represented at the meeting, a simple majority is sufficient.

11.5.9 General meetings

The board of directors decides the venue of the Company's general meeting, which can be anywhere, save that the Company's annual general meetings can be held anywhere other than Norway. This differs from Norwegian law, where, unless otherwise decided specifically in the articles of association, the venue of a general meeting is in the municipality where the Company has its registered office.

A general meeting must be held once every year and not less than 21 days' notice is required for the holding of an annual general meeting. Extraordinary general meetings shall be called by 21 days' notice at the least unless a special resolution, that shortens the notice period to 14 days, is approved in the immediately preceding annual general meeting, or at a general meeting that is conducted after that annual general meeting, in which case extraordinary general meetings, other than meetings for the passing of a special resolution, may be called by 14 days' notice. The notice of the meeting shall specify the time, place and agenda and other relevant information for the meeting. Notice of every meeting of shareholders shall be given to all shareholders entitled to receive such notice from the Company.

A general meeting may be called by the board of directors or at the requisition of the shareholders (members). A shareholders' requisition is a requisition of shareholders holding at the date of deposit of the requisition not less than 5% of the voting rights of the Company. The direct shareholder rights in the Company are, as described in Section 11.4, held by the VPS Registrar, and the holders of the deposit rights must therefore look to the VPS Registrar to exercise the right to convene a general meeting. Pursuant to the Registrar Agreement, the VPS Registrar has undertaken to request that a general meeting is held when this has been requested by holders of 5% or more of the registered rights to shares in the Company.

Shareholders may be represented at the general meeting in person or by proxy or, in case of a body corporate, by its duly authorised representative.

The holders of deposit rights, in accordance with the provisions set forth in the Registrar Agreement, must look to the VPS Registrar to exercise the votes attaching to the underlying

shares. Under the Registrar Agreement, the VPS Registrar has undertaken to, whenever it receives notice of a general meeting in the Company, to give such information to the holders of beneficial interests in the Shares. Such notice will include the time and place of the meeting, the agenda and other relevant information, including the time within which the deposit holder is to provide the VPS Registrar with its voting instructions. The holders of deposit rights will receive proxy forms, so that they may instruct the VPS Registrar or another person to attend and vote on their behalf, or they may elect to meet and vote their own deposit rights (in the latter case, technically by proxy from and given by the VPS Registrar for the number of shares corresponding to the number of deposit rights such shareholder have in the VPS).

For further information on the convening of general meetings, and attendance, proxy representation and voting therein, see Section 11.4, where the VPS registration and each shareholder's rights towards the VPS Registrar are described.

A resolution of a general meeting is passed by simple majority unless the Companies Law or the Articles specify otherwise.

A special majority of not less than three fourths of such Members as, being entitled so to do, vote in person or by proxy, is required for the passing of, inter alia, the following resolutions:

- (a) for the amendment of the objects clause contained in the Company's Memorandum
- (b) for the amendment of the Company's Articles
- (c) for the change of name of the Company
- (d) for the acquisition of the Company's own shares
- (e) for the reduction of the Company's share capital
- (f) for the voluntary liquidation of the Company
- (g) for the re-domiciliation of the Company to another jurisdiction.

11.5.10 The Board of Directors

Pursuant to the Articles, the board of directors shall consist of not less than two and not more than nine persons. The necessary quorum for the transaction of business of the directors is not less than one half of the total number of directors, unless there are only two directors, in which case the quorum is two directors.

At least 50% of the directors must be individuals who are neither executive officers of, nor employed by, nor employees or directors of business partners of the Company – which is in accordance with Oslo Børs' listing requirements and has been set out in the Articles in order to ensure that the shareholders elect a board which will on a continuous basis comply with the regulations of Oslo Børs.

Each director shall hold office until the expiration of his term and until his successor shall have been elected and qualified.

A board meeting may be held in any part of the world. A director is deemed to be present at a board meeting if he participates by telephone or other electronic means.

Subject to any resolution of the shareholders to the contrary, the board may appoint one director as the chairman of the board, and may at any time elect another person as chairman of the board.

The purpose of the board of directors is to manage and conduct the business of the Company, and its power and rights are limited by the Companies Law and the Articles.

The board of directors has full power to charge any of the Company's assets and to borrow money without sanction by the general meeting. The Articles stipulate that the board of directors is responsible for the Company's management and may appoint or remove officers of the Company (other than members of the board of directors).

The board of directors may by power of attorney appoint a person or company as the Company's attorney with such power, authority and discretion as the board of directors thinks fit (provided however that this does not exceed the powers vested in the board of directors by the Articles). The board of directors may also authorise the attorney to sub-delegate any or all powers, authorities and discretions vested in him by the board of directors. Furthermore, the board of directors may, subject to the Articles, delegate certain of its powers to committees consisting of such member or members of the board of directors as it thinks fit. Every committee so formed shall conform to any regulations that may from time to time be imposed upon it by the board of directors. Under Norwegian law, the board of a company can delegate authority and appoint attorneys, but the authority and power that may be delegated or vested in an attorney is somewhat more restricted.

A director may be engaged by the Company for the purpose of performing services which go beyond his ordinary duties as a director, but he may not be the company's auditor. The director performing such services for the Company is entitled to such special remuneration as the board of directors may determine.

A director or a company owned by him may also enter into commercial agreement with the Company provided that the relevant director declares his interest in such contract at the board meeting where the contract is first considered. He shall not be counted in quorum and cannot vote in any case where he has declared an interest.

The Company may by an ordinary resolution, but following proposal from the board of directors and after the board has made a determination concerning the Company's solvency in accordance with the Articles, from time to time declare and pay dividends. Such dividends shall be paid pro rata on the Company's shares. These regulations are slightly different than what applies for dividends under Norwegian law.

11.5.11 Accounts

The Articles and the Companies Law contain regulations concerning accounting. According to the Articles the directors shall ensure that the accounts are kept. The Company shall also have internationally recognised independent auditors, who shall audit and prepare a report on the annual profit and loss account and balance sheet. The auditor shall receive notice of, and have the right to be present at, the Company's annual general meeting.

The audited accounts of the Company must be filed annually with the Cyprus Registrar of Companies, together with its annual return. The Shareholders will receive annually certain accounts and financial statements of the Company. Under Norwegian law, a company's accounts are made public and filed with the Norwegian Company Register.

11.5.12 Majority requirements

The applicable law of the Company contains rules requiring resolutions to be taken as special resolutions of the shareholders in certain cases, such as where the Memorandum or Articles are to be amended or where there is to be a reduction of the share capital. Such a concept has, however, also been implemented in the Articles, where it is specified the need for such to constitute valid shareholder resolutions in the above instances, as well as inter alia, where the Company purchases its own shares or in case of voluntary liquidation. A special resolution is defined as a resolution passed by a majority of not less than three fourths of such members as, being entitled so to do, vote in person or by proxy at a general meeting of which not less than twenty-one days' notice, specifying the intention to propose the resolution as a special resolution, has been duly given.

The issue of new shares, or any resolution of the shareholders passed to authorise the board of directors to issue new shares, are among the resolutions that will only require a simple majority vote (ordinary resolution) by the shareholders. The Articles do not give pre-emptive rights to subscribe for new shares, however, pursuant to the Companies Law, whenever the share capital of a public company is increased by consideration in cash, the new shares must be offered on a pre-

emptive basis to existing shareholders in proportion to the capital represented by their shares. The right of pre-emption may be restricted or withdrawn only by a decision of the general meeting taken by a majority of two thirds of the votes or, when at least half of the share capital is represented, by a simple majority.

All shares in the Company provide equal rights pursuant to the Articles, and any amendments of shareholder rights will require a qualified majority of two thirds of the votes at the general meeting of the Company or, when at least half of the share capital is represented, a simple majority.

11.5.13 Mandatory takeover rules

11.5.13.1 Statutory provisions

The Company is partly subject to the mandatory take-over provisions as set out in the Norwegian Securities Trading act chapter 6, and partly to the provisions set out in the Public Takeover Bids for the Acquisition of Securities of Companies and Related Matters Law (Law 41(I)/2007) as amended by law 47(I)/2009 of Cyprus.

The threshold at which the mandatory bid obligations are triggered, including possible exemptions from the obligation to present a bid (including possible exemptions for subsequent sale of shares), is subject to Cyprus law, pursuant to which a mandatory takeover bid is required where a person indirectly or directly acquires a percentage of thirty per cent (30%) or more of the existing voting rights in the Company.

Reaching this threshold, the shareholder shall make an unconditional general offer for the purchase of the remaining shares in the Company. The offer is subject to approval before submission to the shareholders. The obligation to make an unconditional offer also applies where a shareholder, directly or indirectly, holds more than 30%, but less than 50%, of the voting rights in the Company without having triggered the bidding obligation (i.e. that the shareholder held such amount of shares prior to listing or have inherited such shares) and such shareholder intends to increase the said percentage. If the shareholder holds more than 50% of the voting rights, the Cyprus authorities might, subject to application from the relevant shareholder, exempt such shareholder from the bidding obligation, if the proposed acquisition does not affect the rights of the minority shareholders of the Company. The takeover supervisory authority with respect to the threshold is the Cyprus Securities and Exchange Commission.

Questions concerning consolidation of shareholdings in relation to the threshold at which the mandatory bid obligation is triggered are subject to Cyprus law. The bidding process, including questions concerning the compensation offered in connection with the bid, in particular the bid price, the bid procedure, information on the bidder's decision to present a bid, the content of the offer document and the publication of the bid, is subject to Norwegian law, i.e. the Securities Trading Act. The takeover supervisory authority with respect to these issues is Oslo Børs.

Where an agreement on acquisition of shares triggers the bid obligation, the shareholder shall without delay notify the takeover supervisory authority and the Company accordingly. The notification shall state whether a bid will be made to buy the remaining shares in the Company. The takeover supervisory authority shall make the notification available to the public.

The bid shall be made without undue delay and at the latest four weeks after the mandatory bid obligation was triggered, and shall encompass all the remaining Shares of the Company. The bid price must be at least as high as the highest price paid or agreed to be paid by the offeror in the six-month period prior to the date the above threshold was exceeded, but equal to the market price if the market price was clearly higher when the threshold was exceeded. In the event that the acquirer thereafter, but prior to the expiration of the bid period acquires, or agrees to acquire, additional shares at a higher price, the acquirer is obliged to restate its bid at that higher price. The bid shall state a time limit for shareholders to accept the bid, not to be shorter than four weeks or longer than six weeks.

The offeror is required to make an offer document complying with Norwegian law, and such document requires approval by the takeover supervisory authority (Oslo Børs) before the bid is made public.

In the mandatory bid, all Shares of the Company must be treated equally. The mandatory bid must be made in cash or contain a cash alternative at least equal in value to any non-cash offer. A shareholder who fails to make the required offer must within four weeks dispose of sufficient shares so that the obligation ceases to apply. Otherwise, the authorities may cause the shares exceeding the threshold to be sold. Until the mandatory bid is made the shareholder may not vote for shares exceeding the threshold, unless a majority of the remaining shareholders approve. The shareholder can, however, receive dividends. The authorities may impose a daily fine upon a shareholder who fails to make the required offer.

11.5.13.2 Articles of Association

In addition to the above, under the Articles, any person, who as a result of such person's own acquisition, or the acquisition by persons acting in concert with such person, including, inter alia, entities controlled by or controlling such person, as defined in applicable law, holds or is directly or indirectly interested in, whether solely or together with persons acting in concert with such person, such issued Shares, or VPS Shares, of the Company, as shall provide the said person with 30 per cent or more of the voting rights in the Company, such person shall:

- promptly notify the Oslo Stock Exchange and the Company; and
- make a mandatory unconditional offer for the purchase of the remaining issued Shares or beneficial interest in such shares in the Company.

It is further set out that mandatory provisions on bid obligations, and any exemptions thereto as set out in applicable law, shall supplement the above provision and shall prevail in case of any conflict.

11.5.14 Squeeze-out and sell-out

11.5.14.1 Statutory provisions

The squeeze-out rules are subject to Cyprus corporate legislation.

When a shareholder has made a public offer to all other shareholders in the Company and as a result of such public offer or after such a public offer has acquired (i) not less than ninety per cent (90%) of the capital carrying voting rights and (ii) not less than ninety per cent (90%) of the voting rights in the company, the shareholder has the right to claim that the remaining shareholders sell all their shares to such shareholder.

The squeeze-out right is exercisable within 3 months from the end of the public offer. The purchase price for the shares under the squeeze-out should be at least equal to the purchase price for the preceding public offer. In the event that the purchase price includes payment in kind, the selling shareholder has the right to demand cash payment.

When a shareholder has made a public offer to all the shareholders and as a result of such public offer or after such a public offer has acquired not less than ninety per cent (90%) of the capital carrying voting rights and not less than ninety per cent (90%) of the voting rights in the Company the remaining shareholders have a right to demand the purchase of their shares from the shareholder who has made the public offer.

The sell-out right is exercisable within 3 months from the end of the public offer and the purchase price should be at least equal to the purchase price applicable to the public offer. In the event that the purchase price involves payment other than cash the selling shareholder has a right to demand cash payment.

11.5.15 Notification obligations for acquisition of large shareholdings

11.5.15.1 General

The notification requirements for acquisition of large shareholdings are governed by Cyprus Law 190(I)/2007 as amended by Law 72(I)/2009.

11.5.15.2 Acquisition or disposal of shares

According to the provisions of Cyprus law a shareholder who acquires or disposes shares (with attached voting rights) in a company, has an obligation to notify the company and the Cyprus Securities and Exchange Commission (via email at info@cysec.gov.cy) of the percentage of voting rights held provided that, as a result of such acquisition or disposal, this percentage (i) in the case of an acquisition, reaches or exceeds, or (ii) in the case of a disposal, reaches or falls below, the thresholds of five percent (5%), or ten percent (10%), or fifteen percent (15%), or twenty percent (20%), or twenty five percent (25%), or thirty percent (30%), or fifty percent (50%) or seventy five percent (75%) of the total voting rights of the issuer.

The above provisions do not presently apply where the shares (apposed to the depositary receipts relating to the shares) are not listed on a regulated market. However, this is expected to change soon.

The obligation to notify is not applicable in the following circumstances:

- (a) the shares are acquired for the sole purpose of clearing and settling of transactions at the latest of three working days following the transaction;
- (b) a custodian holding shares in its custodian capacity, provided that the custodian can only exercise the voting rights attached to such shares only under instructions given in writing or by electronic means by the beneficiary of the shares;
- (c) an acquisition or disposal of voting rights by a market maker, that reaches or exceeds the 5% threshold of the total voting rights of the issuer, provided that the market maker –
- (d) acts in its capacity as a market maker and in accordance with the provisions of the Investment Services and Activities and Regulated Markets Law, or where the Republic of Cyprus is not the home member state, in accordance with the law of that member state harmonising directive 2004/39/EC, and
- (e) neither intervenes in the management of the issuer concerned nor exerts any influence on the issuer to buy such shares or back the share price
- (f) shares of an issuer, which are held in the trading book of a credit institution or an investment firm, in accordance with
 - a. Chapter III, of Part B of the Directive of the Central Bank of Cyprus for the calculation of capital requirements and large financing exposures and the equivalent Directive of the Cyprus Securities and Exchange Commission, or
 - b. the law of another member state harmonising directive 2006/49/EC, provided that –
 - i. the voting rights attached to such shares do not exceed 5% of the total of voting rights of the issuer, and
 - ii. the credit institution or the investment firm ensures that the voting rights attached to such shares are not exercised nor otherwise used to intervene in the management of the issuer
 - e) shares provided to or by the members of the European System of Central Banks in carrying out their functions as monetary authorities, including shares provided to or by members of the European System of Central Banks under a pledge or repurchase or similar agreement for liquidity granted for monetary policy purposes or within a payment system, provided that the transactions last for a short period and that the voting rights attaching to such shares are not exercised.

There is no regulation of the notification obligations for large shareholdings in the Company's Articles.

11.5.15.3 Acquisition, disposal or right to exercise voting rights

In addition, a person who is entitled to acquire, to dispose of or to exercise voting rights of the Company, has an obligation to notify the Company and the Cyprus Securities and Exchange Commission of the percentage of voting rights held, provided that as a result of the acquisition or of the disposal or of the exercise or of the events changing the breakdown of voting rights of the Company, that percentage reaches, exceeds or falls below the thresholds mentioned above in any of the following cases or in a combination of them:

- (a) Voting rights held by a third party, with whom that person has concluded an agreement, which obliges the contractual parties to adopt, by concerted exercise of the voting rights they hold, a lasting common policy towards the management of the Company
- (b) voting rights held by a third party under an agreement concluded with that person providing for the temporary transfer for consideration of the exercise of voting rights in question•
- (c) voting rights attached to shares which are lodged as collateral with that person, provided that person controls the voting rights and declares its intention to exercise them•
- (d) voting rights attached to shares in which that person has the life interest •
- (e) voting rights which are held, or may be exercised within the meaning of paragraphs (a), (b), (c) and (d), by an undertaking controlled by that person•
- (f) voting rights attached to shares deposited with that person which the person can exercise at its discretion in the absence of specific instructions from the shareholder
- (g) voting rights held by a third party in its own name on behalf of that person•
- (h) voting rights which that person may exercise at its discretion as a proxy of the shareholder in the absence of specific instructions given from the shareholder.

The notification shall be effected as soon as possible but not later than within the next working trading day.

The above provisions do not presently apply where the shares (as opposed to the depositary receipts relating to the shares) are not listed on a regulated market. However, this is expected to change soon.

12 TAX MATTERS

The following summary of the consequences of Norwegian and Cyprus taxation is based on the rules and regulations applicable at the date of the Prospectus. The summary is only meant to provide general guidelines and does not deal with all aspects that could be important for potential investors. Potential investors are encouraged to consult their own tax advisors in order to assess specific taxation consequences associated with investment in the Company and how taxation issues might possibly apply locally and abroad, or what the implications involved are, inter alia, possible changes in applicable taxation.

The Company has recently been in dialogue with Norwegian tax authorities regarding its tax domicile and the Norwegian tax authorities has advised the Company that its tax domicile has changed from Cyprus to Norway. The summary below is based on the assumption that the Company is resident in Norway for tax purposes.

Any reference to a "Norwegian shareholder" or a "foreign shareholder" in the summary below refers to the tax residency and not the nationality of such shareholder.

12.1 Norwegian tax matters

12.1.1 Taxation of Norwegian shareholders

12.1.1.1 Taxation of dividends

Personal shareholders

Dividends distributed to personal shareholders who are individuals resident in Norway for tax purposes ("Norwegian Personal Shareholders"), are taxed as general income. Norwegian Personal Shareholders are liable for tax on their worldwide income. General income is taxed at a rate of 27%. However, Norwegian Personal Shareholders are entitled to deduct a calculated tax-free allowance when calculating their taxable dividend income. The allowance is calculated as the acquisition cost, including brokerage commission, of the share multiplied by a determined interest rate (the average interest rate for 3 months government fund exchange). Unused allowance may be carried forward and set off against future dividends or gains upon realisation of the same share. The tax-free allowance will be calculated on each individual share, i.e. not on a portfolio basis. The calculated allowance is allocated Norwegian Personal Shareholders holding shares in the Company at the end of each calendar year.

Corporate shareholders

Dividends received by shareholders that are limited liability companies or similar entities tax-resident in Norway ("Norwegian Corporate Shareholders") from a limited liability company tax-resident in the EEA are comprised by the participation exemption method.

However, three per cent of the income from dividends comprised by the participation exemption method is to be entered as general income and taxed at the flat rate of 27%. Hence, dividends distributed from the Company to a Norwegian Corporate Shareholders are currently taxed at an effective rate of 0.81%.

Corporate shareholders will as a general rule not be entitled to a tax credit in the Norwegian tax for any withholding tax imposed on the dividend distributed in the jurisdiction where the foreign company is resident for tax purposes.

12.1.1.2 Taxation on capital gains on disposal of shares

Personal shareholders

Sale, redemption or other disposal of shares is considered a realisation for Norwegian tax purposes. Capital gains generated through a realisation of shares by a Norwegian Personal

Shareholders are taxable in Norway as general income at a flat rate of currently 27%. Losses are tax deductible. Gains are taxable and losses are deductible in the year of disposal.

The gain is subject to tax and the loss is tax deductible irrespective of the duration of the ownership and the number of shares disposed of. The taxable gain or deductible loss is calculated per share, as the difference between the sales price and the acquisition cost of the share (including transaction expenses). A taxable gain may be reduced by unused calculated unused allowance (see above regarding dividend) but may not lead to or increase a deductible loss. Furthermore, unused allowance may not be set off against gains from realisation of other shares unused allowance (see above regarding dividend). Furthermore, unused allowance may not be set off against gains from realisation of other shares.

If the Norwegian Personal Shareholder purchased the shares at different points in time, the shares that have been purchased firstly will be regarded as the first ones to be disposed of, on a first-in first-out basis upon calculating taxable gain or loss.

A personal shareholder, who moves abroad and ceases to be a tax resident in Norway, will be deemed taxable in Norway for potential gain of NOK 500,000 or more, related to all of the shares held at the time the tax residency ceased, as if the shares were realised at that time ("the exit tax rules"). Gains of NOK 500,000 or less are not taxable though. The payment may be postponed with adequate security. If the person moves to a jurisdiction within the EEA, the deferral of payment of taxes is granted without, provided that the EEA state in question and Norway have a mutual agreement of exchange of information and assistance with collection of taxes.

If the person moves to a jurisdiction within the EEA, potential losses of NOK 500,000 or more on all of the shares held at the time tax residency ceases will be tax deductible to the same extent as a gain would be taxable. Losses are determined in the year of emigration, but taxation (loss deduction) will occur at the time the shares are actually sold or otherwise disposed of.

If the shares are realised within five years after the tax residency ceased, the tax assessment might be changed if the actual gain is less than the calculated potential gain. Furthermore, the tax assessment might be changed if the gain is regarded taxable in another jurisdiction. However, the recalculation cannot create or increase a deductible loss.

If the shares are not realised within five years after the shareholder ceased to be resident in Norway for tax purposes, the tax liability calculated under these provisions will not apply.

Any tax treaty in force between Norway and the state to which the shareholder has moved may influence the application of these rules.

Corporate shareholders

For Norwegian Corporate Shareholders a capital gain on realisation of shares in a limited liability company tax resident in Norway and certain other companies in a similar position are comprised by the participation exemption method and is tax exempt. Losses are not tax deductible.

12.1.1.3 Net wealth tax

The value of shares is included in the basis for the computation of wealth tax imposed on Norwegian Personal Shareholders. Norwegian limited liability companies and certain other companies in a similar position are not subject to wealth tax.

The marginal wealth tax rate is 1% of the market value as of January 1 in the year of assessment.

12.1.2 Norwegian CFC-legislation

If a company resident in a low tax jurisdiction is subject to direct or indirect control by Norwegian resident shareholders, Norwegian CFC-legislation ("NOKUS") will be applicable. In this context, Norwegian control means that Norwegian resident shareholders have direct or indirect ownership of shares totalling 50% or more, or otherwise is in a position where they have effective control of a company's share capital. Under the NOKUS rules, Norwegian resident shareholders are subject to

annual taxation in Norway for their proportionate part of the taxable net income of the foreign company (subject to Norwegian tax regime) and irrespective of distribution of dividends. The applicable rate is 27%.

12.1.3 Other Norwegian tax issues relevant for foreign companies

Companies registered and resident for tax purposes abroad will normally not be tax liable to Norway. Tax residency is decided on the basis of the place of effective management of the company. If the company is effectively managed from Norway, through board decisions etc, there is a risk that questions regarding tax residency will arise.

Companies conducting parts of their business in Norway may also be tax liable to Norway through a permanent establishment in Norway. International shipping companies may be partly exempted, but only as long as Norwegian shareholders own 34% or less of the shares of the company in question. Permanent establishment issues may arise if too much business activity relating to the company is administered or performed in Norway.

Tax liability to Norway according to the rules mentioned above is affected by the way the companies operate, and is therefore subject to the companies' own control.

12.1.4 Duties on transfer of shares

No stamp or similar duties are currently imposed in Norway on the transfer of shares, whether on acquisition or disposal.

12.2 Cyprus tax matters

As a company not resident in Cyprus, the Company will be subject to corporate tax at the rate of 12.5% only on income accrued or derived from a business activity which is carried out through a permanent establishment in Cyprus and on certain income arising from sources in Cyprus, such as income from property situated in Cyprus, including rents and royalties. All dividends and other amounts/payments paid by the Company to shareholders in respect of Shares that they hold will not be liable to income tax in Cyprus.

The Company may, in addition, be subject to Special Contribution for Defence tax in Cyprus at the rate of 20% on dividend income received from a company which is not resident in Cyprus, if the company paying the dividends derives more than 50% of its profits from investment activities which are taxed abroad at a substantially lower rate than the tax rate payable in Cyprus. There are no capital gains taxes, capital transfer taxes, estate duties or inheritance duties payable by the Company in Cyprus with respect to the Shares.

Dividend income is not subject to income tax in Cyprus. Furthermore, payments of dividends by Cyprus tax residents to non-residents are exempt from Cypriot withholding tax.

13 ADDITIONAL INFORMATION

13.1 Related party transactions

All related party transactions have been entered into on an arm's length basis.

SeaBird is leasing the vessel Munin Explorer from Ordinat Shipping AS which is indirectly owned by John Olav Økland (22.8%) and the rest by the Økland family. Ordinat Shipping AS is a major shareholder and Mr. Økland was a member of the board of directors of the Company until his resignation 6 November 2014. Ordinat Shipping AS was not a shareholder and Mr. Økland was not a board member at the commencement of the charter agreement.

In Q4 2013, SeaBird extended the bareboat charter for the Munin Explorer from 1 November 2014 to 31 October 2019. In connection with the bareboat extension, the charter rate was reduced from USD 20,271 per day to USD 12,000 per day, commencing 1 February 2014. The charter rate will escalate with 2% per year throughout the charter period, in accordance with the original agreement, and is currently at USD 12,240 per day.

The company also charters the 3D vessel Geo Pacific from Fugro, through a subsidiary of Ordinat Shipping AS initially on a three-year bareboat charter from January 2013 to December 2015 with four one-year options to extend the contract between the company and the subsidiary of Ordinat Shipping AS. Furthermore, SeaBird has purchase options on the vessel in year three and, to the extent the lease is extended, year four.

As an event subsequent to year-end 2014, as part of the Restructuring, the concerned parties Fugro, Ordinat Shipping AS and SeaBird, have agreed to replace the existing charter parties. The new agreement reduces the charter hire and releases Ordinat Shipping AS from its obligations towards SeaBird as charterer and Fugro as head owners.

The amount of charter hire recognized in cost of sales to related parties during 2014 was USD 12.1 million (2013: USD 14.8 million, 2012: USD 7.2 million).

13.2 Disputes, legal proceedings and other matters

SeaBird received a notice from the Internal Revenue Service in the USA in 2013 with requests to file tax returns and consequently a demand for paying tax for certain companies for previous years. The potential tax liability is uncertain and could potentially result in extra tax cost. SeaBird has accrued for USD 1.2 million for this potential tax liability as per the 31 December 2014 balance sheet date.

SeaBird is not and has not been for the past 12 months involved in any legal, governmental or arbitration proceedings which may have, or have had in the recent past, significant effects on its financial position or profitability. With the exception of a lawsuit pending in Texas (USA) which is believed by the Company and its legal advisors to be without merit, the Company is not aware of any such proceedings which are pending or threatened against the SeaBird group.

13.3 Documents on display

Copies of the following documents will be available for inspection at the Company's registered office (SeaBird Exploration Plc, World Trade Center, Ariadne House, 333, 28th October Street, 3106 Limassol, Cyprus) during normal business hours from Monday to Friday each week (except public holidays) for a period of 12 months from the date of this Prospectus:

- i. the Memorandum and Articles of Association of the Company and the constitutional documents of the Bond Issuer and each of the subsidiaries serving as guarantors for the Bonds;

- ii. all reports, letters, and other documents, historical financial information, valuations and statements prepared by any experts at the issuer's request any part of which is included or referred to in the registration document;
- iii. the 2014, 2013 and 2012 annual financial statements ;
- iv. the 2014, 2013 and 2012 annual financial statements prepared by the Company's subsidiaries (including the Bond Issuer and the guarantors in respect of SBX04), being made up as per the date of this Prospectus, for 2014, of audited financial statements for the Bond Issuer and unaudited financial statements for the other subsidiaries, and for 2013 and 2012, of audited financial statements for the subsidiaries then in existence.
- v.

13.4 Documents incorporated by reference

The following table sets forth an overview of documents incorporated by reference in this Prospectus. No information not appearing in the table below is incorporated by reference. Where parts of a document is referenced, and not the document as a whole, the remainder of such document is either deemed irrelevant to an investor in the context of the requirements if this Prospectus, or the corresponding information is covered elsewhere in this Prospectus.

Section in Prospectus	Disclosure requirement	Reference document and web address	Pages in reference document
9 and 10	Audited historical financial information (Annex I, Section 20.1), including summarised financial information (Annex I, Section 20.6.1), and including accounting policies (Annex I, Section 20.1)	Financial statements 2014 – the group: http://hugin.info/136336/R/1906533/678818.pdf	29-58
		Directors' report 2014 – the group: http://hugin.info/136336/R/1906533/678818.pdf	26-27
		Financial statements 2013 – the group: http://hugin.info/136336/R/1774862/605101.pdf	29-59
		Directors' report 2013 – the group: http://hugin.info/136336/R/1774862/605101.pdf	26-27
		Financial statements 2012 – the group: http://hugin.info/136336/R/1694844/557497.pdf	22-56
		Directors' report 2012 – the group: http://hugin.info/136336/R/1694844/557497.pdf	22-23
9.2 14.2	Audit report (Annex I, Section 20.4.1 and Annex IV in respect of guarantors, Section 2.1)	Auditors' report 2014 – the group: http://hugin.info/136336/R/1906533/678818.pdf	73-74
		Auditors' report 2013 – the group: http://hugin.info/136336/R/1774862/605101.pdf	73-74
		Auditors' report 2012 – the group: http://hugin.info/136336/R/1694844/557497.pdf	70
14.1 14.2	Audited historical financial information (Annex IV in respect of Bond Issuer and guarantors, Section 13.1), including summarised financial information (Annex IV, Section 3.1)	Financial statements 2014 – the parent company: http://hugin.info/136336/R/1906533/678818.pdf	59-72
Financial statements 2014 (Bond Issuer): http://hugin.info/136336/R/1915940/684993.pdf		1-7	
Financial statements 2013 and 2012 (guarantors): http://hugin.info/136336/R/1915940/684993.pdf			
Aquila Explorer Inc.: Financial statements 2013 Financial statements 2012		8-22 23-36	

	Osprey Navigation Company Inc.:	
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	Sana Navigation Company Ltd:	
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13.5 Confirmation regarding sources

The information in this Prospectus that has been sourced from third parties has been accurately reproduced and as far as the Company is aware of and able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. The source of third party information is identified wherever used. This Prospectus contains market data, industry forecasts and other information published by third parties, including information related to the sizes of markets in which SeaBird operates. The information has been extracted from a number of sources. The Company has estimated certain market share statistics using both its internal data and industry data from other sources. Although the Company regards these sources as reliable, the information contained in them has not been independently verified. Therefore, the Company does not guarantee or assume any responsibility for the accuracy of the data, estimates, forecasts or other information taken from the sources in the public domain. This Prospectus also contains assessments of market data and information derived therefrom that could not be obtained from any independent sources. Such information is based on the Company's own internal assessments and may therefore deviate from the assessments of competitors of the Company or future statistics by independent sources.

13.6 Statement regarding expert opinions

This Prospectus does not refer to expert opinions.

13.7 Cautionary note regarding forward-looking statements

This Prospectus and the documents incorporated by reference herein contain forward-looking statements, making reference in particular to statements made in Sections 6, 8, and 9.7. All statements other than statements of historical facts are statements that could be deemed forward-looking statements, including statements preceded by, followed by or that include the words "estimate," "plan," "project," "forecast," "intend," "expect," "anticipate," "believe," "think," "view," "seek," "target," "goal," or similar expressions; any projections of earnings, revenues, expenses, synergies, margins or other financial items; any statements of the plans, strategies and objectives of management for future operations, including integration and any potential restructuring plans; any statements concerning proposed new products, services, developments or industry rankings; any statements regarding future economic conditions or performance; any statements of belief; and any statements of assumptions underlying any of the foregoing.

Such forward-looking statements, whether expressed or implied, are subject to risks and uncertainties which could cause the actual results of the Company or its consolidated subsidiaries to differ materially from those implied by such forward-looking statements, due to a number of factors, many of which are beyond SeaBird's control. If any of these risks or uncertainties materialize or any of these assumptions proves incorrect, results of SeaBird could differ materially from the expectations in these statements. The Company does not undertake any obligation to update these forward-looking statements, except as required by law.

No forward-looking statements contained in this Prospectus should be relied upon as predictions of future events. No assurance can be given that the expectations expressed in these forward-looking statements will prove to be correct. Actual results could differ materially from expectations expressed in the forward-looking statements if one or more of the underlying assumptions or expectations proves to be inaccurate or is unrealized. Some important factors that could cause actual results to differ materially from those in the forward-looking statements are, in certain instances, included with such forward-looking statements.

Readers are cautioned not to place undue reliance on the forward-looking statements contained in this Prospectus, which only represent the best judgment of the Company's management as of the date of this Prospectus. Except as required by applicable law, the Company does not undertake any responsibility to update forward-looking statements, whether as a result of new information, future events or otherwise. Readers are advised, however, to consult any further public disclosures made by the Company, such as filings made with Oslo Børs or press releases.

14 INFORMATION SPECIFIC TO THE BOND ISSUER AND TO THE GUARANTORS OF THE BONDS

14.1 The Bond Issuer

The following section sets forth information about the Bond Issuer.

Persons responsible Reference is made to Section 3.

Statutory auditors Reference is made to Section 9.2.

Selected financial information .

(USD '000)	2014 audited	2013 (N/A)	2012 (N/A)
Revenues	-		
Net profit	-		
Total assets	1		
Total liabilities	-		
Total equity	1		
Profit margin (%)	N/A		
Equity ratio (%)	100%		

Risk factors..... Reference is made to Section 2. SeaBird is not aware of risk factors specific to the Bond Issuer that are not also relevant to the group as a whole.

Bond Issuer information The legal name of the Bond Issuer is SeaBird Exploration Finance Ltd.
The Bond Issuer is registered with registration number HE334608 with the Cyprus Registry of Companies, being a department of the Cyprus Ministry of Commerce, Industry and Tourism.

The Bond Issuer was incorporated on 1 August 2014.

The Bond Issuer is a private limited liability company under the Cyprus Companies Law. Its address is 333, 28th October Street, Ariadne House, 3106, Limassol, Cyprus, with telephone number +357-25814416.

Except as set out in Section 4 relating to the Restructuring, there are no recent events particular to the Bond Issuer which are to a material extent relevant to the evaluation of its solvency.

The Bond Issuer has not made material investments since the date of its last published financial statements, and has not had firm commitments to such future investments.

Business overview The Bond Issuer's business is to provide financing arrangements to other companies in the SeaBird group. The Bond Issuer does not have operational activities or other means of generating cash flows, and is dependent on group contributions from other companies in the SeaBird group to pay interest on, and to repay the principal of, the Bonds. An overview of the business relevant to the SeaBird group is set out in Section 6.

An overview of the market in which the SeaBird group operates is set out in Section 8.

Organisational structure See Section 6.3.

The Bond Issuer is dependent on other group companies as set forth above under 14.2.

Trend information.....	<p>Since the date of its last audited financial statements, being in respect of 2014, the recent significant reduction in oil prices has continued to impact negatively the demand for seismic and other services related to the energy sector. With this exception, there has been no material adverse change in the prospects of the Bond Issuer since the date of its last published audited financial statements.</p> <p>Reference is made to Section 9.7 for a description of the matters relating to the SeaBird group as a whole, and for a description of trends affecting the SeaBird group. SeaBird is not aware of other trends, uncertainties, demands, commitments or events that are specific to the Bond Issuer and that are reasonably likely to have a material effect on its prospects for at least the current financial year.</p>
Administrative, management, and supervisory bodies.....	<p>The following persons serve as directors of the Bond Issuer, being made up of persons who are employed (or formerly employed) in the SeaBird group unless noted. The Bond Issuer's address serves as c/o address in respect of each director.</p> <p>Nils Haugestad Dag Reynolds Eleni Georgiades (Cyprus lawyer)</p> <p>The Bond Issuer has no separate management.</p> <p>Except as set out in Section 7.4, there are no potential conflicts of interest between any duties to the Bond Issuer of any of the persons set out above and their private interests and/or other duties.</p>
Board practices	<p>The Bond Issuer has no audit committee or other sub committee of its board of directors.</p> <p>Being a private company, the Bond Issuer is not subject to compliance with corporate governance regimes.</p>
Major shareholders	<p>The Bond Issuer is a wholly owned subsidiary of the Company.</p> <p>There are no arrangements known which may lead to a change in control of the Bond Issuer.</p>
Financial information.....	<p>Audited accounts for 2014, prepared in accordance with IFRS, are incorporated by reference (see Section 13.4).</p> <p>The audit statement is unqualified, but contain an emphasis of matter in respect of the SeaBird group set out in Section 9.2.</p> <p>See Section 13.2 for an overview of legal and arbitration proceedings for the group as a whole. There are no other matters in respect of the Bond Issuer requiring additional disclosure.</p> <p>See Section 9.7 for a description of significant changes in the financial or trading position of the group as a whole since the end of the last financial period. There are no other matters in respect of the Bond Issuer requiring additional disclosure.</p>
Additional information	<p>The Bond Issuer has an authorised share capital of EUR 10,000, being made up of 10,000 shares of EUR 1 each. The issued share capital is EUR 1,000, being made up of 1,000 shares. The issued capital is fully paid up.</p> <p>The objects and purposes of the Bond Issuer are set out in its Memorandum of Association (see Section 13.3), clause 3. The Bond Issuer has full capacity rights, powers and privileges to undertake any of the matters mentioned in clause 3 in the memorandum, which include, inter alia, to act as the vehicle for the financing of any company within its group and</p>

whatever else may be considered incidental or conducive thereto.

Material contracts There are no material contracts entered into outside of the ordinary course of the Bond Issuer's business which could result in any group member being under an obligation or entitlement that is material to the Bond Issuer's ability to meet its obligation to holders of the Bonds.

14.2 The guarantors of the Bonds

The following section sets forth information about the individual guarantors for the Bonds. For purpose of the section below, an abbreviation of each guarantor's name is set out in the heading showing each guarantor's legal name and is used to describe such guarantor, and the term "Guarantors" is used to describe the guarantors as a group.

The companies serving as Guarantors in respect of the Bonds have provided, under the bond agreement for the Bonds (which is attached hereto as Appendix 1), an unconditional guarantee and indemnity as for their own debt and not merely as surety on a joint and several basis securing the Bond Issuer's obligations under the bond agreement. The guarantee and indemnity is a continuing guarantee and indemnity and extends to the ultimate balance of the outstanding Bonds. The Guarantors have waived any rights of set-off and subrogation into the rights of the bondholders until such time when the Bonds are repaid in full.

The companies within the group are inter-related in relation to both financial and operational issues. In financing the SeaBird group, borrowing constitutes a part of the inter-related strategy. The debt arrangements include security interests over major parts of the SeaBird group's assets, several covenants and undertakings of a general, financial and technical nature and in some of the debt arrangements contain intra-group cross-default provisions. Failure by the borrowers or other obligors to meet any of the covenants or undertakings could result in all outstanding amounts under the different debt arrangements becoming immediately due for payment. In addition, security rights granted to the lenders could be enforced. In addition to the above, there are inter-company loans within the SeaBird group. Due to the abovementioned arrangements and the fact that a substantial portion of the group's assets are held by the Company's subsidiaries, the Company is dependent on these subsidiaries.

The bondholder agreement in respect of the Bonds, appended hereto as Appendix 1, set forth all matters relevant to the guarantee provided by each Guarantor. No separate guarantee agreements have been made.

14.2.1 SeaBird Exploration Plc ("SBX Plc")

Persons responsible Reference is made to Section 3.
 Statutory auditors Reference is made to Section 9.2.
 Selected financial information . Selected financial information for the SeaBird group, for which SBX Plc is the group parent company, is set forth in Section 9.3.

The table below sets forth selected financial information in respect of SBX Plc on an unconsolidated basis:

(USD '000)	2014 audited	2013 audited	2012 audited
Revenues	19	-	810
Net profit	(102,626)	(356)	(3,596)
Non-current assets	177,266	228,294	210,829

Total assets	177,282	223,117	212,404
Non-current liabilities	119,384	153,178	153,216
Current liabilities	98,822	18,465	6,041
Total equity	(40,924)	61,474	53,147
Profit margin (%)	N/A	N/A	N/A
Equity ratio (%)	(23%)	28%	25%

Risk factors.....	Reference is made to Section 2. SeaBird is not aware of risk factors specific to SBX Plc that are not also relevant to the group as a whole.
Guarantor information.....	<p>The legal name of SBX Plc is SeaBird Exploration Plc.</p> <p>SBX Plc is registered with registration number C259593 with the Cyprus Registry of Companies, being a department of the Cyprus Ministry of Commerce, Industry and Tourism.</p> <p>SBX Plc was incorporated on 18 December 2009 in connection with a re-domiciliation to Cyprus, originally having been incorporated on 28 August 2000 on the British Virgin Islands.</p> <p>SBX Plc is a public company with limited liability under the Cyprus Companies Law. Its address is 333, 28th October Street, Ariadne House, 3106, Limassol, Cyprus, with telephone number +357-25814416.</p> <p>Except as set out in Section 4 relating to the Restructuring, there are no recent events particular to SBX Plc which are to a material extent relevant to the evaluation of its solvency.</p> <p>SBX Plc has not made material investments since the date of its last published financial statements, and has not had firm commitments to such future investments.</p>
Business overview	<p>SBX Plc's business is to be the parent company of the SeaBird group. SBX Plc is a holding company and has no operational activities. Its only business is to provide financial services to its subsidiaries.</p> <p>Accordingly, SBX Plc is not operational in any market and makes no statement about its competitive position.</p>
Organisational structure	<p>See Section 6.3.</p> <p>SBX Plc is dependent on other group companies as set forth above under 14.2.</p>
Trend information.....	<p>Since the date of its last audited financial statements, being in respect of 2014, the recent significant reduction in oil prices has continued to impact negatively the demand for seismic and other services related to the energy sector. With this exception, there has been no material adverse change in the prospects of SBX Plc since the date of its last published audited financial statements.</p> <p>Reference is made to Section 9.7 for a description of the matters relating to the SeaBird group as a whole, and for a description of trends affecting the SeaBird group. SeaBird is not aware of other trends, uncertainties, demands, commitments or events that are specific to SBX Plc and that are reasonably likely to have a material effect on its prospects for at least the current financial year.</p>
Administrative, management, and supervisory bodies.....	<p>See Section 7.1 for information about SBX Plc's board of directors.</p> <p>See Section 7.2 for information about SBX Plc's management.</p>

	See Section 7.4 for a description of potential conflicts of interest.
Board practices	See Section 7.1.5 for a description of SBX Plc's audit committee. See Section 7.5 for a description of corporate governance compliance.
Major shareholders	See Section 11.2 for an overview of shareholders, potential controlling shareholders, and measures to prevent abuse of such control. There are no arrangements known which may lead to a change in control of SBX Plc.
Financial information.....	Audited financial statements for SBX Plc for the two last years, prepared in accordance with IFRS, are incorporated by reference (see Section 13.4). The audit statements are unqualified, but contain the emphasis of matter in respect of the SeaBird group set out in Section 9.2. See Section 13.2 for an overview of legal and arbitration proceedings for the group as a whole. There are no other matters in respect of SBX Plc requiring additional disclosure. See Section 9.7 for a description of significant changes in the financial or trading position of the group as a whole since the end of the last financial period. There are no other matters in respect of SBX Plc requiring additional disclosure.
Additional information	See Section 11.1 for a description of SBX Plc's share capital. See Section 11.5 for a description of the SBX Plc's objects and purposes and its constitutional documents.
Material contracts	There are no material contracts entered into outside of the ordinary course of the SBX Plc's business which could result in any group member being under an obligation or entitlement that is material to the SBX Plc's ability to meet its obligation to holders of the Bonds.

14.2.2 Aquila Explorer Inc. ("Aquila")

Persons responsible	Reference is made to Section 3.
Statutory auditors	Reference is made to Section 9.2.

Selected financial information .	(USD '000)	2014	2013	2012
		unaudited	audited	audited
Revenues	27,472	17,836	7,891	
Net profit	(5,390)	1,856	(6,299)	
Non-current assets	16,448	39,665	26,475	
Total assets	45,638	44,775	27,446	
Non-current liabilities	-	82,361	-	
Current liabilities	90,571	2,449	69,337	
Total equity	(44,933)	(40,035)	(41,891)	
Profit margin (%)	(20%)	10%	(80%)	
Equity ratio (%)	(98%)	(89%)	(153%)	

Risk factors.....	Reference is made to Section 2. SeaBird is not aware of risk factors specific to Aquila that are not also relevant to the group as a whole.
Guarantor information.....	The legal name of Aquila is Acquila Explorer Inc.

Aquila is registered with registration number AE2534 with the Cyprus Registry of Companies, being a department of the Cyprus Ministry of Commerce, Industry and Tourism. It is registered as an overseas company whose domicile is the Republic of Panama, where it is registered by Public Deed no. 19,858.

Aquila was incorporated on 17 August 2006.

Aquila is a private limited liability company under the Panamanian Corporation Law (Law 32 of 1927). Its address is ADR Building, 13th floor, Samuel Lewis Avenue, P.O.Box 0816-01557, Republic of Panama. Its c/o address is 333, 28th October Street, Ariadne House, 3106, Limassol, Cyprus, with telephone number +357-25814416.

Except as set out in Section 4 relating to the Restructuring, there are no recent events particular to Aquila which are to a material extent relevant to the evaluation of its solvency.

Aquila expects capital expenditures in 2015 in respect of docking and maintenance of its owned vessel of approximately USD 2.8 million, to be funded by available liquidity resources in the SeaBird group. No other material investments have been made since the date of its last published financial statements, nor are committed for such future investments.

Business overview Aquila's business is to be the vessel owning and service operating company in respect of SeaBird's owned vessel Aquila Explorer. An overview of the business relevant to these activities is set out in Section 6, including a description of the vessel in Section 6.5.

An overview of the market in which Aquila operates is set out in Section 8.

Organisational structure See Section 6.3.

Aquila is dependent on other group companies as set forth above under 14.2.

Trend information Since the date of Aquila's last published audited financial statements, which were in respect of 2013, there has been a significant reduction in oil prices which has impacted negatively the demand for seismic and other services related to the energy sector. With this exception, there has been no material adverse change in the prospects of Aquila since the date of its last published audited financial statements.

Reference is made to Section 9.7 for a description of the matters relating to the SeaBird group as a whole, and for a description of trends affecting the SeaBird group. SeaBird is not aware of other trends, uncertainties, demands, commitments or events that are specific to Aquila and that are reasonably likely to have a material effect on its prospects for at least the current financial year.

Administrative, management, and supervisory bodies The following persons serve as directors of Aquila, being made up of persons who are employed (or formerly employed) in the SeaBird group unless noted. Aquila's address serves as c/o address in respect of each director.

Dag Reynolds
Kjell Mathiassen
Kjell Mangerøy

Aquila has no separate management.

Except as set out in Section 7.4, there are no potential conflicts of interest between any duties to Aquila of any of the persons set out above and their private interests and/or other duties.

Board practices	<p>Aquila has no audit committee or other sub committee of its board of directors.</p> <p>Being a private company, Aquila is not subject to compliance with corporate governance regimes.</p>
Major shareholders	<p>Aquila is a wholly owned subsidiary of the Company.</p> <p>There are no arrangements known which may lead to a change in control of Aquila.</p>
Financial information.....	<p>Audited financial statements for Aquila for 2013 and 2012 are incorporated by reference (see Section 13.4) and unaudited accounts for 2014 are set out in Appendix 2. The accounts are prepared in accordance with IFRS.</p> <p>The audit statements are unqualified, but contain the emphasis of matter in respect of the SeaBird group set out in Section 9.2.</p> <p>See Section 13.2 for an overview of legal and arbitration proceedings for the group as a whole. There are no other matters in respect of Aquila requiring additional disclosure.</p> <p>See Section 9.7 for a description of significant changes in the financial or trading position of the group as a whole since the end of the last financial period. There are no other matters in respect of Aquila requiring additional disclosure.</p>
Additional information	<p>Aquila has an authorised share capital of USD 10,000, being made up of 100 shares of USD 100 each, and being fully issued. The issued capital is fully paid up.</p> <p>The objects and purposes of Aquila are set out in its Articles of Incorporation (see Section 13.3), second clause. Aquila has full capacity rights, powers and privileges to undertake any of the matters mentioned in the second clause of its articles, which include, inter alia, to initiate, engage, develop and carry out the purchase, sale, chartering administration in general of vessels or ships, and the operation of navigation lines, and whatever else may be considered incidental or conducive thereto, even if not specifically mentioned in its articles.</p>
Material contracts.....	<p>There are no material contracts entered into outside of the ordinary course of Aquila's business which could result in any group member being under an obligation or entitlement that is material to Aquila's ability to meet its obligation to holders of the Bonds.</p>

14.2.3 Osprey Navigation Company Inc. ("Osprey")

Persons responsible	Reference is made to Section 3.
Statutory auditors	Reference is made to Section 9.2.

Selected financial information .	(USD '000)	2014 unaudited	2013 audited	2012 audited
	Revenues	14,902	17,676	16,804
	Net profit	(6,773)	1,316	507
	Non-current assets	14,885	31,785	24,692
	Total assets	32,482	32,563	25,048
	Non-current liabilities	-	67,381	-
	Current liabilities	33,939	2,840	64,022
	Total equity	(1,457)	(37,658)	(38,974)

Profit margin (%)	(45%)	7%	3%
Equity ratio (%)	(4%)	(116%)	(156%)

Risk factors.....	Reference is made to Section 2. SeaBird is not aware of risk factors specific to Osprey that are not also relevant to the group as a whole.
Guarantor information.....	<p>The legal name of Osprey is Osprey Navigation Company Inc.</p> <p>Osprey is registered with registration number AE2535 with the Cyprus Registry of Companies, being a department of the Cyprus Ministry of Commerce, Industry and Tourism. It is registered as an overseas company whose domicile is the Republic of Panama, where it is registered by Public Deed no. 22,064.</p> <p>Osprey was incorporated on 11 September 2006.</p> <p>Osprey is a private limited liability company under the Panamanian Corporation Law (Law 32 of 1927). Its address is ADR Building, 13th floor, Samuel Lewis Avenue, P.O.Box 0816-01557, Republic of Panama. Its c/o address is 333, 28th October Street, Ariadne House, 3106, Limassol, Cyprus, with telephone number +357-25814416.</p> <p>Except as set out in Section 4 relating to the Restructuring, there are no recent events particular to Osprey which are to a material extent relevant to the evaluation of its solvency.</p> <p>Osprey expects capital expenditures in 2015 in respect of docking and maintenance of its owned vessel of approximately USD 2.9 million, to be funded by available liquidity resources in the SeaBird group. No other material investments have been made since the date of its last published financial statements, nor are committed for such future investments.</p>
Business overview	<p>Osprey's business is to be the vessel owning and service operating company in respect of SeaBird's owned vessel Osprey Explorer. An overview of the business relevant to these activities is set out in Section 6, including a description of the vessel in Section 6.5.</p> <p>An overview of the market in which Osprey operates is set out in Section 8.</p>
Organisational structure	<p>See Section 6.3.</p> <p>Osprey is dependent on other group companies as set forth above under 14.2.</p>
Trend information.....	<p>Since the date of Osprey's last published audited financial statements, which were in respect of 2013, there has been a significant reduction in oil prices which has impacted negatively the demand for seismic and other services related to the energy sector. With this exception, there has been no material adverse change in the prospects of Osprey since the date of its last published audited financial statements.</p> <p>Reference is made to Section 9.7 for a description of the matters relating to the SeaBird group as a whole, and for a description of trends affecting the SeaBird group. SeaBird is not aware of other trends, uncertainties, demands, commitments or events that are specific to Osprey and that are reasonably likely to have a material effect on its prospects for at least the current financial year.</p>
Administrative, management, and supervisory bodies.....	The following persons serve as directors of Osprey, being made up of persons who are employed (or formerly employed) in the SeaBird group unless noted. Osprey's address serves as c/o address in respect of each

director.

Dag Reynolds
Kjell Mathiassen
Kjell Mangerøy

Osprey has no separate management.

Except as set out in Section 7.4, there are no potential conflicts of interest between any duties to Osprey of any of the persons set out above and their private interests and/or other duties.

Board practices	Osprey has no audit committee or other sub committee of its board of directors. Being a private company, Osprey is not subject to compliance with corporate governance regimes.
Major shareholders	Osprey is a wholly owned subsidiary of the Company. There are no arrangements known which may lead to a change in control of Osprey.
Financial information.....	Audited financial statements for Osprey for 2013 and 2012 are incorporated by reference (see Section 13.4) and unaudited accounts for 2014 are set out in Appendix 2. The accounts are prepared in accordance with IFRS. The audit statements are unqualified, but contain the emphasis of matter in respect of the SeaBird group set out in Section 9.2. See Section 13.2 for an overview of legal and arbitration proceedings for the group as a whole. There are no other matters in respect of Osprey requiring additional disclosure. See Section 9.7 for a description of significant changes in the financial or trading position of the group as a whole since the end of the last financial period. There are no other matters in respect of Osprey requiring additional disclosure.
Additional information	Osprey has an authorised share capital of USD 42,985,506, being made up of 429,855 shares of USD 100 each, and being fully issued. The issued capital is fully paid up. The objects and purposes of Osprey are set out in its Articles of Incorporation (see Section 13.3), second clause. Osprey has full capacity rights, powers and privileges to undertake any of the matters mentioned in the second clause of its articles, which include, inter alia, to initiate, engage, develop and carry out the purchase, sale, chartering administration in general of vessels or ships, and the operation of navigation lines, and whatever else may be considered incidental or conducive thereto, even if not specifically mentioned in its articles.
Material contracts	There are no material contracts entered into outside of the ordinary course of Osprey's business which could result in any group member being under an obligation or entitlement that is material to Osprey's ability to meet its obligation to holders of the Bonds.

14.2.4 Sana Navigation Company Ltd. ("Sana")

Persons responsible	Reference is made to Section 3.
Statutory auditors	Reference is made to Section 9.2.
Selected financial information .	

(USD '000)	2014	2013	2012
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	unaudited	audited	audited
Revenues	11,266	14,928	5,682
Net profit	(3,557)	2,866	273
Non-current assets	14,875	35,289	21,504
Total assets	45,049	36,208	31,374
Non-current liabilities	-	2,395	-
Current liabilities	16,014	1,408	1,835
Total equity	29,035	32,405	29,539
Profit margin (%)	(32%)	19%	5%
Equity ratio (%)	64%	90%	94%

Risk factors.....	Reference is made to Section 2. SeaBird is not aware of risk factors specific to Sana that are not also relevant to the group as a whole.
Guarantor information.....	<p>The legal name of Sana is Sana Navigation Company Inc.</p> <p>Sana is registered with registration number HE100821 with the Cyprus Registry of Companies, being a department of the Cyprus Ministry of Commerce, Industry and Tourism.</p> <p>Sana was incorporated on 16 March 1999.</p> <p>Sana is a private limited liability company under the Cyprus Companies Law. Its address is 333, 28th October Street, Ariadne House, 3106, Limassol, Cyprus, with telephone number +357-25814416.</p> <p>Except as set out in Section 4 relating to the Restructuring, there are no recent events particular to Sana which are to a material extent relevant to the evaluation of its solvency.</p> <p>Sana expects capital expenditures in 2015 in respect of docking and maintenance of its owned vessel of approximately USD 2.4 million, to be funded by available liquidity resources in the SeaBird group. No other material investments have been made since the date of its last published financial statements, nor are committed for such future investments.</p>
Business overview	<p>Sana's business is to be the vessel owning and service operating company in respect of SeaBird's owned vessel Northern Explorer. An overview of the business relevant to these activities is set out in Section 6, including a description of the vessel in Section 6.5.</p> <p>An overview of the market in which Sana operates is set out in Section 8.</p>
Organisational structure	<p>See Section 6.3.</p> <p>Sana is dependent on other group companies as set forth above under 14.2.</p>
Trend information.....	<p>Since the date of Sana's last published audited financial statements, which were in respect of 2013, there has been a significant reduction in oil prices which has impacted negatively the demand for seismic and other services related to the energy sector. With this exception, there has been no material adverse change in the prospects of Sana since the date of its last published audited financial statements.</p> <p>Reference is made to Section 9.7 for a description of the matters relating to the SeaBird group as a whole, and for a description of trends affecting the SeaBird group. SeaBird is not aware of other trends, uncertainties, demands, commitments or events that are specific to Sana and that are reasonably likely to have a material effect on its prospects for at least the</p>

	current financial year.
Administrative, management, and supervisory bodies.....	<p>The following persons serve as directors of Sana, being made up of persons who are employed (or formerly employed) in the SeaBird group unless noted. Sana's address serves as c/o address in respect of each director.</p> <p>Dag Reynolds Kjell Mathiassen Kjell Mangerøy Eleni Georgiades (Cyprus lawyer)</p> <p>Sana has no separate management.</p> <p>Except as set out in Section 7.4, there are no potential conflicts of interest between any duties to Sana of any of the persons set out above and their private interests and/or other duties.</p>
Board practices	<p>Sana has no audit committee or other sub committee of its board of directors.</p> <p>Being a private company, Sana is not subject to compliance with corporate governance regimes.</p>
Major shareholders	<p>Sana is a wholly owned subsidiary of the Company.</p> <p>There are no arrangements known which may lead to a change in control of Sana.</p>
Financial information.....	<p>Audited financial statements for Sana for 2013 and 2012 are incorporated by reference (see Section 13.4) and unaudited accounts for 2014 are set out in Appendix 2. The accounts are prepared in accordance with IFRS.</p> <p>The audit statements are unqualified, but contain the emphasis of matter in respect of the SeaBird group set out in Section 9.2.</p> <p>See Section 13.2 for an overview of legal and arbitration proceedings for the group as a whole. There are no other matters in respect of Sana requiring additional disclosure.</p> <p>See Section 9.7 for a description of significant changes in the financial or trading position of the group as a whole since the end of the last financial period. There are no other matters in respect of Sana requiring additional disclosure.</p>
Additional information	<p>Sana has an authorised share capital of EUR 1,710, being made up of 1,000 shares of EUR 1.71 each, and being fully issued. The issued capital is fully paid up.</p> <p>The objects and purposes of Sana are set out in its Memorandum of Association (see Section 13.3), clause 3. Sana has full capacity rights, powers and privileges to undertake any of the matters mentioned in clause 3 in the memorandum, which include, inter alia, to construct, purchase, exchange or otherwise acquire, charter, hire, equip, possess, use and operate ships of every type, class and tonnage, whether as owners of the whole or any share therein; to charter hire, act as agents of, represent, manage and operate any ship belonging to any other company or person, as well as whatever else may be considered incidental or conducive thereto.</p>
Material contracts.....	<p>There are no material contracts entered into outside of the ordinary course of Sana's business which could result in any group member being under an obligation or entitlement that is material to Sana's ability to meet its obligation to holders of the Bonds.</p>

14.2.5 Harrier Navigation Company Ltd. (“Harrier”)

Persons responsible Reference is made to Section 3.

Statutory auditors Reference is made to Section 9.2.

Selected financial information .	(USD '000)	2014	2013	2012
		unaudited	audited	audited
Revenues		8,137	14,000	18,358
Net profit		(333)	5,313	(2,531)
Non-current assets		14,869	37,967	25,968
Total assets		43,986	38,875	29,932
Non-current liabilities		-	11,717	-
Current liabilities		21,240	2,189	10,326
Total equity		22,746	24,919	19,606
Profit margin (%)		(4%)	38%	(14%)
Equity ratio (%)		52%	64%	66%

Risk factors..... Reference is made to Section 2. SeaBird is not aware of risk factors specific to Harrier that are not also relevant to the group as a whole.

Guarantor information..... The legal name of Harrier is Harrier Navigation Company Ltd.

Harrier is registered with registration number HE171227 with the Cyprus Registry of Companies, being a department of the Cyprus Ministry of Commerce, Industry and Tourism.

Harrier was incorporated on 25 January 2006.

Harrier is a private limited liability company under the Cyprus Companies Law. Its address is 333, 28th October Street, Ariadne House, 3106, Limassol, Cyprus, with telephone number +357-25814416.

Except as set out in Section 4 relating to the Restructuring, there are no recent events particular to Harrier which are to a material extent relevant to the evaluation of its solvency.

Harrier expects capital expenditures in 2015 in respect of docking and maintenance of its owned vessel of approximately USD 3.2 million, to be funded by available liquidity resources in the SeaBird group. No other material investments have been made since the date of its last published financial statements, nor are committed for such future investments.

Business overview Harrier's business is to be the vessel owning and service operating company in respect of SeaBird's owned vessel Harrier Explorer. An overview of the business relevant to these activities is set out in Section 6, including a description of the vessel in Section 6.5.

An overview of the market in which Harrier operates is set out in Section 8.

Organisational structure See Section 6.3.

Harrier is dependent on other group companies as set forth above under 14.2.

Trend information..... Since the date of Harrier's last published audited financial statements, which were in respect of 2013, there has been a significant reduction in oil prices which has impacted negatively the demand for seismic and other services related to the energy sector. With this exception, there has been no material adverse change in the prospects of Harrier since the date of its last

published audited financial statements.

Reference is made to Section 9.7 for a description of the matters relating to the SeaBird group as a whole, and for a description of trends affecting the SeaBird group. SeaBird is not aware of other trends, uncertainties, demands, commitments or events that are specific to Harrier and that are reasonably likely to have a material effect on its prospects for at least the current financial year.

Administrative, management, and supervisory bodies.....

The following persons serve as directors of Harrier, being made up of persons who are employed (or formerly employed) in the SeaBird group unless noted. Harrier's address serves as c/o address in respect of each director.

Dag Reynolds
 Kjell Mathiassen
 Kjell Mangerøy
 Eleni Georgiades (Cyprus lawyer)

Harrier has no separate management.

Except as set out in Section 7.4, there are no potential conflicts of interest between any duties to Harrier of any of the persons set out above and their private interests and/or other duties.

Board practices

Harrier has no audit committee or other sub committee of its board of directors.

Being a private company, Harrier is not subject to compliance with corporate governance regimes.

Major shareholders

Harrier is a wholly owned subsidiary of the Company.

There are no arrangements known which may lead to a change in control of Harrier.

Financial information.....

Audited financial statements for Harrier for 2013 and 2012 are incorporated by reference (see Section 13.4) and unaudited accounts for 2014 are set out in Appendix 2. The accounts are prepared in accordance with IFRS.

The audit statements are unqualified, but contain the emphasis of matter in respect of the SeaBird group set out in Section 9.2.

See Section 13.2 for an overview of legal and arbitration proceedings for the group as a whole. There are no other matters in respect of Harrier requiring additional disclosure.

See Section 9.7 for a description of significant changes in the financial or trading position of the group as a whole since the end of the last financial period. There are no other matters in respect of Harrier requiring additional disclosure.

Additional information

Harrier has an authorised share capital of EUR 3,420, being made up of 2,000 shares of EUR 1.71 each. The issued share capital is EUR 1,744.20, being made up of 1,020 shares. The issued capital is fully paid up.

The objects and purposes of Harrier are set out in its Memorandum of Association (see Section 13.3), clause 3. Harrier has full capacity rights, powers and privileges to undertake any of the matters mentioned in clause 3 in the memorandum, which include, inter alia, to construct, purchase, exchange or otherwise acquire, charter, hire, equip, possess, use and operate ships of every type, class and tonnage, whether as owners of the whole or any share therein; to charter hire, act as agents of, represent, manage and operate any ship belonging to any other company or person, as

well as whatever else may be considered incidental or conducive thereto.

Material contracts There are no material contracts entered into outside of the ordinary course of Harrier's business which could result in any group member being under an obligation or entitlement that is material to Harrier's ability to meet its obligation to holders of the Bonds.

14.2.6 *Biliria Marine Company Ltd. ("Biliria")*

Persons responsible Reference is made to Section 3.

Statutory auditors Reference is made to Section 9.2.

Selected financial information .	(USD '000)	2014	2013	2012
		unaudited	audited	audited
Revenues		(2,175)	7,474	-
Net profit		(23,522)	(6,920)	-
Non-current assets		250	4,604	-
Total assets		45,048	5,914	1
Non-current liabilities		-	9,003	-
Current liabilities		75,741	3,830	-
Total equity		(30,433)	(6,919)	1
Profit margin (%)		N/A	(92%)	N/A
Equity ratio (%)		(68%)	(117%)	100%

Risk factors Reference is made to Section 2. SeaBird is not aware of risk factors specific to Biliria that are not also relevant to the group as a whole.

Guarantor information The legal name of Biliria is Biliria Marine Company Ltd.

Biliria is registered with registration number HE304475 with the Cyprus Registry of Companies, being a department of the Cyprus Ministry of Commerce, Industry and Tourism.

Biliria was incorporated on 9 April 2012.

Biliria is a private limited liability company under the Cyprus Companies Law. Its address is 333, 28th October Street, Ariadne House, 3106, Limassol, Cyprus, with telephone number +357-25814416.

Except as set out in Section 4 relating to the Restructuring, there are no recent events particular to Biliria which are to a material extent relevant to the evaluation of its solvency.

No material investments have been made since the date of its last published financial statements, nor are committed for such future investments.

Business overview Biliria's business is to be the vessel chartering and service operating company in respect of SeaBird's chartered-in vessel Geo Pacific. An overview of the business relevant to these activities is set out in Section 6, including a description of the vessel in Section 6.5.

An overview of the market in which Biliria operates is set out in Section 8.

Organisational structure See Section 6.3.

Biliria is dependent on other group companies as set forth above under 14.2.

Trend information	<p>Since the date of Biliria's last published audited financial statements, which were in respect of 2013, there has been a significant reduction in oil prices which has impacted negatively the demand for seismic and other services related to the energy sector. With this exception, there has been no material adverse change in the prospects of Biliria since the date of its last published audited financial statements.</p> <p>Reference is made to Section 9.7 for a description of the matters relating to the SeaBird group as a whole, and for a description of trends affecting the SeaBird group. SeaBird is not aware of other trends, uncertainties, demands, commitments or events that are specific to Biliria and that are reasonably likely to have a material effect on its prospects for at least the current financial year.</p>
Administrative, management, and supervisory bodies.....	<p>The following persons serve as directors of Biliria, being made up of persons who are employed (or formerly employed) in the SeaBird group unless noted. Biliria's address serves as c/o address in respect of each director.</p> <p>Dag Reynolds Kjell Mathiassen Kjell Mangerøy Eleni Georgiades (Cyprus lawyer)</p> <p>Biliria has no separate management.</p> <p>Except as set out in Section 7.4, there are no potential conflicts of interest between any duties to Biliria of any of the persons set out above and their private interests and/or other duties.</p>
Board practices	<p>Biliria has no audit committee or other sub committee of its board of directors.</p> <p>Being a private company, Biliria is not subject to compliance with corporate governance regimes.</p>
Major shareholders	<p>Biliria is a wholly owned subsidiary of the Company.</p> <p>There are no arrangements known which may lead to a change in control of Biliria.</p>
Financial information.....	<p>Audited financial statements for Biliria for 2013 and 2012 are incorporated by reference (see Section 13.4) and unaudited accounts for 2014 are set out in Appendix 2. The accounts are prepared in accordance with IFRS.</p> <p>The audit statements are unqualified, but contain the emphasis of matter in respect of the SeaBird group set out in Section 9.2.</p> <p>See Section 13.2 for an overview of legal and arbitration proceedings for the group as a whole. There are no other matters in respect of Biliria requiring additional disclosure.</p> <p>See Section 9.7 for a description of significant changes in the financial or trading position of the group as a whole since the end of the last financial period. There are no other matters in respect of Biliria requiring additional disclosure.</p>
Additional information	<p>Biliria has an authorised share capital of EUR 10,000, being made up of 10,000 shares of EUR 1 each. The issued share capital is EUR 1,000, being made up of 1,000 shares. The issued capital is fully paid up.</p> <p>The objects and purposes of Biliria are set out in its Memorandum of Association (see Section 13.3), clause 3. Biliria has full capacity rights, powers and privileges to undertake any of the matters mentioned in clause 3 in the memorandum, which include, inter alia, to construct, purchase, exchange or otherwise acquire, charter, hire, equip, possess, use and</p>

operate ships of every type, class and tonnage, whether as owners of the whole or any share therein; to charter hire, act as agents of, represent, manage and operate any ship belonging to any other company or person, as well as whatever else may be considered incidental or conducive thereto.

Material contracts There are no material contracts entered into outside of the ordinary course of Biliria's business which could result in any group member being under an obligation or entitlement that is material to Biliria's ability to meet its obligation to holders of the Bonds.

14.2.7 Hawk Navigation Company Ltd. ("Hawk")

Persons responsible Reference is made to Section 3.

Statutory auditors Reference is made to Section 9.2.

Selected financial information .	(USD '000)	2014	2013	2012
		unaudited	audited	audited
Revenues		3,455	2,081	5,083
Net profit		(7,067)	(5,517)	(157)
Non-current assets		14,891	18,414	20,085
Total assets		38,482	19,669	20,883
Non-current liabilities		-	22,393	9,305
Current liabilities		38,051	10,540	19,275
Total equity		431	(13,264)	(7,747)
Profit margin (%)		(205%)	(265%)	(3%)
Equity ratio (%)		1%	(67%)	(37%)

Risk factors..... Reference is made to Section 2. SeaBird is not aware of risk factors specific to Hawk that are not also relevant to the group as a whole.

Guarantor information..... The legal name of Hawk is Hawk Navigation Company Ltd.

Hawk is registered with registration number HE161326 with the Cyprus Registry of Companies, being a department of the Cyprus Ministry of Commerce, Industry and Tourism.

Hawk was incorporated on 27 May 2005.

Hawk is a private limited liability company under the Cyprus Companies Law. Its address is 333, 28th October Street, Ariadne House, 3106, Limassol, Cyprus, with telephone number +357-25814416.

Except as set out in Section 4 relating to the Restructuring, there are no recent events particular to Hawk which are to a material extent relevant to the evaluation of its solvency.

Hawk expects capital expenditures in 2015 in respect of docking and maintenance of its chartered-in vessel of approximately USD 0.9 million, to be funded by available liquidity resources in the SeaBird group. No other material investments have been made since the date of its last published financial statements, nor are committed for such future investments.

Business overview Hawk's business is to be the vessel chartering and service operating company in respect of SeaBird's chartered-in vessel Hawk Explorer. An overview of the business relevant to these activities is set out in Section 6,

	including a description of the vessel in Section 6.5.
	An overview of the market in which Hawk operates is set out in Section 8.
Organisational structure	See Section 6.3.
	Hawk is dependent on other group companies as set forth above under 14.2.
Trend information	<p>Since the date of Hawk's last published audited financial statements, which were in respect of 2013, there has been a significant reduction in oil prices which has impacted negatively the demand for seismic and other services related to the energy sector. With this exception, there has been no material adverse change in the prospects of Hawk since the date of its last published audited financial statements.</p> <p>Reference is made to Section 9.7 for a description of the matters relating to the SeaBird group as a whole, and for a description of trends affecting the SeaBird group. SeaBird is not aware of other trends, uncertainties, demands, commitments or events that are specific to Hawk and that are reasonably likely to have a material effect on its prospects for at least the current financial year.</p>
Administrative, management, and supervisory bodies.....	<p>The following persons serve as directors of Hawk, being made up of persons who are employed (or formerly employed) in the SeaBird group unless noted. Hawk's address serves as c/o address in respect of each director.</p> <p>Dag Reynolds Kjell Mathiassen Kjell Mangerøy Eleni Georgiades (Cyprus lawyer)</p> <p>Hawk has no separate management.</p> <p>Except as set out in Section 7.4, there are no potential conflicts of interest between any duties to Hawk of any of the persons set out above and their private interests and/or other duties.</p>
Board practices	<p>Hawk has no audit committee or other sub committee of its board of directors.</p> <p>Being a private company, Hawk is not subject to compliance with corporate governance regimes.</p>
Major shareholders	<p>Hawk is a wholly owned subsidiary of the Company.</p> <p>There are no arrangements known which may lead to a change in control of Hawk.</p>
Financial information.....	<p>Audited financial statements for Hawk for 2013 and 2012 are incorporated by reference (see Section 13.4) and unaudited accounts for 2014 are set out in Appendix 2. The accounts are prepared in accordance with IFRS.</p> <p>The audit statements are unqualified, but contain the emphasis of matter in respect of the SeaBird group set out in Section 9.2.</p> <p>See Section 13.2 for an overview of legal and arbitration proceedings for the group as a whole. There are no other matters in respect of Hawk requiring additional disclosure.</p> <p>See Section 9.7 for a description of significant changes in the financial or trading position of the group as a whole since the end of the last financial period. There are no other matters in respect of Hawk requiring additional disclosure.</p>
Additional information	Hawk has an authorised share capital of EUR 3,420, being made up of 2,000

shares of EUR 1.71 each. The issued share capital is EUR 3,266.10, being made up of 1,910 shares. The issued capital is fully paid up.

The objects and purposes of Hawk are set out in its Memorandum of Association (see Section 13.3), clause 3. Hawk has full capacity rights, powers and privileges to undertake any of the matters mentioned in clause 3 in the memorandum, which include, inter alia, to construct, purchase, exchange or otherwise acquire, charter, hire, equip, possess, use and operate ships of every type, class and tonnage, whether as owners of the whole or any share therein; to charter hire, act as agents of, represent, manage and operate any ship belonging to any other company or person, as well as whatever else may be considered incidental or conducive thereto.

Material contracts There are no material contracts entered into outside of the ordinary course of Hawk's business which could result in any group member being under an obligation or entitlement that is material to Hawk's ability to meet its obligation to holders of the Bonds.

14.2.8 Munin Navigation Company Ltd. ("Munin")

Persons responsible Reference is made to Section 3.

Statutory auditors Reference is made to Section 9.2.

Selected financial information .

(USD '000)	2014 unaudited	2013 audited	2012 audited
Revenues	18,658	17,865	15,496
Net profit	(4,099)	(4,351)	(1,402)
Non-current assets	656	4,133	6,132
Total assets	28,175	9,299	11,347
Non-current liabilities	-	26,360	-
Current liabilities	30,401	1,140	25,197
Total equity	(2,226)	(18,201)	(13,850)
Profit margin (%)	(22%)	(24%)	(9%)
Equity ratio (%)	(8%)	(196%)	(122%)

Risk factors Reference is made to Section 2. SeaBird is not aware of risk factors specific to Munin that are not also relevant to the group as a whole.

Guarantor information The legal name of Munin is Munin Navigation Company Ltd.

Munin is registered with registration number HE194577 with the Cyprus Registry of Companies, being a department of the Cyprus Ministry of Commerce, Industry and Tourism.

Munin was incorporated on 17 March 2007.

Munin is a private limited liability company under the Cyprus Companies Law. Its address is 333, 28th October Street, Ariadne House, 3106, Limassol, Cyprus, with telephone number +357-25814416.

Except as set out in Section 4 relating to the Restructuring, there are no recent events particular to Munin which are to a material extent relevant to the evaluation of its solvency.

Munin expects capital expenditures in 2015 in respect of docking and maintenance of its chartered-in vessel of approximately USD 2.4 million, to

	<p>be funded by available liquidity resources in the SeaBird group. No other material investments have been made since the date of its last published financial statements, nor are committed for such future investments.</p>
Business overview	<p>Munin's business is to be the vessel chartering and service operating company in respect of SeaBird's chartered-in vessel Munin Explorer. An overview of the business relevant to these activities is set out in Section 6, including a description of the vessel in Section 6.5.</p> <p>An overview of the market in which Munin operates is set out in Section 8.</p>
Organisational structure	<p>See Section 6.3.</p> <p>Munin is dependent on other group companies as set forth above under 14.2.</p>
Trend information.....	<p>Since the date of Munin's last published audited financial statements, which were in respect of 2013, there has been a significant reduction in oil prices which has impacted negatively the demand for seismic and other services related to the energy sector. With this exception, there has been no material adverse change in the prospects of Munin since the date of its last published audited financial statements.</p> <p>Reference is made to Section 9.7 for a description of the matters relating to the SeaBird group as a whole, and for a description of trends affecting the SeaBird group. SeaBird is not aware of other trends, uncertainties, demands, commitments or events that are specific to Munin and that are reasonably likely to have a material effect on its prospects for at least the current financial year.</p>
Administrative, management, and supervisory bodies.....	<p>The following persons serve as directors of Munin, being made up of persons who are employed (or formerly employed) in the SeaBird group unless noted. Munin's address serves as c/o address in respect of each director.</p> <p>Dag Reynolds Kjell Mathiassen Kjell Mangerøy Eleni Georgiades (Cyprus lawyer)</p> <p>Munin has no separate management.</p> <p>Except as set out in Section 7.4, there are no potential conflicts of interest between any duties to Munin of any of the persons set out above and their private interests and/or other duties.</p>
Board practices	<p>Munin has no audit committee or other sub committee of its board of directors.</p> <p>Being a private company, Munin is not subject to compliance with corporate governance regimes.</p>
Major shareholders	<p>Munin is a wholly owned subsidiary of the Company.</p> <p>There are no arrangements known which may lead to a change in control of Munin.</p>
Financial information.....	<p>Audited financial statements for Munin for 2013 and 2012 are incorporated by reference (see Section 13.4) and unaudited accounts for 2014 are set out in Appendix 2. The accounts are prepared in accordance with IFRS.</p> <p>The audit statements are unqualified, but contain the emphasis of matter in respect of the SeaBird group set out in Section 9.2.</p> <p>See Section 13.2 for an overview of legal and arbitration proceedings for the group as a whole. There are no other matters in respect of Munin requiring</p>

additional disclosure.

See Section 9.7 for a description of significant changes in the financial or trading position of the group as a whole since the end of the last financial period. There are no other matters in respect of Munin requiring additional disclosure.

Additional information Munin has an authorised share capital of EUR 3,420, being made up of 2,000 shares of EUR 1.71 each, and being fully issued. The issued capital is fully paid up.

The objects and purposes of Munin are set out in its Memorandum of Association (see Section 13.3), clause 3. Munin has full capacity rights, powers and privileges to undertake any of the matters mentioned in clause 3 in the memorandum, which include, inter alia, to construct, purchase, exchange or otherwise acquire, charter, hire, equip, possess, use and operate ships of every type, class and tonnage, whether as owners of the whole or any share therein; to charter hire, act as agents of, represent, manage and operate any ship belonging to any other company or person, as well as whatever else may be considered incidental or conducive thereto.

Material contracts There are no material contracts entered into outside of the ordinary course of Munin's business which could result in any group member being under an obligation or entitlement that is material to Munin's ability to meet its obligation to holders of the Bonds.

14.2.9 Oreo Navigation Company Ltd. ("Oreo")

Persons responsible Reference is made to Section 3.

Statutory auditors Reference is made to Section 9.2.

Selected financial information .

(USD '000)	2014 unaudited	2013 audited	2012 audited
Revenues	1,150	33,266	12,876
Net profit	(11,728)	1,246	3,524
Non-current assets	3,052	6,344	6,896
Total assets	45,060	7,536	8,484
Non-current liabilities	-	4,119	-
Current liabilities	55,911	2,577	8,890
Total equity	(10,851)	840	(406)
Profit margin (%)	N/A	4%	27%
Equity ratio (%)	(24%)	11%	(5%)

Risk factors Reference is made to Section 2. SeaBird is not aware of risk factors specific to Oreo that are not also relevant to the group as a whole.

Guarantor information The legal name of Oreo is Oreo Navigation Company Ltd.

Oreo is registered with registration number HE92764 with the Cyprus Registry of Companies, being a department of the Cyprus Ministry of Commerce, Industry and Tourism.

Oreo was incorporated on 26 February 1998.

Oreo is a private limited liability company under the Cyprus Companies Law. Its address is 333, 28th October Street, Ariadne House, 3106, Limassol,

Cyprus, with telephone number +357-25814416.

Except as set out in Section 4 relating to the Restructuring, there are no recent events particular to Oreo which are to a material extent relevant to the evaluation of its solvency.

Oreo expects capital expenditures in 2015 in respect of docking and maintenance of its chartered-in vessel of approximately USD 1.1 million, to be funded by available liquidity resources in the SeaBird group. No other material investments have been made since the date of its last published financial statements, nor are committed for such future investments.

Business overview	<p>Oreo's business is to be the vessel chartering and service operating company in respect of SeaBird's chartered-in vessel Voyager Explorer. An overview of the business relevant to these activities is set out in Section 6, including a description of the vessel in Section 6.5.</p> <p>An overview of the market in which Oreo operates is set out in Section 8.</p>
Organisational structure	<p>See Section 6.3.</p> <p>Oreo is dependent on other group companies as set forth above under 14.2.</p>
Trend information.....	<p>Since the date of Oreo's last published audited financial statements, which were in respect of 2013, there has been a significant reduction in oil prices which has impacted negatively the demand for seismic and other services related to the energy sector. With this exception, there has been no material adverse change in the prospects of Oreo since the date of its last published audited financial statements.</p> <p>Reference is made to Section 9.7 for a description of the matters relating to the SeaBird group as a whole, and for a description of trends affecting the SeaBird group. SeaBird is not aware of other trends, uncertainties, demands, commitments or events that are specific to Oreo and that are reasonably likely to have a material effect on its prospects for at least the current financial year.</p>
Administrative, management, and supervisory bodies.....	<p>The following persons serve as directors of Oreo, being made up of persons who are employed (or formerly employed) in the SeaBird group unless noted. Oreo's address serves as c/o address in respect of each director.</p> <p>Dag Reynolds Kjell Mathiassen Kjell Mangerøy Eleni Georgiades (Cyprus lawyer)</p> <p>Oreo has no separate management.</p> <p>Except as set out in Section 7.4, there are no potential conflicts of interest between any duties to Oreo of any of the persons set out above and their private interests and/or other duties.</p>
Board practices	<p>Oreo has no audit committee or other sub committee of its board of directors.</p> <p>Being a private company, Oreo is not subject to compliance with corporate governance regimes.</p>
Major shareholders	<p>Oreo is a wholly owned subsidiary of the Company.</p> <p>There are no arrangements known which may lead to a change in control of Oreo.</p>
Financial information.....	<p>Audited financial statements for Oreo for 2013 and 2012 are incorporated by reference (see Section 13.4) and unaudited accounts for 2014 are set</p>

out in Appendix 2. The accounts are prepared in accordance with IFRS.

The audit statements are unqualified, but contain the emphasis of matter in respect of the SeaBird group set out in Section 9.2.

See Section 13.2 for an overview of legal and arbitration proceedings for the group as a whole. There are no other matters in respect of Oreo requiring additional disclosure.

See Section 9.7 for a description of significant changes in the financial or trading position of the group as a whole since the end of the last financial period. There are no other matters in respect of Oreo requiring additional disclosure.

Additional information Oreo has an authorised share capital of EUR 1,710, being made up of 1,000 shares of EUR 1.71 each, and being fully issued. The issued capital is fully paid up.

The objects and purposes of Oreo are set out in its Memorandum of Association (see Section 13.3), clause 3. Oreo has full capacity rights, powers and privileges to undertake any of the matters mentioned in clause 3 in the memorandum, which include, inter alia, to construct, purchase, exchange or otherwise acquire, charter, hire, equip, possess, use and operate ships of every type, class and tonnage, whether as owners of the whole or any share therein; to charter hire, act as agents of, represent, manage and operate any ship belonging to any other company or person, as well as whatever else may be considered incidental or conducive thereto.

Material contracts There are no material contracts entered into outside of the ordinary course of Oreo's business which could result in any group member being under an obligation or entitlement that is material to Oreo's ability to meet its obligation to holders of the Bonds.

14.2.10 SeaBird Exploration Multi-Client Ltd. ("SBX MC")

Persons responsible Reference is made to Section 3.

Statutory auditors Reference is made to Section 9.2.

Selected financial information .	(USD '000)	2014 unaudited	2013 audited	2012 N/A
Revenues		13,316	-	
Net profit		(11,719)	(263)	
Non-current assets		15,182	2,287	
Total assets		26,674	2,288	
Non-current liabilities		-	2,550	
Current liabilities		38,657	-	
Total equity		(11,983)	(262)	
Profit margin (%)		(88%)	N/A	
Equity ratio (%)		(45%)	(11%)	

Risk factors Reference is made to Section 2. SeaBird is not aware of risk factors specific to SBX MC that are not also relevant to the group as a whole.

Guarantor information The legal name of SBX MC is SeaBird Exploration Multi-Client Ltd.
SBX MC is registered with registration number HE326686 with the Cyprus

Registry of Companies, being a department of the Cyprus Ministry of Commerce, Industry and Tourism.

SBX MC was incorporated on 8 November 2013.

SBX MC is a private limited liability company under the Cyprus Companies Law. Its address is 333, 28th October Street, Ariadne House, 3106, Limassol, Cyprus, with telephone number +357-25814416.

Except as set out in Section 4 relating to the Restructuring, there are no recent events particular to SBX MC which are to a material extent relevant to the evaluation of its solvency.

SBX MC has not made material investments since the date of its last published financial statements, and has not had firm commitments to such future investments.

Business overview	<p>SBX MC's business is to offer non-exclusive multi-client survey data to oil companies and other users of such data, and to purchase seismic survey services for such sale. An overview of the business relevant to these activities is set out in Section 6, including a description of the multi-client activities in Section 6.5.</p> <p>An overview of the market in which SBX MC operates is set out in Section 8.</p>
Organisational structure	<p>See Section 6.3.</p> <p>SBX MC is dependent on other group companies as set forth above under 14.2.</p>
Trend information	<p>Since the date of SBX MC's last published audited financial statements, which were in respect of 2013, there has been a significant reduction in oil prices which has impacted negatively the demand for seismic and other services related to the energy sector. With this exception, there has been no material adverse change in the prospects of SBX MC since the date of its last published audited financial statements.</p> <p>Reference is made to Section 9.7 for a description of the matters relating to the SeaBird group as a whole, and for a description of trends affecting the SeaBird group. SeaBird is not aware of other trends, uncertainties, demands, commitments or events that are specific to SBX MC and that are reasonably likely to have a material effect on its prospects for at least the current financial year.</p>
Administrative, management, and supervisory bodies.....	<p>The following persons serve as directors of SBX MC, being made up of persons who are employed (or formerly employed) in the SeaBird group unless noted. SBX MC's address serves as c/o address in respect of each director.</p> <p>Dag Reynolds Eleni Georgiades (Cyprus lawyer) Vasilios Trikoupis (Cyprus accountant)</p> <p>SBX MC has no separate management.</p> <p>Except as set out in Section 7.4, there are no potential conflicts of interest between any duties to SBX MC of any of the persons set out above and their private interests and/or other duties.</p>
Board practices	<p>SBX MC has no audit committee or other sub committee of its board of directors.</p> <p>Being a private company, SBX MC is not subject to compliance with corporate governance regimes.</p>

Major shareholders	<p>SBX MC is a wholly owned subsidiary of the Company.</p> <p>There are no arrangements known which may lead to a change in control of SBX MC.</p>
Financial information.....	<p>Audited financial statements for SBX MC for 2013 are incorporated by reference (see Section 13.4) and unaudited accounts for 2014 are set out in Appendix 2. The accounts are prepared in accordance with IFRS.</p> <p>The audit statements are unqualified, but contain the emphasis of matter in respect of the SeaBird group set out in Section 9.2.</p> <p>See Section 13.2 for an overview of legal and arbitration proceedings for the group as a whole. There are no other matters in respect of SBX MC requiring additional disclosure.</p> <p>See Section 9.7 for a description of significant changes in the financial or trading position of the group as a whole since the end of the last financial period. There are no other matters in respect of SBX MC requiring additional disclosure.</p>
Additional information	<p>SBX MC has an authorised share capital of EUR 10,000, being made up of 10,000 shares of EUR 1 each. The issued share capital is EUR 1,000, being made up of 1,000 shares. The issued capital is fully paid up.</p> <p>The objects and purposes of SBX MC are set out in its Memorandum of Association (see Section 13.3), clause 3. SBX MC has full capacity rights, powers and privileges to undertake any of the matters mentioned in clause 3 in the memorandum, which include, inter alia, to purchase or otherwise acquire, lease, exchange, register and use any patents, brevets d'invention, trademarks, copyrights, licences, business names, concessions, easements, rights or privileges, whether exclusive or non-exclusive or limited or any part or interest in the same and to sell, assign, transfer, grant or let the same or otherwise secure or grant licences or consents for the use thereof or any of them, in any part of the world, and whatever else may be considered incidental or conducive thereto.</p>
Material contracts	<p>There are no material contracts entered into outside of the ordinary course of SBX MC's business which could result in any group member being under an obligation or entitlement that is material to SBX MC's ability to meet its obligation to holders of the Bonds.</p>

14.2.11 SeaBird Exploration Cyprus Ltd. ("SBX Cyprus")

Persons responsible	Reference is made to Section 3.
Statutory auditors	Reference is made to Section 9.2.

Selected financial information .	(USD '000)	2014 unaudited	2013 audited	2012 N/A
Revenues		61,855	3,789	
Net profit		(8,288)	(17)	
Non-current assets		89	2,550	
Total assets		77,018	4,048	
Non-current liabilities		-	4,034	
Current liabilities		85,544	30	
Total equity		(8,525)	(16)	

Profit margin (%)	(13%)	(0%)
Equity ratio (%)	(11%)	(0%)

Risk factors.....	Reference is made to Section 2. SeaBird is not aware of risk factors specific to SBX Cyprus that are not also relevant to the group as a whole.
Guarantor information.....	<p>The legal name of SBX Cyprus is SeaBird Exploration Cyprus Ltd.</p> <p>SBX Cyprus is registered with registration number HE326624 with the Cyprus Registry of Companies, being a department of the Cyprus Ministry of Commerce, Industry and Tourism.</p> <p>SBX Cyprus was incorporated on 7 November 2013.</p> <p>SBX Cyprus is a private limited liability company under the Cyprus Companies Law. Its address is 333, 28th October Street, Ariadne House, 3106, Limassol, Cyprus, with telephone number +357-25814416.</p> <p>Except as set out in Section 4 relating to the Restructuring, there are no recent events particular to SBX Cyprus which are to a material extent relevant to the evaluation of its solvency.</p> <p>SBX Cyprus has not made material investments since the date of its last published financial statements, and has not had firm commitments to such future investments.</p>
Business overview	<p>SBX Cyprus's business is to provide management and other services to other companies in the SeaBird group, including management, sales, procurement, finance, legal, human resources and IT services. An overview of the business relevant to these activities is set out in Section 6.</p> <p>An overview of the market in which SBX Cyprus operates is set out in Section 8.</p>
Organisational structure	<p>See Section 6.3.</p> <p>SBX Cyprus is dependent on other group companies as set forth above under 14.2.</p>
Trend information.....	<p>Since the date of SBX Cyprus's last published audited financial statements, which were in respect of 2013, there has been a significant reduction in oil prices which has impacted negatively the demand for seismic and other services related to the energy sector. With this exception, there has been no material adverse change in the prospects of SBX Cyprus since the date of its last published audited financial statements.</p> <p>Reference is made to Section 9.7 for a description of the matters relating to the SeaBird group as a whole, and for a description of trends affecting the SeaBird group. SeaBird is not aware of other trends, uncertainties, demands, commitments or events that are specific to SBX Cyprus and that are reasonably likely to have a material effect on its prospects for at least the current financial year.</p>
Administrative, management, and supervisory bodies.....	<p>The following persons serve as directors of SBX Cyprus, being made up of persons who are employed (or formerly employed) in the SeaBird group unless noted. SBX Cyprus's address serves as c/o address in respect of each director.</p> <p>Dag Reynolds Eleni Georgiades (Cyprus lawyer) Vasilios Trikoupis (Cyprus accountant)</p> <p>SBX Cyprus has no separate management.</p>

	Except as set out in Section 7.4, there are no potential conflicts of interest between any duties to SBX Cyprus of any of the persons set out above and their private interests and/or other duties.
Board practices	SBX Cyprus has no audit committee or other sub committee of its board of directors. Being a private company, SBX Cyprus is not subject to compliance with corporate governance regimes.
Major shareholders	SBX Cyprus is a wholly owned subsidiary of the Company. There are no arrangements known which may lead to a change in control of SBX Cyprus.
Financial information.....	Audited financial statements for SBX Cyprus for 2013 are incorporated by reference (see Section 13.4) and unaudited accounts for 2014 are set out in Appendix 2. The accounts are prepared in accordance with IFRS. The audit statements are unqualified, but contain the emphasis of matter in respect of the SeaBird group set out in Section 9.2. See Section 13.2 for an overview of legal and arbitration proceedings for the group as a whole. There are no other matters in respect of SBX Cyprus requiring additional disclosure. See Section 9.7 for a description of significant changes in the financial or trading position of the group as a whole since the end of the last financial period. There are no other matters in respect of SBX Cyprus requiring additional disclosure.
Additional information	SBX Cyprus has an authorised share capital of EUR 10,000, being made up of 10,000 shares of EUR 1 each. The issued share capital is EUR 1,000, being made up of 1,000 shares. The issued capital is fully paid up. The objects and purposes of SBX Cyprus are set out in its Memorandum of Association (see Section 13.3), clause 3. SBX Cyprus has full capacity rights, powers and privileges to undertake any of the matters mentioned in clause 3 in the memorandum, which include, inter alia, to establish, maintain, operate and provide, on a world-wide scale, seismic and other marine operations relating to providing oil and gas exploration, production and participation, seismic data services onshore, transition zones and offshore and general offshore energy related services, ship management services, whether on full or part management services, including (without limitation) commercial or financial or legal or project or technical or crew management, general or special shipping services, a well as all other ancillary or related services, and whatever else may be considered incidental or conducive thereto.
Material contracts	There are no material contracts entered into outside of the ordinary course of SBX Cyprus's business which could result in any group member being under an obligation or entitlement that is material to SBX Cyprus's ability to meet its obligation to holders of the Bonds.

14.2.12 SeaBird Exploration Asia Pacific PTE Ltd. ("SBX Asia Pacific")

Persons responsible	Reference is made to Section 3.
Statutory auditors	Reference is made to Section 9.2.

Selected financial information .	<table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%; text-align: left;">(USD '000)</td> <td style="width: 15%; text-align: center;">2014</td> <td style="width: 15%; text-align: center;">2013</td> <td style="width: 15%; text-align: center;">2012</td> <td style="width: 25%;"></td> </tr> <tr> <td></td> <td style="text-align: center;">unaudited</td> <td style="text-align: center;">audited</td> <td style="text-align: center;">N/A</td> <td></td> </tr> </table>				(USD '000)	2014	2013	2012			unaudited	audited	N/A	
(USD '000)	2014	2013	2012											
	unaudited	audited	N/A											

Revenues	22,234	62,309
Net profit	(2,825)	(686)
Non-current assets	-	40,810
Total assets	51,732	42,523
Non-current liabilities	-	42,967
Current liabilities	53,237	241
Total equity	(1,505)	(686)
Profit margin (%)	(13%)	(1%)
Equity ratio (%)	(3%)	(2%)

Figures in respect of 2013 reflect the period from 27 September 2012 (the date of its incorporation) to 31 December 2013.

Risk factors.....	Reference is made to Section 2. SeaBird is not aware of risk factors specific to SBX Asia Pacific that are not also relevant to the group as a whole.
Guarantor information.....	<p>The legal name of SBX Asia Pacific is SeaBird Exploration Asia Pacific PTE Ltd.</p> <p>SBX Asia Pacific is registered with registration number 201223807H with the Singapore Company Register, being a department of the Singapore Accounting and Corporate Regulatory Authority.</p> <p>SBX Asia Pacific was incorporated on 28 September 2012.</p> <p>SBX Asia Pacific is a private limited company under the Singapore Companies Act (Cap 50, 1994 Rev Ed). Its address is 8 Cross Street, #10-00, PWC Building, Singapore 048424, and its telephone number is +65-68325593.</p> <p>Except as set out in Section 4 relating to the Restructuring, there are no recent events particular to SBX Asia Pacific which are to a material extent relevant to the evaluation of its solvency.</p> <p>SBX Asia Pacific has not made material investments since the date of its last published financial statements, and has not had firm commitments to such future investments.</p>
Business overview	<p>SBX Asia Pacific's business is to provide management and other services to other companies in the SeaBird group, including management, sales, procurement, finance, legal, human resources and IT services. An overview of the business relevant to these activities is set out in Section 6.</p> <p>An overview of the market in which SBX Asia Pacific operates is set out in Section 8.</p>
Organisational structure	<p>See Section 6.3.</p> <p>SBX Asia Pacific is dependent on other group companies as set forth above under 14.2.</p>
Trend information.....	<p>Since the date of SBX Asia Pacific's last published audited financial statements, which were in respect of 2013, there has been a significant reduction in oil prices which has impacted negatively the demand for seismic and other services related to the energy sector. With this exception, there has been no material adverse change in the prospects of SBX Asia Pacific since the date of its last published audited financial statements.</p> <p>Reference is made to Section 9.7 for a description of the matters relating to</p>

	<p>the SeaBird group as a whole, and for a description of trends affecting the SeaBird group. SeaBird is not aware of other trends, uncertainties, demands, commitments or events that are specific to SBX Asia Pacific and that are reasonably likely to have a material effect on its prospects for at least the current financial year.</p>
Administrative, management, and supervisory bodies.....	<p>The following persons serve as directors of SBX Asia Pacific, being made up of persons who are employed (or formerly employed) in the SeaBird group unless noted. SBX Asia Pacific's address serves as c/o address in respect of each director.</p> <p>Nils Haugestad Dag Reynolds Philip Gunn</p> <p>SBX Asia Pacific has no separate management.</p> <p>Except as set out in Section 7.4, there are no potential conflicts of interest between any duties to SBX Asia Pacific of any of the persons set out above and their private interests and/or other duties.</p>
Board practices	<p>SBX Asia Pacific has no audit committee or other sub committee of its board of directors.</p> <p>Being a private company, SBX Asia Pacific is not subject to compliance with corporate governance regimes.</p>
Major shareholders	<p>SBX Asia Pacific is a wholly owned subsidiary of the Company.</p> <p>There are no arrangements known which may lead to a change in control of SBX Asia Pacific.</p>
Financial information.....	<p>Audited financial statements for SBX Asia Pacific for 2013 are incorporated by reference (see Section 13.4) and unaudited accounts for 2014 are set out in Appendix 2. The accounts are prepared in accordance with IFRS.</p> <p>The audit statements are unqualified, but contain the emphasis of matter in respect of the SeaBird group set out in Section 9.2.</p> <p>See Section 13.2 for an overview of legal and arbitration proceedings for the group as a whole. There are no other matters in respect of SBX Asia Pacific requiring additional disclosure.</p> <p>See Section 9.7 for a description of significant changes in the financial or trading position of the group as a whole since the end of the last financial period. There are no other matters in respect of SBX Asia Pacific requiring additional disclosure.</p>
Additional information	<p>SBX Asia Pacific has an authorised and issued share capital of SGD 2,505,000, being made up of 100 shares of SGD 1 each and 25,049 shares of SGD 100 each. The capital is fully paid up.</p> <p>The objects and purposes of SBX Asia Pacific are set out in its Memorandum of Association (see Section 13.3), clause 3. SBX Asia Pacific has full capacity rights, powers and privileges to carry on and undertake any business or activity, do any act or enter into any transaction.</p>
Material contracts.....	<p>There are no material contracts entered into outside of the ordinary course of SBX Asia Pacific's business which could result in any group member being under an obligation or entitlement that is material to SBX Asia Pacific's ability to meet its obligation to holders of the Bonds.</p>

14.2.13 SeaBird Exploration Shipping AS (“SBX Shipping”)

Persons responsible Reference is made to Section 3.

Statutory auditors Reference is made to Section 9.2.

Selected financial information .	(USD '000)	2014	2013	2012
		unaudited	audited	N/A
Revenues		12,129	10,931	
Net profit		120	(132)	
Non-current assets		82	82	
Total assets		20,117	12,059	
Non-current liabilities		-	-	
Current liabilities		20,286	12,180	
Total equity		(170)	(121)	
Profit margin (%)		1%	(1%)	
Equity ratio (%)		(1%)	(1%)	

Figures have been converted from NOK, the reporting currency of SBX Shipping, into USD at the exchange rates applicable for each year.

Risk factors..... Reference is made to Section 2. SeaBird is not aware of risk factors specific to SBX Shipping that are not also relevant to the group as a whole.

Guarantor information..... The legal name of SBX Shipping is SeaBird Exploration Shipping AS.

SBX Shipping is registered with registration number 911928914 in the Norwegian Register of Business Enterprises.

SBX Shipping was incorporated on 26 April 2013.

SBX Shipping is a private limited company under the Norwegian Companies Act of 13 June 1997 no 44 (Nw: Aksjeloven). Its address is Cort Adellers gate 16, N-0254 Oslo, Norway, and its telephone number is +47-22402700.

Except as set out in Section 4 relating to the Restructuring, there are no recent events particular to SBX Shipping which are to a material extent relevant to the evaluation of its solvency.

SBX Shipping has not made material investments since the date of its last published financial statements, and has not had firm commitments to such future investments.

Business overview SBX Shipping's business is to provide management and other services to other companies in the SeaBird group, including management, sales, procurement, finance, legal, human resources and IT services. An overview of the business relevant to these activities is set out in Section 6.

An overview of the market in which SBX Shipping operates is set out in Section 8.

Organisational structure See Section 6.3.

SBX Shipping is dependent on other group companies as set forth above under 14.2.

Trend information..... Since the date of SBX Shipping's last published audited financial statements, which were in respect of 2013, the significant recent reduction in oil prices has continued to impact negatively the demand for seismic and other services related to the energy sector. With this exception, there has

been no material adverse change in the prospects of SBX Shipping since the date of its last published audited financial statements.

Reference is made to Section 9.7 for a description of the matters relating to the SeaBird group as a whole, and for a description of trends affecting the SeaBird group. SeaBird is not aware of other trends, uncertainties, demands, commitments or events that are specific to SBX Shipping and that are reasonably likely to have a material effect on its prospects for at least the current financial year.

Administrative, management, and supervisory bodies.....	<p>The following persons serve as directors of SBX Shipping, being made up of persons who are employed (or formerly employed) in the SeaBird group unless noted. SBX Shipping's address serves as c/o address in respect of each director.</p> <p>Dag Reynolds (chairperson) Aslak Myklebostad</p> <p>SBX Shipping has no separate management.</p> <p>Except as set out in Section 7.4, there are no potential conflicts of interest between any duties to SBX Shipping of any of the persons set out above and their private interests and/or other duties.</p>
Board practices	<p>SBX Shipping has no audit committee or other sub committee of its board of directors.</p> <p>Being a private company, SBX Shipping is not subject to compliance with corporate governance regimes.</p>
Major shareholders	<p>SBX Shipping is a wholly owned subsidiary of the Company.</p> <p>There are no arrangements known which may lead to a change in control of SBX Shipping.</p>
Financial information.....	<p>Audited financial statements for SBX Shipping for 2013 are incorporated by reference (see Section 13.4) and unaudited accounts for 2014 are set out in Appendix 2. The accounts are prepared in accordance with IFRS.</p> <p>The audit statements are unqualified, but contain the emphasis of matter in respect of the SeaBird group set out in Section 9.2.</p> <p>See Section 13.2 for an overview of legal and arbitration proceedings for the group as a whole. There are no other matters in respect of SBX Shipping requiring additional disclosure.</p> <p>See Section 9.7 for a description of significant changes in the financial or trading position of the group as a whole since the end of the last financial period. There are no other matters in respect of SBX Shipping requiring additional disclosure.</p>
Additional information	<p>SBX Shipping has an issued share capital of NOK 30,000, being made up of 10 shares with a par value of NOK 3,000 each. The issued capital is fully paid up.</p> <p>The objects and purposes of SBX Shipping are set out in its Articles of Association (Nw: Vedtekter) (see Section 13.3), clause 3, which sets out that the purpose of the company is to do shipping business with seismic vessels and participate in companies with similar or related business activities.</p>
Material contracts.....	<p>There are no material contracts entered into outside of the ordinary course of SBX Shipping's business which could result in any group member being under an obligation or entitlement that is material to SBX Shipping's ability to meet its obligation to holders of the Bonds.</p>

14.2.14 Raven Navigation Company Ltd. (“Raven”)

Persons responsible Reference is made to Section 3.

Statutory auditors Reference is made to Section 9.2.

Selected financial information .	(USD ‘000)	2014	2013	2012
		unaudited	audited	audited
Revenues		3,049	1,510	-
Net profit		1,252	320	793
Non-current assets		5,610	20,068	-
Total assets		26,228	21,403	13,320
Non-current liabilities		-	7,691	-
Current liabilities		11,289	75	3
Total equity		14,939	13,637	13,317
Profit margin (%)		41%	21%	N/A
Equity ratio (%)		57%	64%	100%

Risk factors..... Reference is made to Section 2. SeaBird is not aware of risk factors specific to Raven that are not also relevant to the group as a whole.

Guarantor information..... The legal name of Raven is Raven Navigation Company Ltd.

Raven is registered with registration number HE171774 with the Cyprus Registry of Companies, being a department of the Cyprus Ministry of Commerce, Industry and Tourism.

Raven was incorporated on 6 February 2006.

Raven is a private limited liability company under the Cyprus Companies Law. Its address is 333, 28th October Street, Ariadne House, 3106, Limassol, Cyprus, with telephone number +357-25814416.

Except as set out in Section 4 relating to the Restructuring, there are no recent events particular to Raven which are to a material extent relevant to the evaluation of its solvency.

Raven has not made material investments since the date of its last published financial statements, and has not had firm commitments to such future investments.

Business overview Raven’s currently has no operating or other business. An overview of the business relevant to the SeaBird group as a whole is set out in Section 6.

An overview of the market in which the SeaBird group operates is set out in Section 8.

Organisational structure See Section 6.3.

Raven is dependent on other group companies as set forth above under 14.2.

Trend information..... Since the date of Raven’s last published audited financial statements, which were in respect of 2013, there has been a significant reduction in oil prices which has impacted negatively the demand for seismic and other services related to the energy sector. With this exception, there has been no material adverse change in the prospects of Raven since the date of its last

	published audited financial statements.
	Reference is made to Section 9.7 for a description of the matters relating to the SeaBird group as a whole, and for a description of trends affecting the SeaBird group. SeaBird is not aware of other trends, uncertainties, demands, commitments or events that are specific to Raven and that are reasonably likely to have a material effect on its prospects for at least the current financial year.
Administrative, management, and supervisory bodies.....	<p>The following persons serve as directors of Raven, being made up of persons who are employed (or formerly employed) in the SeaBird group unless noted. Raven's address serves as c/o address in respect of each director.</p> <p>Dag Reynolds Kjell Mathiassen Kjell Mangerøy Eleni Georgiades (Cyprus lawyer)</p> <p>Raven has no separate management.</p> <p>Except as set out in Section 7.4, there are no potential conflicts of interest between any duties to Raven of any of the persons set out above and their private interests and/or other duties.</p>
Board practices	<p>Raven has no audit committee or other sub committee of its board of directors.</p> <p>Being a private company, Raven is not subject to compliance with corporate governance regimes.</p>
Major shareholders	<p>Raven is a wholly owned subsidiary of the Company.</p> <p>There are no arrangements known which may lead to a change in control of Raven.</p>
Financial information.....	<p>Audited financial statements for Raven for 2013 and 2012 are incorporated by reference (see Section 13.4) and unaudited accounts for 2014 are set out in Appendix 2. The accounts are prepared in accordance with IFRS.</p> <p>The audit statements are unqualified, but contain the emphasis of matter in respect of the SeaBird group set out in Section 9.2.</p> <p>See Section 13.2 for an overview of legal and arbitration proceedings for the group as a whole. There are no other matters in respect of Raven requiring additional disclosure.</p> <p>See Section 9.7 for a description of significant changes in the financial or trading position of the group as a whole since the end of the last financial period. There are no other matters in respect of Raven requiring additional disclosure.</p>
Additional information	<p>Raven has an authorised share capital of EUR 3,420, being made up of 2,000 shares of EUR 1.71 each. The issued share capital is EUR 1,727.10, being made up of 1,010 shares. The issued capital is fully paid up.</p> <p>The objects and purposes of Raven are set out in its Memorandum of Association (see Section 13.3), clause 3. Raven has full capacity rights, powers and privileges to undertake any of the matters mentioned in clause 3 in the memorandum, which include, inter alia, to construct, purchase, exchange or otherwise acquire, charter, hire, equip, possess, use and operate ships of every type, class and tonnage, whether as owners of the whole or any share therein; to charter hire, act as agents of, represent, manage and operate any ship belonging to any other company or person, as</p>

well as whatever else may be considered incidental or conducive thereto.

Material contracts.....

There are no material contracts entered into outside of the ordinary course of Raven's business which could result in any group member being under an obligation or entitlement that is material to Raven's ability to meet its obligation to holders of the Bonds.

15 DEFINITIONS AND GLOSSARY OF TERMS

When used in this Prospectus, the following terms shall have the meanings set out below, unless the context otherwise requires. Words importing the plural shall be construed to include the singular and vice versa.

Company related terms

Articles of Association, or the Articles	The articles of association of the Company in force as at the date of this Prospectus.
Bond Issuer	SeaBird Exploration Finance Limited, a wholly owned subsidiary of the Company being the issuer of SBX04.
Company	SeaBird Exploration Plc, a limited liability company incorporated in the Republic of Cyprus under the Companies Law, CAP. 113 (as amended) of the statute laws of the Republic of Cyprus with its registered office at 333, 28th October Street, Ariadne House, Limassol, Cyprus.
General Meeting	The general meeting of the Company.
SeaBird, or the SeaBird group	SeaBird Exploration Plc together with its consolidated subsidiaries.
Memorandum	The memorandum of association of the Company in force as at the date of this Prospectus.

Terms related to this prospectus, and to the securities and transactions giving rise thereto

New Shares	The 3,007,846,500 Shares being admitted to trading by means of this Prospectus, following their conversion from 6,015,693 New Preference Shares having been issued as part of the Restructuring.
New Preference Shares	The 6,015,693 shares issued under the Restructuring, each having special rights corresponding to 500 ordinary Shares, and each being converted into 500 New Shares by means of this Prospectus.
SBX03	SeaBird Exploration Plc Senior Secured Callable Bond Issue 2011/2015.
SBX04	SeaBird Exploration Finance Limited First Lien Callable Bond Issue 2015/2018.
Bonds, Bond Issue	SBX04
Warrants	The 884,687,500 warrants being admitted to trading by means of this Prospectus, each giving the right until their expiration on 15 January 2018 to subscribe for one Share at NOK 0.10.
Prospectus	This prospectus dated at the date of its front cover.
Share(s)	"Shares" means the ordinary shares in the capital of SeaBird Exploration Plc, each having a nominal value of USD 0.0001 (or, where the context so requires or permits, beneficial interests in such Shares held by the VPS Registrar) and "Share" means any one of them.
Restructuring	The consensual restructuring of the SeaBird group, as announced on 29 January 2015, under which the New Shares, the Warrants and the Bonds were issued.
EGM1	An extraordinary general meeting of the Company as held on 19 February 2015.
EGM2	An extraordinary general meeting of the Company as held on 5 March 2015.
Managers	ABG Sundal Collier Norge ASA, Fearnley Securities AS and Clarksons Platou Securities AS

Industry related terms

2D:	Two dimensional (a term used to describe a type of seismic survey)
3D:	Three dimensional (a term used to describe a type of seismic survey)
4C/4D:	Four components / four dimensional (a term used to describe a type of seismic survey)
4D:	Four dimensional (a term used to describe a type of seismic survey)
Contract seismic:	Seismic activity undertaken for the account and risk of a client, and where the client becomes the owner of the seismic data being collected.
Multi-client seismic, or MC:	Seismic activity undertaken for the account and risk (in whole or in part) of

	the seismic company, and where such seismic company has the right to multiple sales of the seismic data.
HSSEQ:	Systems and procedures related to Health, Safety, Security, Environment, and Quality.
OBN:	Ocean Bottom Nodes (a term used for equipment related to a type of seismic survey).
OPEC:	Organization of Petroleum Exporting Countries.
Wide azimuth	A seismic survey method used to capture a broader wavefield of the reflected sound waves than conventional seismic surveys, thereby generally requiring additional equipment.

Legal and other terms

CET:	Central European Time.
Code of Practice:	Norwegian Code of Practice of Corporate Governance, as last published on 30 October 2014.
Companies Law:	The Companies Law, CAP. 113 (as amended) of the statute laws of the Republic of Cyprus and other applicable company legislation in force in Cyprus.
EEA	The European Economic Area
EU	The European Union
EUR	Euros, the official currency of the eurozone.
Foreign Personal Shareholders:	Shareholders who are individuals not resident in Norway for tax purposes.
Non-Norwegian Shareholder:	A shareholder not resident in Norway for tax purposes.
Norwegian Corporate Shareholders:	Shareholders who are limited liability companies (and certain similar entities) resident in Norway for tax purposes.
Norwegian FSA:	The Financial Supervisory Authority of Norway (Nw.: Finanstilsynet)
Norwegian kroner or NOK:	Norwegian kroner, the lawful currency of Norway.
Norwegian Personal Shareholders:	Shareholders who are individuals resident in Norway for tax purposes.
Norwegian Securities Trading Act:	Norwegian Securities Trading Act of 29 June 2007 no. 75. (<i>Norwegian: "verdipapirhandelloven"</i>).
Oslo Børs:	The stock exchange operated by Oslo Børs ASA.
Prospectus Directive:	Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003, as amended by Directive 2010/73/EU as the case may be.
Q1, Q2, Q3, Q4:	The three months period ending 31 March, 30 June, 30 September, and 31 December, respectively.
Registrar Agreement:	The agreement entered into by the Company and the VPS Registrar relating to the VPS registration of beneficial interests in the Shares.
Rule 144A:	Rule 144A under the U.S. Securities Act.
SGD	Singapore dollars, the lawful currency of the Republic of Singapore.
Shareholder(s):	Persons or legal entities registered in the VPS register as owner of an interest in a Share.
Stock Exchange Regulations:	The Norwegian Stock Exchange Regulations of 29 June 2007 No. 876.
Takeover Bids Directive:	Directive 2004/25/EC of the European Parliament and of the Council of 21 April 2004 on takeover bids
UK:	United Kingdom.
U.S. Securities Act:	U.S. Securities Act of 1933, as amended.
U.S. dollars, USD or \$:	U.S. dollars, the lawful currency of the United States of America.
VPS:	Verdipapirsentralen, the Norwegian Central Securities Depository.
VPS Registrar:	DNB Bank ASA, Verdipapirservice, P.O.Box 1600, N-0021 Oslo, being the party maintaining a record of the Company's Shares in VPS and providing services related thereto under the Registrar Agreement.

APPENDIX 1:

Bond agreement in respect of the SBX04 Bonds

ISIN NO 001 0732043
ISIN NO 001 0732076

BOND AGREEMENT

between

SEABIRD EXPLORATION FINANCE LIMITED
as Issuer

SEABIRD EXPLORATION PLC
as Parent and Original Guarantor

THE SUBSIDIARIES of the Parent
listed in Schedule I
as Original Guarantors

and

NORDIC TRUSTEE ASA
as Bond Trustee on behalf of the Bondholders
and as Security Agent

in the bond issue

Seabird Exploration Finance Limited First Lien Callable Bond
Issue 2015/2018

dated 2 March 2015

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THIS BOND AGREEMENT is dated 2 March 2015 and made between:

- (1) **SEABIRD EXPLORATION FINANCE LIMITED**, a company existing under the laws of Cyprus with registration number HE334608, as issuer (the "**Issuer**");
- (2) **SEABIRD EXPLORATION PLC.**, a company existing under the laws of Cyprus with registration number C259593, as parent and original guarantor (the "**Parent**");
- (3) **THE SUBSIDIARIES** of the Parent listed in Schedule 1 (*The Original Guarantors*) as original guarantors (together with the Parent, the "**Original Guarantors**");
- (4) **NORDIC TRUSTEE ASA**, a company existing under the laws of Norway with registration number 963 342 624, as bond trustee (the "**Bond Trustee**"); and
- (5) **NORDIC TRUSTEE ASA**, a company existing under the laws of Norway with registration number 963 342 624, as security agent (the "**Security Agent**").

IT IS AGREED as follows:

1. INTERPRETATION

1.1 Definitions

In this Bond Agreement:

"**Accounts**" means all bank accounts of each Obligor.

"**Account Bank**" means the Paying Agent or such other bank agreed between the Issuer and the Bond Trustee.

"**Account Manager**" means a Bondholder's account manager in the Securities Depository.

"**Annual Financial Statements**" means the audited consolidated financial statements of the Parent for any financial year, drawn up according to GAAP.

"**Aquila Explorer Floating Charge**" means a floating charge or similar security over all assets of Aquila Explorer Inc., for the avoidance of doubt including *inter alia* its Multi-Client Libraries and any manuals and other operational documents being the property of Aquila Explorer Inc.

"**Assignments of Vessel Charters**" means assignments of each Vessel Chartering Company's rights under the relevant Vessel Charter, subject always to consent and acknowledgement of such assignment from the relevant Third Party Vessel Owner, which the respective Vessel Chartering Company shall use its reasonable efforts to obtain.

"**Attachment**" means each attachment to this Bond Agreement.

"**Bank Accounts**" means all bank accounts of each Obligor opened with an International Bank (other than the Escrow Account), which bank accounts shall be pledged in favour of the Security Agent (on behalf of the Bondholders and Scan Bank), but not blocked unless there is an Event of Default which is continuing and for which notice is served to the Issuer pursuant to Clause 20.10(d).

"Bond Agreement" means this bond agreement, including the Attachments, each as amended from time to time.

"Bond Issue" means the bond issue constituted by the Bonds.

"Bondholder" means a holder of Bond(s), as registered in the Securities Depository, from time to time.

"Bondholders' Meeting" means a meeting of Bondholders, as set forth in Clause 22.

"Bonds" means the Tranche A Bonds and the Tranche B Bonds.

"Business Day" means any day on which the commercial banks in Norway and New York are open for general business, and can settle foreign currency transactions in Norway and New York.

"Business Day Convention" means that no adjustment will be made, notwithstanding the Payment Date occurs on a day that is not a Business Day, and if such date is not a Business Day, payments of interest and/or principal (as the case may be) will be made on the first following day that is a Business Day (*No Adjustments of Business Day*).

"Call Option" shall have the meaning set forth in Clause 10.2.

"Change of Control Event" means:

- (a) if any person or group (as such term is defined in section 1-3 of the Norwegian Limited Liability Companies Act) becomes the owner, directly or indirectly, of more than 50% of the outstanding shares and/or voting rights of the Issuer; or
- (b) a de-listing of the Parent's shares from Oslo Stock Exchange.

"Charter" means an Intra-Group Charter or a Vessel Charter.

"Chartered Vessels" means the vessels listed under the definition of "Vessel Chartering Company".

"Client" means any entity which is a party to a Survey Contract and which is unrelated to the Group.

"Compulsory Take Over" means the Tranche A Bondholder's obligation to take over the Multi-Client Libraries pledged under the Specified Floating Charges as regulated in Clause 21.

"Conditions Subsequent Security" means:

- (a) from the Issuer:
 - (I) the Issuer Floating Charge; and
 - (II) the Issuer Bank Account Pledge;
- (b) from the Parent:
 - (I) the Operating Subsidiaries Share Charges;
 - (II) the Parent's Bank Account Pledge; and

- (III) the Parent's Floating Charge;
- (c) from the Vessel Owning Companies:
- (I) the Vessel Mortgages;
 - (II) the Vessel Owning Companies' Assignments of Insurances;
 - (III) the Vessel Owning Companies' Assignments of Survey Contract Earnings;
 - (IV) the Vessel Owning Companies' Assignments of Intra-Group Charter Earnings; and
 - (V) the Vessel Owning Companies' Floating Charges (other than the Aquila Explorer Floating Charge); and

(IV) the Vessel Owning Companies' Bank Account Pledges;

(d) from the Vessel Chartering Companies:

- (I) the Assignments of Vessel Charters;

(II) the Vessel Chartering Companies' Assignments of Survey Contract Earnings;

(III) the Vessel Chartering Companies' Assignments of Intra-Group Charter Earnings;

(IV) the Vessel Chartering Companies' Floating Charges; and

(V) the Vessel Chartering Companies' Bank Account Pledges;

(e) from the Multi-Client Company:

(VI) the Multi-Client Company Bank Account Pledge;

(f) from SeaBird Asia:

- (I) the SeaBird Asia Assignment of Survey Contract Earnings;

(II) the SeaBird Asia Floating Charge; and

(III) the SeaBird Asia Bank Account Pledge;

(g) from SeaBird Cyprus:

- (I) the SeaBird Cyprus Assignment of Survey Contract Earnings;

(II) the SeaBird Cyprus Floating Charge; and

(III) the SeaBird Cyprus Bank Account Pledge;

(h) from SeaBird Norway:

(II) the SeaBird Norway Assignment of Survey Contract Earnings;

(I) the SeaBird Norway Floating Charge; and

- (II) the SeaBird Norway Bank Account Pledge;
- (i) from the Obligors;
- (I) the Intra-Group Loan and Security Agreement.

"Decisive Influence" means a person having, as a result of an agreement or through the ownership of shares or 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.

When determining the relevant person's number of voting rights in the other person or the right to elect and remove members of the board of directors, rights held by the parent company of the relevant person and the parent company's Subsidiaries shall be included.

"Effective Date" means, in respect of SeaBird Asia, the earlier of:

- (a) the date on which SeaBird Asia has completed the necessary whitewash procedures; and
- (b) the date on which the prohibition against financial assistance ceases to apply to SeaBird Asia pursuant to the coming into force of the amendments to Section 76 of the Companies Act (Chapter 50 of Singapore) set out in the Companies (Amendment) Bill No. 25 of 2014.

"Encumbrance" means any mortgage, pledge, lien, encumbrance or any other arrangement to create security.

"Escrow Account" means an account held with the Account Bank in the name of the Issuer which shall be pledged on first priority and blocked in favour of the Bond Trustee and, in respect of which, the Account Bank shall waive all set-off rights.

"Escrow Account Pledge" means the Norwegian law pledge in favour of the Security Agent (acting on behalf of the Bondholders in Tranche A) over the Issuer's claim against the Account Bank for the amount from time to time standing to the credit of the Issuer in the Escrow Account.

"Event of Default" means the occurrence of an event or circumstance specified in Clause 20.

"Exchange" means (i) Oslo Børs or (ii) Oslo Børs ASA's Nordic ABM.

"Existing Indebtedness" means:

- (a) SBX03;
- (b) the Perestroika CLA;
- (c) certain amounts owed by members of the Group to external vessel owners;
- (d) the claim by Cockett Marine Oil DMCC against the Group for bunker purchases in the amount of USD 3,392,525; and

- (e) fees owed by the Group to its financial advisers in connection with the proposed financial restructuring as described in the Restructuring Term Sheet.

"Finance Documents" means:

- (a) this Bond Agreement;
- (b) the fee agreement between the Bond Trustee and the Issuer referred to in paragraph (a) of Clause 19;
- (c) the Security Documents (including any notice, acknowledgement and other ancillary documentation relating thereto);
- (d) the Intercreditor Agreement;
- (e) any other document executed in relation to the granting of any Security to the Security Agent under the Finance Documents; and
- (f) any other document (whether creating Security or not) which is executed at any time by the Issuer or any other person in relation to any amount payable under this Bond Agreement.

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

- (a) moneys borrowed;
- (b) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent;
- (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;
- (d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with GAAP, be treated as 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 amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;
- (g) 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 mark to market value shall be taken into account); and
- (h) 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 (g) above.

"GAAP" means the generally accepted accounting practice and principles in the country in which the Issuer (or the relevant Guarantor) is incorporated including, if applicable, the International Financial Reporting Standards (IFRS) and guidelines and interpretations issued by the International Accounting Standards Board (or any predecessor and successor thereof), in force from time to time.

"**Group**" means the Parent and its Subsidiaries from time to time (each a "**Group Company**").

"**Guarantees**" means the Parent Guarantee, the Vessel Owning Companies' Guarantees, the Vessel Chartering Companies' Guarantees, the Multi-Client Company Guarantee, the SeaBird Asia Guarantee, the SeaBird Cyprus Guarantee, the SeaBird Norway Guarantee, the Raven Guarantee and any other unconditional on-demand guarantee on a joint and several basis from a Guarantor securing the Issuer's obligations under this Bond Agreement and any other of the Finance Documents as set out in Clause 13 or in a separate guarantee agreement (as the case may be).

"**Guarantor**" means an Original Guarantor or another Group Company which has assumed the position of a Guarantor in accordance to the terms of this Bond Agreement.

"**Intercreditor Agreement**" means an agreement between the Parent, the Issuer and the other Group Companies, the Bond Trustee (on behalf of the Bondholders), the Security Agent and Scan Bank, which shall contain provisions on, among other things, (i) sharing some of the Security Interests, (ii) subordination of Intra-Group Loans, (iii) a standstill for Scan Bank upon an event of default and (iv) the release of debts and security on enforcement.

"**Interest Payment Date**" means 3 March, 3 June, 3 September and 3 December each year and the Maturity Date. Any adjustment will be made according to the Business Day Convention.

"**International Banks**" means HSBC Bank, DNB Bank ASA and other banks with a credit rating of minimum "A-" by S&P or equivalent by Moody's or Fitch.

"**Intra-Group Charter**" means an intra-group bareboat charter or time-charter entered into between the relevant Vessel Owning Company or Vessel Chartering Company (as the case may be) and another Guarantor (other than the Parent) (the "**Intra-Group Charterer**"), in each case in connection with a Survey Contract.

"**Intra-Group Loan**" means any intra-group loan between a Group Company (as lender) and another Group Company (as borrower).

"**Intra-Group Loan and Security Agreement**" means the English law governed intra-group loan and security agreement entered into by the Obligors, other Group Companies and the Security Agent pursuant to which, among other things, (i) all rights and obligations arising out-of or in connection with present and future Intra-Group Loans are confirmed as being governed by English law and (ii) all present and future rights, title and interest of the respective Obligors as lenders under any Intra -Group Loan exceeding USD 500,000 (or its equivalent) are assigned by way of security to the Security Agent.

"**Investor Presentation Material**" means (i) the term sheet in respect of the Bond Issue dated 22 January 2015 attaching a restructuring term sheet and an operational and financial update of the Group, (ii) the 'SeaBird Exploration USD 8.5-12 million share issue and USD 20.3 million bond issue investor presentation dated 22 January 2015' and (iii) the summons to the bondholders in SBX03 dated 11 February 2015.

"**ISIN**" means International Securities Identification Numbering system - the identification number of the Bonds.

"**ISM Code**" means the International Safety Management Code for the Safe Operation of Ships and for Pollution Prevention.

"**ISPS Code**" means the International Ship and Port Facility Security (ISPS) Code as adopted by the International Maritime Organisation's (IMO) Diplomatic Conference of December 2002.

"**Issue Date**" means 3 March 2015.

"**Issuer Bank Account Pledge**" means a pledge over the Issuer's claims against its International Banks for the amount from time to time standing to the credit of the Issuer's Bank Accounts.

"**Issuer Floating Charge**" means a floating charge or similar Security over all assets of the Issuer.

"**Issuer Share Charge**" means a Cyprus law share pledge and charge over all the shares issued by the Issuer together with, *inter alia*, letters of resignation (effective upon an Event of Default) from the current board members and covenants to obtain such from future board members under Cyprus law.

"**Issuer's Bonds**" means Bonds owned by (i) the Issuer, (ii) any person or persons who has Decisive Influence over the Issuer, or (iii) any person or persons over whom the Issuer has Decisive Influence.

"**Local Bank**" means any bank which is not an International Bank situated in the local jurisdiction where an Obligor operates, as reasonably determined by the relevant Obligor.

"**Manager**" means the managers for the Bond Issue, being ABG Sundal Collier Norge ASA, Munkedamsveien 45, N-0115 Oslo, Norway, Fearnley Securities AS, Grev Wedels plass 9, N-0177 Oslo, Norway and RS Platou Markets AS, Haakon VII's gate 10, N-0116 Oslo, Norway.

"**Mandatory Prepayment Event**" means:

- (a) any Owned Vessel is sold or otherwise disposed of (except for a sale or transfer to another Group Company, provided that upon such sale and transfer the Security Agent maintains the same level of Security over the Owned Vessels as it has immediately prior to such sale or transfer);
- (b) the Parent ceases to be the owner (directly or indirectly) of 100% of the shares in any of the Guarantors (except for a sale, transfer or liquidation, provided the relevant Guarantor at the time of such disposal does not own or charter a Vessel);
- (c) the Multi-Client Libraries pledged under the Specified Floating Charges are sold in part or in whole; or
- (d) the occurrence of a Total Loss Event.

"**Material Adverse Effect**" means an event or circumstance which has a material adverse effect on:

- (a) the business, financial condition or operations of the Parent, the Issuer and/or the Group taken as a whole;

- (b) the Parent's or the Issuer's ability to perform and comply with its obligations under this Bond Agreement; or
- (c) the validity or enforceability of this Bond Agreement or any Security Document.
- "Material Subsidiary"** means any future or existing Group Company, other than the Parent, Raven, the Operating Subsidiaries and SeaBird Exploration FZ-LLC, whose:
- (a) consolidated Total Assets on any Quarter Date represent more than 10 % of the Total Assets of the Group at such date; or
- (b) Total Consolidated Net Sales on any Quarter Date represents more than 10 % of the Total Consolidated Net Sales of the Group at such date.

"Maturity Date" means 3 March 2018.

2018. Any adjustment will be made according to the Business Day Convention.

"MC Inventory List" shall have the meaning given to such term in Clause 17.6.

"Multi-Client Company" means SeaBird Exploration Multi-Client Ltd., existing under the laws of Cyprus with company registration no HE 326686 and a directly wholly owned subsidiary of the Parent.

"Multi-Client Company Guarantee" means an unconditional and irrevocable on-demand guarantee by the Multi-Client Company on a joint and several basis with the Parent, Raven and the other Operating Subsidiaries as set out in Clause 13.

"Multi-Client Company Floating Charge" means a floating charge or similar security over all assets of the Multi-Client Company, for the avoidance of doubt including *inter alia* its Multi-Client Libraries and any manuals and other operational documents being the sole property of the Multi-Client Company.

"Multi-Client Company Bank Account Pledge" means a pledge over the Multi-Client Company's claims against its International Banks for the amount from time to time standing to the credit of the Multi-Client Company's Bank Accounts.

"Multi-Client Libraries" means the right, title and interest from time to time of each of Aquila Explorer Inc., Raven and the Multi-Client Company in and to its respective library of seismic data collected during surveys conducted either alone or together with a partner, which is licensed to third parties on a non-exclusive basis.

"Mitsyn Loan Agreement" means an unsecured loan agreement dated 22 January 2015 in the principal amount of USD 2,120,253 between Koleth (S) Pte. Ltd. of 3 Harbourfront Place #11-01/04, Harbourfront Tower 2, Singapore 09925, as lender and the Issuer as borrower.

"New Equity" means minimum USD 8,500,000 new equity in the Parent, to be raised and applied in accordance with the Restructuring Term Sheet.

"Obligor" means the Issuer or a Guarantor.

"Operating Subsidiaries" means the Vessel Owning Companies, the Vessel Chartering Companies, the Multi-Client Company, SeaBird Asia, SeaBird Cyprus and SeaBird Norway.

"Operating Subsidiaries Share Charges" means share charges over all the shares issued by each of the Operating Subsidiaries.

"Outstanding Bonds" means the Bonds not redeemed or otherwise discharged.

"Owned Vessel" means the vessels listed under the definition of "Vessel Owning Company".

"Parent's Bank Account Pledge" means a pledge over the Parent's claims against its International Banks for the amount from time to time standing to the credit of the Parent's Bank Accounts.

"Parent's Floating Charge" means a floating charge or similar security over all assets of the Parent.

"Parent Guarantee" means an unconditional and irrevocable on-demand guarantee on a joint and several basis with Raven and the Operating Subsidiaries as set out in Clause 13.

"Party" means a party to this Bond Agreement (including its successors and permitted transferees).

"Paying Agent" means the legal entity appointed by the Issuer to act as its paying agent in the Securities Depository with respect to the Bonds.

"Payment Date" means a date for payment of principal or interest under this Bond Agreement.

"Perestroika CLA" means the convertible loan agreement between the Parent and Perestroika AS (Org No. 989 005 669) originally entered into on 23 August 2010 as amended on 31 March 2011 and with a maturity date of 30 September 2014, with a principal amount outstanding of USD 14,900,000.

"Permitted Financial Indebtedness" means:

- (a) this Bond Issue;
- (b) financial leasing liabilities or seller credit with respect to seismic or marine equipment and any replacement of such equipment relating to the Owned Vessels or the Chartered Vessels;
- (c) the Hawk Lease and any replacement thereof;
- (d) financial leasing liabilities relating to any new Vessels;
- (e) purchases from vendors and any related credit in the ordinary course of business;
- (f) any recourse liability incurred by the Parent in the ordinary course of business to any financial institution in respect of bid or performance bonds, guarantees or letters of credit issued by such financial institution as security for performance by a Guarantor;
- (g) secured or unsecured operational and non-speculative derivative transactions related to the Issuer's hedging policy;
- (h) any unsecured Intra-Group Loans granted by any Group Company;

- (i) the Scan Bunk Credit Facility;
 - (j) the Miclyn Loan Agreement; and
 - (k) any refinancing, amendments or replacements of any of (a) – (j) above from time to time.
- "Permitted Reorganisation"** means:

- (a) a reorganisation of the Group's structure; or
- (b) a domiciliation (being a process by which a company transfers its domicile from one jurisdiction to another whilst maintaining the same legal identity and continuing to own the same assets) of a Group Company from its current jurisdiction of incorporation to a country within the European Economic Area or other jurisdiction reasonably acceptable to the Bond Trustee,

in each case undertaken for the purpose of improving the overall efficiency of the business (including without limitation for tax or governance purposes), provided that:

- (i) during and following any such reorganisation or domiciliation, the Bondholders will retain a security position which, in the reasonable opinion of the Bond Trustee, is no less favourable to the Bondholders than the security contemplated herein; and
- (ii) such reorganisation or domiciliation would not have a Material Adverse Effect.

"Pre-Settlement Security" means (i) the Escrow Account Pledge and (ii) the Issuer Share Charge.

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

"Quarterly Financial Statements" means the unaudited consolidated financial statements of the Parent as at each Quarter Date.

"Raven" means Raven Navigation Company Ltd., a company existing under the laws of Cyprus, with company registration no HE 171774 and a directly wholly owned subsidiary of the Parent.

"Raven Guarantee" means an unconditional and irrevocable on-demand guarantee by Raven on a joint and several basis with the Parent and the Operating Subsidiaries as set out in Clause 13.

"Raven Floating Charge" means a floating charge or similar security over all assets of Raven, for the avoidance of doubt including *inter alia* its Multi-Client Libraries and any manuals and other operational documents being the property of Raven.

"Restructuring Term Sheet" means the restructuring term sheet dated 11 February 2015 describing, among other things, the New Equity.

"SBX03" means SeaBird Exploration Plc. Senior Secured Callable Bond Issue 2011/2015 with ISIN NO 001 063318 with, as at the date of this Agreement, an aggregate principal amount outstanding of USD 81,851,042 and (ii) an interest amount accrued and due of USD 2,455,531.

"Scan Bunk" means Scandinavian Bunkering AS, Øvre Langgate 50, 3100 Tønsberg, with registration no 979 795 971.

"Scan Bunk Credit Facility" means a credit line facility, up to the maximum amount of USD 2,354,256, to the Group for bunker purchases between the Issuer and Scan Bunk.

"Scan Bunk Loan" means each loan that has been extended to the Issuer under the Scan Bunk Credit Facility.

"Scheduled Instalments" means the instalments for repayment of the Bonds as set out in Clause 10.1.

"SeaBird Asia" means SeaBird Exploration Asia Pacific PTE Ltd., a company existing under the laws of Singapore with company registration no 201223807H and a directly wholly owned subsidiary of the Parent.

"SeaBird Asia Bank Account Pledge" means a pledge over SeaBird Asia's claims against its International Banks for the amount from time to time standing to the credit of SeaBird Asia's Bank Accounts.

"SeaBird Asia Assignment of Survey Contract Earnings" means an assignment of earnings and receivables under the relevant Survey Contract (if and when a Survey Contract is entered into between SeaBird Asia and the Client), subject always to consent and acknowledgement of such assignment from the Client which SeaBird Asia shall use its reasonable efforts to obtain.

"SeaBird Asia Floating Charge" means a floating charge or similar security over all assets of SeaBird Asia, for the avoidance of doubt including *inter alia* any manuals and other operational documents being the sole property of SeaBird Asia.

"SeaBird Asia Guarantee" means an unconditional and irrevocable on-demand guarantee by SeaBird Asia on a joint and several basis with the Parent, Raven and the other Operating Subsidiaries as set out in Clause 13.

"SeaBird Cyprus" means SeaBird Exploration Cyprus Ltd., a company existing under the laws of Cyprus with company registration no HE 326624 and a directly wholly owned subsidiary of the Parent.

"SeaBird Cyprus Bank Account Pledge" means a pledge over SeaBird Cyprus's claims against its International Banks for the amount from time to time standing to the credit of SeaBird Cyprus' Bank Accounts.

"SeaBird Cyprus Assignment of Survey Contract Earnings" means an assignment of earnings and receivables under the relevant Survey Contract (if and when a Survey Contract is entered into between SeaBird Cyprus and the Client), subject always to consent and acknowledgement of such assignment from the Client which SeaBird Cyprus shall use its reasonable efforts to obtain.

"SeaBird Cyprus Floating Charge" means a floating charge or similar security over all assets of SeaBird Cyprus, for the avoidance of doubt including *inter alia* any manuals and other operational documents being the sole property of SeaBird Cyprus.

"SeaBird Cyprus Guarantee" means an unconditional and irrevocable on-demand guarantee by SeaBird Cyprus on a joint and several basis with the Parent, Raven and the other Operating Subsidiaries as set out in Clause 13.

"**SeaBird Norway**" means SeaBird Exploration Shipping AS, a company existing under the laws of Norway with company registration no 911 928 914 and a directly wholly owned subsidiary of the Parent.

"**SeaBird Norway Bank Account Pledge**" means a pledge over SeaBird Norway's claims against its International Banks for the amount from time to time standing to the credit of SeaBird Norway's Bank Accounts.

"**SeaBird Norway Assignment of Survey Contract Earnings**" means an assignment of earnings and receivables under the relevant Survey Contract (if and when a Survey Contract is entered into between SeaBird Norway and the Client), subject always to consent and acknowledgement of such assignment from the Client which SeaBird Norway shall use its reasonable efforts to obtain.

"**SeaBird Norway Floating Charge**" means together (i) a pledge of trade receivables (No: *factoringpart*), (ii) a pledge over inventory (No: *varelagerpart*) and (iii) pledge over operating assets (No: *driftstilbehørspart*).

"**SeaBird Norway Guarantee**" means an unconditional and irrevocable on-demand guarantee by SeaBird Norway on a joint and several basis with the Parent and the other Operating Subsidiaries as set out in Clause 13.

"**Securities Depository**" means the securities depository in which the Bond Issue is registered, being Verdivopisentralen ASA (VPS) in Norway.

"**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.

"**Security Agent**" means the Bond Trustee in its capacity as security agent.

"**Security Documents**" means, collectively, all the documents evidencing, creating or granting the Security Interests, except for the Escrow Account Pledge.

"**Security Interests**" means:

- (a) the Pre-Settlement Security;
- (b) the Guarantees;
- (c) the Specified Floating Charges; and
- (d) the Conditions Subsequent Security.

"**Senior Creditors**" means each Bondholder in Tranche A, each Bondholder in Tranche B, Scan Bank and the Bond Trustee.

"**Senior Finance Documents**" means Scan Bank Credit Facility and the Finance Documents.

"**Specified Floating Charges**" means (i) the Multi-Client Company Floating Charge, (ii) the Aquila Explorer Floating Charge and (iii) the Raven Floating Charge.

"**Stamdata**" means the web site www.stamdata.no, maintained by the Bond Trustee.

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

"**Survey Contract**" means any survey contract or any other contract with a duration of 6 months or more for hire of any of the Vessels entered into between a Guarantor (other than the Parent) and a Client.

"**Third Party Vessel Owner**" means an owner of a Vessel which is not a Group Company.

"**Total Loss Event**" means there is an actual or constructive total loss of any Vessel.

"**Tranche A**" means the principal amount of the Tranche A Bonds.

"**Tranche A Bonds**" means the debt instruments issued by the Issuer pursuant to this Bond Agreement as described in paragraph (a)(I) of Clause 2.3.

"**Tranche B**" means the principal amount of the Tranche B Bonds.

"**Tranche B Bonds**" means the debt instruments issued by the Issuer pursuant to this Bond Agreement as described in paragraph (a)(II) of Clause 2.3.

"**US Securities Act**" means the U.S. Securities Act of 1933, as amended.

"**USD**" means US Dollars, being the legal currency of the United States of America.

"**Vessel**" means a Chartered Vessel or an Owned Vessel.

"**Vessel Charter**" means the following agreement for charter/leasing a Vessel:

- (a) the financial lease agreement dated 30 August 2006 as amended between Hawk Navigation Company Ltd. and Hawk Explorer AS in respect of the vessel Hawk Explorer (the "**Hawk Lease**");
- (b) the operating lease agreement dated 28 January 2007 as amended between Munin Navigation Company Ltd. and Ordinat Shipping AS in respect of the vessel Munin Explorer (the "**Munin Lease**");
- (c) the operating lease agreement dated 1 August 2011 as amended between Oreo Navigation Company Ltd. and Koleth (Singapore) Pte. Ltd in respect of the vessel Voyager Explorer (the "**Voyager Lease**");
- (d) the operating lease agreement dated 31 December 2012 as amended between Bilima Marine Company Ltd. and Geo Pacific AS in respect of the vessel Geo Pacific (the "**Geo Pacific Lease**"); and
- (e) any future time- and/or bareboat vessel charter in respect of chartering in of any Vessel.

"**Vessel Chartering Companies' Bank Account Pledges**" means pledges over each Vessel Chartering Company's claims against its International Banks for the amount from time to time standing to the credit of the relevant Vessel Chartering Company's Bank Accounts.

"Vessel Chartering Companies' Assignments of Intra-Group Charter Earnings" means assignments of earnings and receivables under the Intra-Group Charters (in each case if and when a Survey Contract is entered into between a Group Company (other than the relevant Vessel Chartering Company) and the Client).

"Vessel Chartering Companies' Assignments of Survey Contract Earnings" means assignments of earnings and receivables under the Survey Contracts (in each case if and when a Survey Contract is entered into between the relevant Vessel Chartering Company and the Client), subject always to consent and acknowledgement of such assignment from the Client which the relevant Vessel Chartering Company shall use its reasonable efforts to obtain.

"Vessel Chartering Companies' Floating Charges" means floating charges or similar Security over all assets of each Vessel Chartering Company, for the avoidance of doubt including *inter alia* any manuals and other operational documents being the sole property of the relevant Vessel Chartering Company.

"Vessel Chartering Companies' Guarantees" means the unconditional and irrevocable on-demand guarantees by each Vessel Chartering Company on a joint and several basis with the Parent, Raven and the other Operating Subsidiaries as set out in Clause 13.

"Vessel Chartering Company" means any of:

- (a) Bilitia Marine Company Ltd., a company existing under the laws of Cyprus with company registration no. HE 304475 and a directly wholly owned subsidiary of the Parent and the Group Company leasing the vessel M/V Geo Pacific under the Geo Pacific Lease;
- (b) Hawk Navigation Company Ltd., a company existing under the laws of Cyprus with company registration no. HE 161326, and a directly wholly owned subsidiary of the Parent and the Group Company leasing the vessel M/V Hawk Explorer under the Hawk Lease;
- (c) Mumin Navigation Company Ltd., a company existing under the laws of Cyprus with company registration no. HE 194577 and a directly wholly owned subsidiary of the Parent and the Group Company leasing the vessel M/V Mumin Explorer under the Mumin Lease;
- (d) Oreo Navigation Company Ltd., a company existing under the laws of Cyprus with company registration no. HE 92764 and a directly wholly owned subsidiary of the Parent and the Group Company leasing the vessel M/V Voyager Explorer under the Voyager Lease; and
- (e) any current or future Group Company leasing a Vessel replacing a Vessel. In such event, the Group Company being the charterer of such replacement vessel, shall remain or shall assume the position of a Guarantor and the Issuer shall ensure that such Group Company provides the Security Documents as applicable to the Original Guarantor as soon as practically possible.

"Vessel Mortgages" means ship mortgages over the Owned Vessels in the amount of USD 33,000,000, including their equipment being legally part of the relevant Vessel, under Panama law (or other relevant law as the case may be), including any deeds of covenants supplemental to the Vessel Mortgages and to the Security thereby created as requested by the Security Agent.

"Vessel Owning Companies' Bank Account Pledges" means pledges over each Vessel Owning Company's claims against its International Banks for the amount from time to time standing to the credit of the relevant Vessel Owning Company's Bank Accounts.

"Vessel Owning Companies' Assignments of Insurances" means assignments of insurances of each Vessel in respect of which the relevant Vessel Owning Company shall give notice of and obtain consent and acknowledgement from each relevant insurer.

"Vessel Owning Companies' Assignments of Intra-Group Charter Earnings" means (in each case if and when a Survey Contract is entered into between a Group Company (other than the relevant Vessel Owning Company) and the Client) assignments of earnings and receivables under the Intra-Group Charters.

"Vessel Owning Companies' Assignments of Survey Contract Earnings" means assignments of earnings and receivables under the Survey Contracts (in each case if and when a Survey Contract is entered into between the relevant Vessel Owning Company and the Client), always subject to consent and acknowledgement of such assignment from the Client which the relevant Vessel Owning Company shall use its reasonable efforts to obtain.

"Vessel Owning Companies' Floating Charges" means floating charges or similar Security over all assets of each Vessel Owning Companies, for the avoidance of doubt including *inter alia* any manuals and other operational documents being the sole property of the relevant Vessel Owning Company.

"Vessel Owning Companies' Guarantees" means an unconditional and irrevocable on-demand guarantee by each Vessel Owning Company on a joint and several basis with the Parent, Raven and the other Operating Subsidiaries as set out in Clause 13.

"Vessel Owning Company" means any of:

- (a) Aquila Explorer Inc., a company existing under the laws of Panama by Public Deed no. 19.858 of August 17, 2006, and a directly wholly owned subsidiary of the Parent and the owner of the Vessel M/V Aquila Explorer;
- (b) Osprey Navigation Company Inc., a company existing under the laws of Panama by Public Deed no. 22.064 of September 11, 2006, and a directly wholly owned subsidiary of the Parent and the owner of the Vessel M/V Osprey Explorer;
- (c) Sana Navigation Company Ltd., a company existing under the laws of Cyprus with registration number HE 100821, and a directly wholly owned subsidiary of the Parent and the owner of the Vessel M/V Northern Explorer;
- (d) Harrier Navigation Company Ltd., a company existing under the laws of Cyprus with registration number HE 171227, and a directly wholly owned subsidiary of the Parent and the owner of the Vessel M/V Harrier Explorer; and
- (e) any current or future Group Company owning a Vessel replacing another Vessel (for the avoidance of doubt, Hawk Navigation Company Ltd shall become a Vessel Owning Company when it takes ownership of M/V Hawk Explorer). In such event, the Group Company being the owner of such replacement Vessel, shall remain or shall assume the

position of a Guarantor and the Issuer shall ensure that such Group Company provides the Security Documents as applicable to the original Guarantor as soon as practically possible.

"Voting Bonds" means together the Outstanding Bonds in Tranche A and Tranche B less the Issuer's Bonds and any Bonds discounted in accordance with Clause 22.3(h) and (i).

1.2 Construction

In this Bond Agreement, unless the context otherwise requires:

- (a) headings are for ease of reference only;
- (b) words denoting the singular number shall include the plural and vice versa;
- (c) references to Clauses are references to the Clauses of this Bond Agreement;
- (d) references to a time is a reference to Oslo time;
- (e) references to a provision of law is a reference to that provision as it may be amended or re-enacted, and to any regulations made by the appropriate authority pursuant to such law, including any determinations, rulings, judgments and other binding decisions relating to such provision or regulation;
- (f) an Event of Default is **"continuing"** if it has not been remedied or waived; and
- (g) references to a **"person"** shall include any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership (whether or not having separate legal personality).

2. THE BONDS

2.1 Binding nature of the Bond Agreement

By virtue of being registered as a Bondholder (directly or indirectly) with the Securities Depository, the Bondholders are bound by the terms of this Bond Agreement and any other Finance Document, without any further action required to be taken or formalities to be complied with, see also Clause 24.1.

2.2 Availability

This Bond Agreement is available to anyone and may be obtained from the Bond Trustee or the Issuer. The Issuer shall ensure that this Bond Agreement is available to the general public throughout the entire term of the Bonds. This Bond Agreement may be published on Stamdata or such other venues as decided by the Bond Trustee.

2.3 The Bonds

- (a) The Issuer has resolved to issue:
 - (I) a series of bonds in the maximum amount of USD 5,000,000; and
 - (II) a series of bonds in the maximum amount of USD 24,344,751.
- (b) The Bonds will be in denominations of USD 1.00 each and rank *pari passu* between them, and shall (for the avoidance of doubt) accrue interest from the Issue Date.

(c) The Bond Issue will be described as "Seabird Exploration Finance Limited First Lien Callable Bond Issue 2015/2018".

(d) The ISIN of the Bond Issue will be:

(I) NO 001 0732043 for Tranche A; and

(II) NO 001 0732076 for Tranche B.

(e) The tenor of the Bonds is from and including the Issue Date to the Maturity Date.

2.4 Purpose and utilisation

The net proceeds of the Bonds (net of legal costs, fees of the Managers and the Bond Trustee and any other agreed costs and expenses) shall be applied towards covering outstanding liabilities and for general corporate purposes.

3. LISTING

(a) The Issuer shall apply for listing of the Bonds on Oslo Børs or, at the discretion of the Issuer, on Oslo Børs ASA's Nordic ABM, no later than 6 months from the Issue Date.

(b) If the Bonds are listed on an Exchange, the Issuer shall ensure that the Bonds remain listed on that Exchange until they have been discharged in full.

4. REGISTRATION IN THE SECURITIES DEPOSITORY

4.1 Registration

(a) The Bond Issue and the Bonds shall prior to disbursement be registered in the Securities Depository according to the Norwegian Securities Depository Act (Act 2002/64) and the terms and conditions of the Securities Depository.

(b) The Issuer shall ensure that correct registration in the Securities Depository is made and shall notify the Securities Depository of any changes in the terms and conditions of this Bond Agreement. The Bond Trustee shall receive a copy of the notification. The registration may be executed by the Paying Agent.

4.2 US Securities Act

The Bonds have not been registered under the US Securities Act, and the Issuer is under no obligation to arrange for registration of the Bonds under the US Securities Act.

5. PURCHASE AND TRANSFER OF BONDS

(a) Subject to the restrictions set forth in this Clause 5, the Bonds are freely transferable and may be pledged.

(b) 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 such applicable local laws and regulations at its own cost and expense.

(c) The Bonds are being offered only to non-"U.S. persons" in "offshore transactions" within the meaning of Rule 902 under the US Securities Act and "qualified institutional buyers"

- (“QIBs”) within the meaning of Rule 144A under the Securities Act in a transaction exempt from the registration requirements under the Securities Act. In addition to the application form that each investor will be required to execute, each U.S. investor that wishes to purchase Bonds will be required to execute and deliver to the Issuer a certification in a form to be provided by the Issuer stating, among other things, that the investor is a QIB.
- (d) The Bonds will not be offered to and may not be purchased by any investor save for in accordance with the abovementioned exemptions within the United States or appropriate exemptions under the laws of any other jurisdictions.
- (e) The Bonds may not be purchased by, or for the benefit of, persons resident in Canada.
- (f) The Bonds may be offered on a private placement basis in British Columbia, Alberta, Manitoba, Ontario, Nova Scotia and New Brunswick of Canada and to accredited investors in the United Kingdom, Europe and any other jurisdictions that are agreed to by the Issuer and the Manager.
- (g) For the avoidance of doubt and notwithstanding the above, a Bondholder which has purchased the Bonds in breach of this Clause 5 or other applicable mandatory restrictions may nevertheless utilise its rights (including, but not limited to, voting rights) under this Bond Agreement.

6. CONDITIONS PRECEDENT AND CONDITIONS SUBSEQUENT

6.1 Pre-Settlement Conditions Precedent

- (a) Issuance of the Tranche A Bonds and disbursement of the net proceeds of the Tranche A Bonds to the Escrow Account will be subject to the Bond Trustee having received the documents and conditions listed below (the “**Pre-Settlement Conditions Precedent**”), in form and substance satisfactory to it, at least two Business Days prior to the Issue Date:
- (I) this Bond Agreement, duly executed by all parties thereto;
- (II) certified copies of all necessary corporate resolutions of each of the Obligors approving the issue of the Bonds and the terms, conditions and execution of the Finance Documents;
- (III) a valid power of attorney from each of the Obligors to relevant individuals for their execution of the relevant Finance Documents, or extracts from the relevant register or similar documentation evidencing such individuals’ authorisation to execute the Finance Documents on behalf of the Issuer;
- (IV) certified true and updated copies of (i) the certificate of incorporation or other similar official document for each of the Obligors, evidencing that it is validly registered and existing and (ii) the articles of association (or equivalent) of each of the Obligors;
- (V) the latest Annual Financial Statements and Quarterly Financial Statements;
- (VI) a confirmation from the Issuer that no potential or actual Event of Default exists other than those disclosed to the subscribers in the Investor Presentation Material;
- (VII) a copy of the resolutions passed by the bondholders in SBXo3 on the bondholders’ meeting held on 18 February 2015 approving to convert 80% of the outstanding bonds in SBXo3 to

equity in the Parent and to roll the remaining outstanding bonds thereunder into the Bond Issue;

- (VIII) a copy of the necessary resolutions passed by the lenders under the Perestroika CIA approving to convert 80% of the outstanding amount under the Perestroika CIA to equity in the Parent and to roll the remaining outstanding amount thereunder into the Bond Issue;
- (IX) copy of the duly executed Scan Bunk Credit Facility in a form satisfactory to the Bond Trustee;
- (X) copy of the duly executed Miclyn Loan Agreement in a form satisfactory to the Bond Trustee;
- (XI) copy of the resolution passed by board of directors of the Parent approving all matters set out in the Restructuring Term Sheet and authorising the issue of the New Equity;
- (XII) confirmation from the Manager that the requirements set out in Chapter 7 of the Norwegian Securities Trading Act (implementing the EU prospectus directive (2003/71 EC) concerning prospectuses have been fulfilled;
- (XIII) to the extent necessary, any public authorisations required for the Bond Issue;
- (XIV) confirmation that the Tranche A Bonds have been registered in the Securities Depository;
- (XV) the Bond Trustee fee agreement set out in paragraph (b) of Clause 19, duly executed;
- (XVI) copies of any written documentation used in the marketing of the Bonds or made public by the Issuer or the Manager in connection with the Bond Issue;
- (XVII) any statements or legal opinions reasonably required by the Bond Trustee in respect of the Pre-Settlement Conditions Precedent and the Pre-Settlement Security; and
- (XVIII) establishment of the Pre-Settlement Security, duly executed by all parties (including all applicable notices, acknowledgements, consents, stampings and filings for recordation (where required)).
- (b) The Bond Trustee may, in its sole discretion, waive or postpone the delivery of Pre-Settlement Conditions Precedent other than as set out in paragraphs (a) (XVII) and (a) (XVIII) above.
- 6.2 Bond Trustee’s confirmation of Pre-Settlement Conditions Precedent**
- Disbursement of the net proceeds from the Tranche A Bonds to the Escrow Account is subject to the Bond Trustee’s written notice to the Issuer, the Manager and the Paying Agent that the documents have been controlled and that the Pre-Settlement Conditions Precedent have been fulfilled.
- 6.3 Transfer**
- On the Issue Date, subject to the Bond Trustee’s confirmation pursuant to Clause 6.2, the Manager shall transfer the net proceeds from Tranche A to the Escrow Account.

6.4 Pre-Disbursement Conditions Precedent

- The net proceeds from the Bond Issue shall only be used in accordance with the purpose of the Bond Issue, and any release from the Escrow Account to the Issuer and the issue of the Tranche A Bonds will be subject to customary closing mechanisms as agreed between the Issuer and the Bond Trustee and the Bond Trustee receiving prior to or (as the case may be) no later than on the date of release from the Escrow Account (such date of release the "Disbursement Date") the documents and conditions listed below (the "Pre-Disbursement Conditions Precedent"), in form and substance satisfactory to it:
- (I) a duly executed release notice from the Issuer;
 - (II) no Event of Default which is continuing having occurred;
 - (III) if not already delivered, corporate documents and necessary corporate resolutions from the Obligors to execute the relevant Security Documents;
 - (IV) confirmation that the Tranche B Bonds have been registered in the Securities Depository;
 - (V) an up to date MC Inventory List;
 - (VI) the Specified Floating Charges being in acceptable form and executed and having been filed for recordation with the relevant governmental authority in Cyprus and Panama;
 - (VII) legal opinion from Cyprus and Panama in respect of the Specified Floating Charges covering both the due authorisation and enforceability of each such floating charge;
 - (VIII) evidence that the Security created in respect of the SBX03 has been released for discharge (where appropriate);
 - (IX) the Intercreditor Agreement being in an acceptable form, executed by all parties thereto; and
 - (X) subscription of a private placement of at least USD 8.5 million in the Parent.
- (b) The Bond Trustee may, in its sole discretion, waive or postpone the delivery of the Pre-Disbursement Conditions Precedent, other than as set out in paragraphs (a) (VI), (a) (VII), (a) (VIII) and (a) (IX) above.

6.5 Bond Trustee's confirmation of Pre-Disbursement Conditions Precedent

Upon the satisfaction or waiver of the conditions set forth in Clause 6.4, the Bond Trustee shall issue a notice to the Issuer and the Account Bank confirming that the relevant funds may be released from the Escrow Account to the Issuer.

6.6 Disbursement and settlement of Tranche B

- (a) On the Disbursement Date, the funds in the Escrow Account shall be released to the Issuer and settlement of Tranche B shall take place by payment in kind of the Existing Indebtedness to be set off against delivery of Tranche B Bonds in accordance with the Restructuring Term Sheet.
- (b) The Securities Depository and the Bond Trustee are authorised to carry out the settlement of Tranche B in the best practical manner.

6.7 Conditions Subsequent

The following conditions subsequent (the "Conditions Subsequent") shall be fulfilled by delivery of satisfactory documentation to the Bond Trustee as soon as practicably possible, but in no event later than 60 days following the Disbursement Date:

- (a) all Security Documents having been executed and perfected (including, where required, stamped and filed for recordation with the relevant governmental authorities);
- (b) evidence, in the form of a legal opinion satisfactory to the Tranche A Bondholder, that customary and relevant insurances in respect of the Vessels have been placed;
- (c) evidence that Munin Navigation Company Ltd has legally and validly transferred and assigned all its right, title and interest in and to 'Project Big Wave' to the Multi-Client Company;
- (d) evidence in the form of a legal opinion satisfactory to the Tranche A Bondholder, that Seabird Exploration FZ LLC has legally and validly transferred and assigned all its right, title and interest in and to 'Project Namibia' and 'Project South of Madagascar test' to the Multi-Client Company;
- (e) all legal opinions regarding each relevant jurisdiction in form and substance satisfactory to the Bond Trustee; and
- (f) such other documents as the Bond Trustee may reasonably request.

The Bond Trustee may, in its sole discretion, waive or postpone the delivery of any Conditions Subsequent, provided however that all waived Conditions Subsequent shall be fulfilled no later than 90 days following the Disbursement Date.

6.8 Further Conditions Subsequent

- (a) Schedule 3 to this Bond Agreement (which, pursuant to Clause 14.2 herein, shall be updated regularly each Quarter Date) identifies, inter alia, each Multi-Client Library to which a member of the Group (the "Holder") has a joint ownership interest together with a third party (the "Third Party") in the data constituting the relevant Multi-Client Library (the "Shared Data") and for which a consent ("Consent") from such Third Party is needed for an assignment and transfer of the Holder's rights to the Shared Data and its rights and obligations under the relevant agreement(s) with the Third Party (the "Transfer").
- (b) The Parent and the Issuer each undertakes, upon a demand from the Tranche A Bondholder, to make its best effort to obtain the Consents needed in respect of any such Transfer. The Bond Trustee shall have no liability or responsibility in respect of the Consents that the Tranche A Bondholder has a right to request to be obtained and shall not in any way be liable for the Security that is taken, or is to be taken, over the Multi-Client Libraries.
- (c) The Issuer and the Parent each undertakes to provide the Bond Trustee and the Security Trustee with such information as the Bond Trustee and the Security Agent shall reasonable require in relation to the matters set out in this Clause 6.8.

7. REPRESENTATIONS AND WARRANTIES

Each Obligor makes the representations and warranties set out in this Clause (a) to the Bond Trustee (on behalf of the Bondholders).

7.1 Status

It is a limited liability company, duly incorporated and validly existing 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, this Bond Agreement 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

- (a) This Bond Agreement 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 and under sub-paragraph (b) below) no further registration, filing, payment of tax or fees or other formalities are necessary or desirable to render the said documents enforceable against it.
- (b) Upon filing and recording of the Security Documents, the Security Interest created, or to be created, by any Security Documents will constitute a valid, perfected and enforceable Security Interest in accordance with the terms and conditions of such Security Document.

7.4 Non-conflict with other obligations

The entry into and performance by it of this Bond Agreement 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 drawdown under this Bond Agreement or the entry into, the performance of, or any transaction contemplated by, any Finance Document.
- (b) No other event or circumstance is outstanding which constitutes (or with the expiry of a 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 Authorisations and consents

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

- (a) to enable it to enter into, exercise its rights and comply with its obligations under this Bond Agreement 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 this Bond Agreement,

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 Multi-Client Library

- (a) No claims or litigations exist having a materially adverse effect on the Multi-Client Library taken as a whole.
- (b) The MC Inventory List delivered upon execution of this Bond Agreement is true and correct in all material respects.

7.9 Financial statements

- (a) Its most recent Annual Financial Statements fairly and accurately represent the assets and liabilities and financial condition as of its date, and have been prepared in accordance with GAAP, consistently applied.
- (b) Its most recent Quarterly Financial Statements fairly represent the assets and liabilities and financial condition as of its date and have been prepared in accordance with GAAP, consistently applied.

7.10 No undisclosed liabilities

As of the date of the Annual Financial Statements, it had no material liabilities, direct or indirect, actual or contingent, and there were no material anticipated losses from any unfavourable commitments not disclosed by or reserved against in the Annual Financial Statements or in the notes thereto.

7.11 No Material Adverse Effect

Except as disclosed in the Investor Presentation Material, since the date of the most recent Annual Financial Statements, there has been no change in its business, assets or financial condition that is likely to have a Material Adverse Effect.

7.12 No misleading information

Any factual information provided by it to the subscribers or the Bond Trustee for the purposes of this Bond Issue 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.

7-13 Environmental compliance

It is in all material respects in compliance with any relevant applicable environmental law or regulation and no circumstances have occurred which would prevent such compliance in a manner which has or is likely to have a Material Adverse Effect.

7-14 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 this Bond Agreement.

7-15 Pari passu ranking

Its payment obligations under this Bond Agreement or any other Finance Document to which it is a party rank at least *pari passu* as set out in Clause 8.1.

7-16 Security

No Security exists over any of the present assets of any Group Company in conflict with this Bond Agreement, except Security granted in respect of the SBX03 bond issue (which will be discharged at the latest upon filing and recording of the Security Documents).

7-17 ISM Code and ISPS Code compliance

All requirements of the ISM Code and the ISPS Code as they relate to the Obligors (or any of its affiliated companies), the Managers, any charterer of a Vessel and any company performing management services for the Vessel, have been complied with.

7-18 The Vessels

The Owned Vessels are:

- (a) in the absolute ownership of the respective Vessel Owning Company free and clear of all Security (other than (i) Security granted in respect of the SBX03 bond issue and (ii) current crew wages or other Security arising by law in connection with the ownership or ordinary day-to-day operation of the Vessels,) and the respective Vessel Owning Company is the sole, legal and beneficial owner of its Vessel;
- (b) registered in the name of the respective Vessel Owning Company;
- (c) operationally seaworthy in every way and fit for service; and
- (d) classed with *Det norske Veritas* and/or American Bureau of Shipping and/or such other classification society as approved by the Bond Trustee.

7-19 Date of making representations

The representations and warranties set out in this Clause (a) are made on the date of this Bond Agreement, and shall be deemed to be repeated on the Issue Date and the Disbursement Date.

7-20 Indemnity

In the event of misrepresentation, the actual Obligor shall indemnify the Bond Trustee for any economic losses suffered, both prior to the issuance of the Bonds, and during the term of the Bonds, as a result of its reliance on the representations and warranties provided by such Obligor herein.

8. STATUS OF THE BONDS AND SECURITY**8.1 Status**

The Bonds shall constitute senior debt obligations of the Issuer. The Bonds shall rank 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.

8.2 Security

- (a) The Security Interests shall be established on first priority in favour of the Security Agent (on behalf of the Bondholders) and shall serve as Security for the Bonds in Tranche A, the Bonds in Tranche B and (other than the Guarantees) the Scan Bank Credit Facility (in each case including accrued but unpaid interest, costs and expenses) subject to the terms of the Intercreditor Agreement.
- (b) In connection with any Permitted Reorganisation, the Bond Trustee shall release such Security Interests as shall be necessary in connection with such Permitted Reorganisation, provided always that no less favourable Security than the Security Interests released shall be established immediately following such Permitted Reorganisation.

9. INTEREST**9-1 Interest rate**

The Issuer shall pay interest on the par value of the Bonds from, and including, the Issue Date:

- (a) in respect of Tranche A, at a fixed rate of 12.00 per cent per annum (the "**Tranche A Fixed Rate**"); and
- (b) in respect of Tranche B, at a fixed rate of 6.00 per cent. per annum (the "**Tranche B Fixed Rate**").

9-2 Interest Payment Dates

Interest payments shall be made in arrears on the Interest Payment Dates in each year, the first Interest Payment Date being 3 June 2015.

9-3 Calculation of interest payments

- (a) The relevant interest payable amount shall be calculated based on a period from, and including, the Issue Date to, but excluding, the next following applicable Interest Payment Date, and thereafter from, and including, that Interest Payment Date to, but excluding, the next following applicable Interest Payment Date.
- (b) The day count fraction ("**Fixed Rate Day Count Fraction**") in respect of the calculation of the payable interest amount shall be " $\frac{30}{360}$ ", which means that the number of days in the calculation period in respect of which payment is being made divided by 360 (the number of days to be calculated on the basis of a year of 360 days with twelve 30-days months (unless (i) the last day of the calculation period is the 31st day of a month but the first day of the calculation period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (ii) the last day of the calculation period is the last day of the month of

February, in which case the month of February shall not be considered to be lengthened to a 30-day month)).

(c) The payable interest amount per Bond in Tranche A for a relevant calculation period shall be calculated as follows:

$$\text{Interest Amount} = \text{Face Value} \times \text{Tranche A Fixed Rate} \times \text{Fixed Rate Day} \times \text{Day Count Fraction}$$

(d) The payable interest amount per Bond in Tranche B for a relevant calculation period shall be calculated as follows:

$$\text{Interest Amount} = \text{Face Value} \times \text{Tranche B Fixed Rate} \times \text{Fixed Rate Day} \times \text{Day Count Fraction}$$

10. MATURITY OF THE BONDS AND REDEMPTION

10.1 Maturity

The Bonds in Tranche A and Tranche B shall be repaid on a *pro rata* basis by the Issuer in aggregate instalments as follows:

Payment Date	Amount
3 June 2017	USD 2,000,000
3 September 2017	USD 2,000,000
3 December 2017	USD 2,000,000
Maturity Date	the Outstanding Bonds

Scheduled Instalments shall be carried out at par value (100 %) plus accrued interest on the redeemed amount. Scheduled Instalments must be carried out *pro rata* between the Bonds in each respective Tranche in accordance with the procedures of the Securities Depository.

10.2 Call Option

- (a) The Issuer may redeem the Bonds (in part or in whole) at any time before the Maturity Date at par value (plus accrued unpaid interest on the redeemed Bonds) (the "Call Option").
- (b) The Issuer shall notify the Bond Trustee and the Bondholders no later than ten (10) Business Days prior to settlement of the Call Option.
- (c) Redemption of the Bonds in accordance with this Clause 10.2 must be carried out *pro rata* between the Tranches and between the Bonds in each Tranche in accordance with the procedures of the Securities Depository.

(d) On the settlement date of the Call Option, the Issuer shall pay to each of the Bondholders, in respect of each such Bond, the principal amount of such Bond being redeemed (in part or in whole) at par together with any unpaid interest accrued on the principal amount of the Bond being redeemed up to the settlement date.

(e) Bonds redeemed, or (if part only of a Bond is being redeemed) that part of a Bond which is redeemed by the Issuer in accordance with this Clause 10.2 shall, after such redemption, be cancelled.

10-3 Change of control

(a) Upon the occurrence of a Change of Control Event, each Bondholder shall have a right to require that the Issuer redeems the Bonds held by that Bondholder (a "Put Option") at a price of 101 % of par plus accrued interest.

(b) The Put Option must be exercised within 30 calendar days after the Issuer has given notification to the Bond Trustee of a Change of Control Event. Such notification shall be given as soon as possible after a Change of Control Event has taken place.

(c) The Put Option may be exercised by each Bondholder by (i) giving written notice of the request to its Account Manager and (ii) procuring that its Account Manager notifies the Paying Agent of the redemption request. The settlement date of the Put Option shall be the third Business Day after the end of the 30 calendar days' exercise period of the Put Option.

(d) On the settlement date of the Put Option, the Issuer shall pay to each of the Bondholders which have exercised the Put Option the principal amount of the Bonds held by those Bondholders (including the 1% premium referred to in paragraph (a) of Clause 10.3) and any unpaid interest accrued on those Bonds up to (but not including) the settlement date.

10-4 Mandatory prepayment

Subject to the Asset Replacement Option, if a Mandatory Prepayment Event (other than a Total Loss Event) occurs, the Issuer shall apply the proceeds from that Mandatory Prepayment Event in the following orders of priority, as the case may be:

- (a) **Non Multi-Client Libraries sale:** in respect of any Mandatory Prepayment Event that has not been triggered by a sale (in part or in whole) of the Multi-Client Libraries, such proceeds shall be applied;
- (I) **first,** in or towards payment of all costs and expenses incurred by the Security Agent or any Senior Creditors in connection with that Mandatory Prepayment Event (on a *pro rata* and *pari passu* basis as between the Senior Creditors);
- (II) **second,** in or towards payment of any other unpaid costs, fees and expenses due to the Senior Creditors under the Senior Finance Documents (on a *pro rata* and *pari passu* basis as between the Senior Finance Creditors);
- (III) **third,** in or towards payment of the principal amount outstanding of:
 - (A) the Tranche A Bonds (plus accrued but unpaid interest thereon);
 - (B) the Tranche B Bonds (plus accrued but unpaid interest thereon); and

- (C) the Scan Bunk Loans (plus accrued but unpaid interest thereon), on a *pro rata* and *pari passu* basis between the Tranche A Bondholder, the Tranche B Bondholders and Scan Bunk; **fourth**, the balance, if any, in payment or distribution to the relevant Obligor; or
- (b) **Multi-Client Libraries sale**: in respect of any Mandatory Prepayment Event that has been triggered by a sale (in part or in whole) of the Multi-Client Libraries (other than licensing of data in the ordinary course of business), such proceeds shall be applied:
- (I) **first**, in or towards payment of all costs and expenses incurred by the Security Agent or any Senior Creditors in connection with that Mandatory Prepayment Event (on a *pro rata* and *pari passu* basis as between the Senior Creditors);
- (II) **second**, in or towards payment of any other unpaid costs, fees and expenses due to the Senior Creditors under the Senior Finance Documents (on a *pro rata* and *pari passu* basis as between the Senior Creditors);
- (III) **third**, of the balance remaining after payment of item (ii) above:
- (A) 75 per cent. of such balance in or towards payment of the principal amount outstanding of the Tranche A Bonds (plus accrued but unpaid interest thereon); and
- (B) 25 per cent. of such balance towards the payment of the principal amount outstanding of:
- (i) the Tranche B Bonds (plus accrued but unpaid interest thereon); and
- (2) the Scan Bunk Loans (plus accrued but unpaid interest thereon), on a *pro rata* and *pari passu* basis between the Tranche B Bondholders and Scan Bunk Lenders;
- (IV) **fourth**, provided that the amounts outstanding under the Tranche A Bonds have been discharged in full, in or towards payment of any principal amount still outstanding of:
- (A) the Tranche B Bonds (plus accrued but unpaid interest thereon); and
- (B) the Scan Bunk Loans (plus accrued but unpaid interest thereon), on a *pro rata* and *pari passu* basis between the Tranche B Bondholders and Scan Bunk Lenders; and
- (V) **fifth**, the balance, if any, in payment or distribution to the relevant Obligor.
- (c) Subject to the Asset Replacement Option in Clause 10.5 below, upon a Total Loss Event, the Issuer shall promptly once insurance proceeds are available to it, redeem the Outstanding Bonds on a *pro rata* basis with the net insurance proceeds at 100% of par value (plus accrued unpaid interest on the redeemed Bonds).

10.5 Asset Replacement Option

The proceeds from a Mandatory Prepayment Event in respect of a Vessel sale may be applied to acquire and/or replace an existing Vessel with a replacement vessel and/or equipment (a "Replacement Asset") provided that such acquisition/replacement takes place no later than the later of (i) 12 months after the date that the relevant Mandatory Prepayment Event occurred and (ii) 6 months after the date the proceeds from such event were received by the relevant Group Company. The proceeds from the relevant Mandatory Prepayment Event shall in the interim period be paid directly into an escrow account to be pledged on first priority in favour of the Bond Trustee (on behalf of the Bondholders). If the purchase price of such Replacement Asset is less than the proceeds from such Mandatory Prepayment Event, the residual amount shall be applied to redeem the Outstanding Bonds on a *pro rata* basis at 100% of par value (plus accrued unpaid interest on the redeemed Bonds).

If the Replacement Asset is an Owned Vessel the Group Company being the owner of such Replacement Asset shall assume the position of a Guarantor and the Issuer and the Parent shall procure that the Replacement Asset shall be subject to a Security Interest in the same manner as described under Clause 8.2 and the arrangements shall provide no less favourable (and acceptable to the Security Agent) Security to the Security Agent as was provided at the Issue Date for the replaced Owned Vessel.

11. PAYMENTS

11.1 Covenant to pay

- (a) The Issuer will on any Payment Date (or any other due date pursuant to any Finance Document) unconditionally pay to or to the order of the Bond Trustee all amounts due under this Bond Agreement or any other Finance Document.
- (b) The covenant contained in this Clause 11.1 shall be for the benefit of the Bond Trustee and the Bondholders.

11.2 Payment mechanics

- (a) If no specific order is made by the Bond Trustee under Clause 11.1, the Issuer shall pay all amounts due to the Bondholders under this Bond Agreement or any other Finance Document by crediting the bank account nominated by each Bondholder in connection with its securities account in the Securities Depository.
- (b) Payment shall be deemed to have been made once the amount has been credited to the bank which holds the bank account nominated by the Bondholder in question, but 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, see however Clause 11.3.
- (c) In case of irregular payments, the Bond Trustee may instruct any Obligor, the Bondholders or others of other payment mechanisms than described in paragraphs (a) or (b) above. The Bond Trustee may also obtain payment information regarding Bondholders' accounts from the Securities Depository or Account Managers.
- (d) Subject to Clause 11.3, payment by the Issuer in accordance with this Clause 11.2 shall constitute good discharge of its obligations under Clause 11.1.

11.3**Currency**

(a) If the Bonds are denominated in other currencies than NOK, each Bondholder has to provide the Paying Agent (either directly or through its Account Manager) with specific payment instructions, including foreign exchange bank account details. Depending on any currency exchange settlement agreements between each Bondholder's bank and the Paying Agent, cash settlement may be delayed, and payment shall be deemed to have been made at the date of the cash settlement, provided however, that no default interest or other penalty shall accrue for the account of the Issuer.

(b)

Except as otherwise expressly provided, all amounts payable under this Bond Agreement and any other Finance Document shall be payable in the same currency in which the Bonds are denominated. If, however, the Bondholder has not given instruction as set out in this Clause 11.3 within five Business Days prior to a Payment Date, the cash settlement will be exchanged into NOK and credited to the NOK bank account registered with the Bondholder's account in the Securities Depository.

(c)

Amounts payable in respect of costs, expenses, taxes and other liabilities of a similar nature shall be payable in the currency in which they are incurred.

11.4 Set-off and counterclaims

No Obligor may apply or perform any counterclaims or set-off against any payment obligations to the Bondholders pursuant to this Bond Agreement or any other Finance Document.

11.5**Interest in the event of late payment**

(a) In the event that any amount due under this Bond Agreement or any Finance Document is not made on the relevant due date, the unpaid amount shall bear interest from the due date at an interest rate equivalent to the interest rate according to Clause 9 plus five percentage points (5,00%) per annum.

(b)

The interest charged under this Clause 11.5 shall be added to the defaulted amount on each respective Interest Payment Date relating thereto until the defaulted amount has been repaid in full.

(c)

The unpaid amounts shall bear interest as stated above until payment is made, whether or not the Bonds are declared to be in default pursuant to Clause 20.1, cf. Clause 20.10.

11.6**Partial payments**

(a) If the Bond Trustee or the Paying Agent receives a payment that is insufficient to discharge all the amounts then due and payable under the Finance Documents, that payment shall be applied in the following order:

(I)

first, in or towards payment of any unpaid fees, costs and expenses of the Bond Trustee under the Finance Documents (the "**Trustee Expenses**");

(II)

second, in or towards payment of any accrued interest due but unpaid under the Bond Agreement, *pro rata* and without any preference or priority of any kind; and

(III)

third, in or towards payment of any principal due but unpaid under the Bond Agreement, *pro rata* and without any preference or priority of any kind.

(b) In case the Issuer does not pay the Bond Trustee for incurred fees, then the Bond Trustee may seek funding of the Trustee Expenses from other sources, in which case such other sources will be subrogated into the position of the Bond Trustee, but subordinate to any further Bond Trustee expenses.

12. ISSUER'S ACQUISITION OF BONDS

The Issuer has the right to acquire and own Bonds. The Issuer's holding of Issuer's Bonds may at the Issuer's discretion be retained by the Issuer, sold or discharged.

13. GUARANTEE AND INDEMNITY**13.1 Guarantee**

The Guarantors jointly and severally, irrevocably and unconditionally:

(a) guarantee to the Bond Trustee (on behalf of the Bondholders) as for their own debt and not merely as surety (No: "*som selvskyldner-kausjonist*") the due and punctual performance by the Issuer of all its obligations under the Finance Documents and accept that the Bond Trustee may make a demand for payment to any and each of the Guarantors without any specific order;

(b) undertake with the Bond Trustee (on behalf of the Bondholders) that, whenever the Issuer does not pay any amount when due under or in connection with any Finance Document, the Guarantors shall, on the Bond Trustee's first written demand and in no event any later than five Business Days after the relevant Guarantor's receipt of such demand, pay that amount to the Bond Trustee or as it directs as if it were the principal obligor in respect of that amount; and

(c) agree with the Bond Trustee (on behalf of the Bondholders) that if, for any reason, any amount claimed by the Bond Trustee under this clause is not recoverable from the Guarantors, then the Guarantors will be liable as a principal debtor and primary obligor to indemnify the Bond Trustee and each Bondholder for any loss each of them may incur as a result of the Issuer failing to pay any amount expressed to be payable by it under a Finance Document on the date when it ought to have been paid.

13.2 Waivers

Each Guarantor hereby waives:

(a) any requirement that the Bond Trustee or any of the Bondholders in case of an Event of Default first have to make demand upon or seek to enforce remedies against the Issuer;

(b) any right to exercise right of subrogation into the rights of the Bondholders under the Bond Agreement, without the prior written consent of the Bond Trustee until such time that no amounts are outstanding under this Bond Agreement and any other Finance Document; and

(c) any right to claim reimbursement from the Issuer and/or any other Obligor for payment made hereunder until such time that no amounts are outstanding under this Bond Agreement and any other Finance Document.

13-3 Continuing guarantee

This guarantee is a continuing guarantee and will extend to the ultimate balance of all sums payable by the Issuer under the Finance Documents, regardless of (i) any intermediate payment or discharge in whole or in part or (ii) the Bond Trustee enforcing any other security granted for the Issuer's obligations under this Bond Agreement.

13-4 Entry into force

The guarantee and indemnity contained in this Clause 13 shall come into force:

- (a) In respect of SeaBird Asia, on the Effective Date; and
- (b) In respect of the other Original Guarantors, on the signing date of this Agreement.

14. INFORMATION COVENANTS

The Issuer undertakes from the date of this Bond Agreement and until such time that no amounts are outstanding under this Bond Agreement or any other Finance Document, to the Bond Trustee, as further set out in this Clause.

14.1 Information covenants

- (a) The Issuer shall:
 - (I) without being requested to do so, promptly inform the Bond Trustee in writing of any Event of Default, any event or circumstance which could reasonably be expected to lead to an Event of Default and any other event which could reasonably be expected to have a Material Adverse Effect;
 - (II) without being requested to do so, inform the Bond Trustee in writing if the Issuer agrees to sell or dispose of all or a substantial part of its assets or operations, or change the nature of its business;
 - (III) at the request of the Bond Trustee, report the balance of the Issuer's Bonds;
 - (IV) without being requested to do so, send the Bond Trustee copies of any statutory notifications of the Issuer, including but not limited to in connection with mergers, demergers and reduction of the Issuer's share capital or equity;
 - (V) if the Bonds are listed on an Exchange, without being requested to do so, send a copy to the Bond Trustee of its notices to the Exchange;
 - (VI) if the Issuer and/or the Bonds are rated, without being requested to do so, inform the Bond Trustee of its and/or the rating of the Bond Issue, and any changes to such rating;
 - (VII) without being requested to do so, inform the Bond Trustee of changes in the registration of the Bonds in the Securities Depository (however, the Bond Trustee is entitled to receive such information from the Security Depository or Paying Agent directly);
 - (VIII) promptly upon becoming aware of them, send the Bond Trustee such relevant details of any material litigations, arbitrations or administrative proceedings which have been or might be started by or against any Group Company;

- (IX) within a reasonable time, provide such information about the Issuer's business, assets and financial condition as the Bond Trustee may reasonably request; and

- (X) at the request of the Bond Trustee provide the documents and information necessary to maintain the listing and quotation of the Bonds on an Exchange (if listed) and to otherwise enable the Bond Trustee to carry out its rights and duties pursuant to this Bond Agreement and the other Finance Documents, as well as applicable laws and regulations.

- (b) The Parent shall, without being requested to do so, make its Annual Financial Statements and Quarterly Financial Statements directly available to the Bond Trustee and on its web pages for public distribution not later than 120 days after the end of the financial year and not later than 60 days after the end of the relevant Quarter Date. Such statements shall be prepared in accordance with GAAP. The Issuer shall make yearly annual unconsolidated financial statements, drawn up according to GAAP, directly available to the Bond Trustee no later than 180 days after the end of each financial year.

14.2 Compliance certificate

- (a) The Parent shall supply a Compliance Certificate to the Bond Trustee with each set of its Annual Financial Statements and each set of its Quarterly Financial Statements.

- (b) The Compliance Certificate shall set out (in reasonable detail):

- (I) confirmation as to compliance with Clause 15.3;

- (II) a correct and updated list of any new agreements referenced in Clause 17.8; and

- (III) the MC Inventory List updated in accordance with paragraph (a) of Clause 17.4.

- (c) Each Compliance Certificate shall be signed by the CEO or the CFO of the Parent.

15. FINANCIAL COVENANTS**15.1 Financial definitions**

In this Bond Agreement:

- (a) "EBITDA" means the Group's aggregate earnings before interest, taxes, depreciation and amortisation (to be calculated on a 12-month rolling basis) and tested on each Quarter Date, first time on 31 December 2015. Any costs relating to financial and operational restructuring work of the Group and any adjustment or write-off of extraordinary non-recurring items, in each case completed in 2015, shall be added back to EBITDA.
- (b) "Free Cash" means on any Quarter Date the Group's unrestricted, unpledged and freely available cash, including cash equivalents.
- (c) "Net Interest Bearing Debt" means at the date of calculation (on a consolidated basis), the aggregate Financial Indebtedness of the Group excluding any financial leases, less any cash and cash equivalent of the Group.
- (d) "Leverage Ratio" means the ratio of Net Interest Bearing Debt to EBITDA for the relevant period ending on each Quarter Date.

15.2 Financial condition

The undertakings in this Clause 15 shall continue for so long as any sum remains payable or capable of becoming payable under this Bond Agreement.

15.3 Financial covenants

The Issuer shall ensure that:

- (a) commencing on 31 December 2015, the Group has a Leverage Ratio of less than 2.5:1.00; and
- (b) starting from year end 2015, the Group maintains minimum Free Cash of USD 5 million, in each case, to be tested as of each Quarter Date.

15.4 Financial testing

The financial covenants set out in Clause 15.3 shall be calculated in accordance with GAAP and tested by reference to each of the Annual Financial Statements and Quarterly Financial Statements delivered pursuant to paragraph (b) of Clause 14.1

16. GENERAL UNDERTAKINGS

During the term of the Bonds, the Obligors shall (unless the Bond Trustee or the Bondholders' Meeting (as the case may be) in writing has agreed to otherwise) comply with the general undertakings in this Clause 16.

16.1 Mergers

Other than as part of a Permitted Reorganisation, each Obligor shall not, and the Parent shall ensure that the other Group Companies shall not, carry out any merger or other business combination or corporate reorganisation involving consolidating the assets and obligations of itself or such Group Company with any other company or entity not being a member of the Group, if such transaction would have a Material Adverse Effect.

16.2 De-mergers

Other than as part of a Permitted Reorganisation, each Obligor shall not, and the Parent shall ensure that the other Group Companies shall not, carry out any de-merger or other corporate reorganisation involving splitting itself or such Group Company into two or more separate companies or entities, if such transaction would have a Material Adverse Effect.

16.3 Continuation of business

Other than as part of a Permitted Reorganisation, each Obligor shall not, cease to carry on its business, if such cessation would have a Material Adverse Effect. The Parent shall procure that no material change is made to the general nature or scope of the business of the Group from that carried on at the date of the Bond Agreement, or as contemplated by the Bond Agreement.

16.4 Disposal of assets/business

Other than as part of a Permitted Reorganisation, each Obligor shall not, and the Parent shall ensure that the other Group Companies shall not, sell or otherwise dispose of all or a substantial part of the Group's assets or operations, unless the transaction is carried out at a fair market value,

on terms and conditions customary for such transactions, and such transaction would not have a Material Adverse Effect.

16.5 Arm's length transactions

Each Obligor shall not, and the Parent shall ensure that the other Group Companies shall not, engage in, directly or indirectly, any transaction with any party (without limitation, the purchase, sale or exchange of assets or the rendering of any service), except on arm's length terms and for fair market value.

17. OBLIGORS' SPECIAL COVENANTS

During the term of the Bonds, each Obligor shall (unless the Bond Trustee or the Bondholders' Meeting (as the case may be) in writing has agreed to otherwise) comply with the special covenants in this Clause 17.

17.1 Financial Indebtedness restrictions

Each Obligor shall not, and shall ensure that no other Group Company shall, incur, create or permit to subsist any Financial Indebtedness other than the Permitted Financial Indebtedness.

17.2 Negative pledge

Each Obligor shall not, and shall ensure that no other Group Company shall, create, permit to subsist or allow to exist any Security over any of its present or future respective assets or revenues, other than:

- (a) the Security Interests;
 - (b) the Hawk Lease;
 - (c) financial leases of new seismic or marine equipment and any replacement of equipment relating to the Vessels;
 - (d) financial lease of any new Vessel replacing a Vessel in line with a Group's replacement schedule;
 - (e) cash collaterals in aggregate up to USD 1 million to secure any operational and non-speculative derivatives entered into in ordinary course of business related to the Issuer's hedging policy;
 - (f) vendor credit secured in the acquired asset (*Nw: salgspant*); and
 - (g) any lien arising by operation of law or any charter party in respect of a Chartered Vessel.
- 17.3 Financial support restrictions**
- Each Obligor shall not, and shall ensure that no other Group Company shall, grant any loans, guarantees or other financial assistance (including, but not limited to granting of security) ("**Financial Support**") to or for the benefit of any third party or other Group Companies, other than:
- (a) any Intra-Group Loans;
 - (b) a guarantee in respect of the Scan Bunk Credit Facility;

- (c) unsecured guarantees granted by the Parent or any of its Subsidiaries in the ordinary course of business in connection with the ownership and employment of the Vessels;
- (d) Financial Support granted for the benefit of this Bond Issue and the Scan Bank Credit Facility;
- (e) guarantees granted by the Parent or the Issuer in connection with financial leases of (i) new seismic or marine equipment and any replacement of equipment relating to the Vessels and (ii) financial leases of a Vessel; and
- (f) as required in order to complete a Permitted Reorganisation.

17-4 Accounts

- (a) The Issuer and all Guarantors shall open and maintain their Accounts with an International Bank, or, if required by applicable local law or regulation and/or for operational purposes of an Obligor, with a Local Bank in the jurisdiction where the relevant Obligor operates, in each case as reasonably determined by such Obligor.
- (b) All earnings related to each Vessel shall be paid directly from the relevant contracting party to the Account of the relevant Obligor (as the case may be).
- (c) Except for any permitted cash collateral allowed under Clause 17.2, all Bank Accounts of the Issuer and the Guarantors (other than the Escrow Account) shall be pledged in favour of the Security Agent (on behalf of the Bondholders and Scan Bank) but not blocked unless there is an Event of Default which is continuing and for which notice is served to the Issuer pursuant to Clause 20.10(d).

- (d) The Obligors shall ensure that any amount standing to the credit of its Local Bank pursuant to sub-paragraph (a) above which is in excess of what is required, as reasonably determined by such Obligor, for operational purposes in the relevant local jurisdiction and/or by the applicable local legal regulations, shall be transferred to an International Bank as soon as practically possible and at the latest within 45 days.

17-5 Survey Contracts

Each Obligor shall ensure that (i) no Group Company other than an Obligor or a Group Company which agrees to accede to this Bond Agreement as an Obligor, enters into any Survey Contract or any other contract with a duration of 6 months or more for hire of any Vessel to be employed to fulfil a Survey Contract, and (ii) all earnings related to such Vessel (including, but not limited to, earnings related to Survey Contracts) are paid directly from the relevant Client or other third contracting party to the respective Account of the Obligor being the direct contracting party relating to such earnings.

17-6 MC Inventory List

- (a) The Issuer shall keep an inventory of the Multi-Client Libraries. The inventory shall specify (i) name and location, (ii) the entity that owns the survey, (iii) date of acquisition, (iv) description of data rights (i.e. full or shared ownership or only marketing rights or revenue sharing rights) including its ownership percentage (v) expiration of data rights/exclusivity period, as applicable, (vi) current book value, (vii) licenses made, (viii) scheduled amortisations, (ix) any joint venture partners and government share and (x) any claims or litigations having a materially adverse effect on the Multi-Client Library taken as a whole.

The MC Inventory List shall be substantially in the form attached hereto as Schedule 3 and be updated quarterly and be attached to each Compliance Certificate delivered to the Bond Trustee.

- (b) The Issuer shall ensure that reasonable measures are taken to maintain the commercial value of the data contained in Multi-Client Libraries.

17-7 Material Subsidiaries

The Issuer shall ensure that if a member of the Group becomes:

- (i) a Material Subsidiary; or
- (ii) enters into a new Survey Contract,

promptly thereafter, such Group Company shall (i) assume the position of a Guarantor by acceding to the Bond Agreement and the Intercreditor Agreement and (ii) grant Security over its assets in a similar way as stipulated in this Bond Agreement for any relevant Original Guarantor. The Issuer shall ensure that any Material Subsidiary authorises the Security Agent to take any steps required to perfect any such Security at the cost of the Issuer.

17-8 Maintenance of Security

- (a) If and to the extent permissible under any of the following agreements, each Obligor shall ensure that promptly after the entering into any new Vessel Charter, insurance agreement, Survey Contract or any Intra-Group Charter, it shall validly assign by way of security to the Security Agent all of:

- (I) its rights, title, interest and other claims under any such Vessel Charter;
- (II) its rights, title, interest and other claims under any such insurance agreement;
- (III) its rights, title, interest and other claims to any earnings and receivables under any such Survey Contract; and/or
- (III) its rights, title, interest and other claims to any earnings and receivables under any such Intra-Group Charter, provided that such Intra-Group Charter is related to a Survey Contract.

Each Obligor shall use its reasonable efforts to agree with any contractual counterparty that the aforementioned rights, title, interest and other claims under such agreements can be validly assigned to the Security Agent. Each Obligor authorises the Security Agent to take any steps required to perfect any such Security at the cost of the Obligors.

- (b) The Parent will inform the Security Agent about the entering into of any new agreement referenced in paragraph (a) above by reference in the next Compliance Certificate to be supplied under this Agreement following the entering into of that agreement by an Obligor.

18. VESSEL COVENANTS

The Issuer and each Guarantor being owner of a Vessel make the undertakings in this Clause 18 to the Bond Trustee (on behalf of the Bondholders).

18-1 Maintenance of insurances

- (a) The relevant Obligors shall provide for reasonable and satisfactory maintenance of insurances of the Vessels and all relevant equipment related thereto at all times, including to retain the Vessels in class. The Vessels shall also be adequately insured against Hull & Machinery risks (including war risk) in accordance with standard industry practice.
- (b) The insurance conditions and loss payee clause shall be in accordance with the Norwegian Marine Insurance Plan of 1996 (version 2010) or the Nordic Marine Insurance Plan of 2013 or the Institute Time Clauses – Hulls (01/10/83) or the International Hull Clauses (01/11/03) or the American Institute Hull Clauses (September 29, 2009) or on other conditions of similar international repute and recognition, which are reasonably acceptable to the Bond Trustee.

18-2 Flag and Registry

The Vessels shall at all times be registered in a ship registry acceptable to the Bond Trustee. A Vessel may be moved to any other ship registry acceptable to the Bond Trustee (on behalf of the Bondholders) subject to prior notice to the Bond Trustee (on behalf of the Bondholders).

18-3 Inspection and class records

- (a) Upon reasonable request, the Issuer shall on behalf of the Bond Trustee appoint an independent ship inspector acceptable to the Bond Trustee, and shall procure that any charterers permit the Bond Trustee and/or the independent ship inspector appointed by the Issuer on behalf of the Bond Trustee to inspect the Vessels, without interference of the daily operations of the relevant Vessel for as long as no Event of Default has occurred, once a year for the account of the Issuer, and following the occurrence of an Event of Default at any time required by the Bond Trustee, at the Issuer's cost.
- (b) The Issuer shall instruct the relevant classification society to send to the Bond Trustee, upon its reasonable request, copies of all class records held by that classification society in relation to a Vessel.

18-4 Classification and international regulations

The Issuer and each relevant Guarantor being owner of a Vessel (with respect to such Vessel), shall ensure that:

- (a) each Vessel is classified and maintained in the highest applicable class, free of any overdue recommendations and qualifications, with Det Norske Veritas, the American Bureau of Shipping or another IACS classification or another classification society acceptable to the Bond Trustee, and at all times complies in all material respects with the rules and regulations of the relevant classification society;
- (b) all international conventions, laws, treaties and regulations, including (without limitation and to the extent applicable) SOLAS conventions and the International Management Code for the Safe Operation of Ships and for Pollution Prevention adopted by the International Maritime Organisation and the International Ship and Port Security Code adopted by the International Maritime Organisation, are complied with at all times. In particular, the Issuer and each relevant Guarantor being owner of a Vessel (with respect to such Vessel), shall ensure compliance with the ISM Code and the ISPS Code and shall ensure that any

charterer of a Vessel and any company performing management services for the Vessel complies with said conventions and regulations in all material respects.

18-5 Maintenance, operation and management of the Vessels

- (a) The Issuer and each relevant Guarantor being owner of a Vessel (with respect to such Vessel) shall ensure:
- (I) that each Vessel is kept in a good and safe condition and state of repair consistent with prudent ownership and industry standards;
- (II) compliance in all material respects with all relevant environmental laws and regulations and all other laws and regulations relating to each Vessel, its ownership, operation and management or to the business of the relevant Obligor;
- (III) the operation of the Vessels in all material respects in accordance with the terms of the Vessel Charters and
- (IV) proper maintenance of the Vessels according to planned maintenance system.
- (b) The Issuer and each relevant Guarantor being owner of a Vessel (with respect to such Vessel) shall not employ the Vessel nor allow its employment:
- (I) in any manner contrary to law or regulation in any relevant jurisdiction including but not limited to the ISM Code; and
- (II) in the event of hostilities in any part of the world (whether war is declared or not), in any zone which is declared a war zone by any government or by the war risk insurers of the Vessel unless the Issuer and/or relevant Guarantor has (at its expense) effected any special, additional or modified insurance coverage which shall be necessary or customary for first class shipowners trading vessels within the territorial waters of such country at such time. Upon the request of the Bond Trustee, the Issuer shall provide evidence of such coverage to the Bond Trustee.

18-6 Notification of certain events

The Issuer and each Guarantor being owner of a Vessel (with respect to such Vessel) shall immediately notify the Bond Trustee of:

- (a) any accident to a Vessel involving repairs where the costs is likely to exceed USD 2,500,000 (or its equivalent);
- (b) an occurrence of a Total Loss Event or any occurrence as a result of which a Total Loss Event is likely to occur;
- (c) any requirement or recommendation made by any insurer or classification society or by any competent authority which is not, or cannot be, complied with within the relevant due date(s);
- (d) any exercise or purported exercise of any arrest or lien on the Vessels, its earnings or the insurances related to the Vessel;

(e) any claim for a material breach of the ISM Code or the ISPS Code being made against the Issuer, a Guarantor being the owner of a Vessel, a vessel manager, a charterer or otherwise in connection with the Vessels.

18-7 Arrest

The Issuer and each Guarantor being owner of a Vessel (with respect to such Vessel) shall ensure, without undue delay, to pay and discharge:

- (a) all liabilities which give or may give rise to maritime or possessory liens on or claims enforceable against a Vessel, its earnings or the insurances related to the Vessel;
- (b) all tolls, taxes, dues, fines, penalties and other amounts charged in respect of a Vessel, its earnings or the insurances related to the Vessel; and
- (c) all other outgoings whatsoever in respect of a Vessel, its earnings or the insurances related to the Vessel,

and forthwith upon receiving a notice of arrest of a Vessel, or its detention in exercise or purported exercise of any lien or claim, the Issuer shall no later than 15 Business Days after receiving notice procure its release by providing bail or providing the provision of security or otherwise as the circumstances may require.

18-8 Total Loss

Upon the occurrence of a Total Loss Event, the Issuer shall obtain a written confirmation from the relevant insurers that the claim relating to the Total Loss Event has been accepted in full and present to the Bond Trustee such written confirmation promptly upon receiving it from the relevant insurers, and the insurance proceeds shall, as soon as they are released, be applied in prepayment of the Bonds in accordance with Clause 10.4.

18-9 Changes to insurances and class, flag, name and registry

The relevant Obligor may, subject to the Bond Trustee's prior written consent, such consent not to be unreasonably withheld, make changes regarding insurances and class, flag, name and registry to each Vessel contrary to the provisions in Clauses 18.1 to 18.2 and Clauses 18.4 to 18.5, always provided similar recognised or better standards are maintained.

19. FEES AND EXPENSES

- (a) The Issuer shall cover all costs and expenses incurred by it or the Bond Trustee (and/or the Security Agent) in connection with this Bond Agreement and the fulfilment of its obligations under this Bond Agreement or any other Finance Document, including in connection with the negotiation, preparation, execution and enforcement of this Bond Agreement and the other Finance Documents and any registration or notifications relating thereto (including any stamp duty), the listing of the Bonds on an Exchange (if applicable), and the registration and administration of the Bonds in the Securities Depository. The Bond Trustee may withhold funds from any escrow account (or similar arrangement) or from other funds received from any Obligor or any other person, irrespective of such funds being subject to Security under a Finance Document, to set-off and cover any such costs and expenses.

(b) The fees, costs and expenses payable to the Bond Trustee (and/or the Security Agent) shall be paid by the Issuer and are set out in a separate agreement between the Issuer and the Bond Trustee (and/or the Security Agent).

(c) 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). If payments under the Bonds are subject to withholding tax, the Issuer shall deduct before payment to the Bondholders at source any applicable withholding tax payable pursuant to law and make an additional payment to the Bondholders equivalent to such deduction (gross up). If any withholding tax is imposed due to subsequent changes in law, regulations or public practices, the Issuer may call all but not some of the Bonds at par value plus accrued unpaid interest.

(d) Fees, costs and expenses payable to the Bond Trustee (or the Security Agent) which, due to the Issuer's insolvency or similar circumstances, are not reimbursed in any other way may be covered by making an equivalent reduction in the proceeds to the Bondholders hereunder of any costs and expenses incurred by the Bond Trustee (or the Security Agent) in connection with the restructuring or default of the Bond Issue and the enforcement of any Finance Document.

20. EVENTS OF DEFAULT

The Bond Trustee may declare the Bonds to be in default upon occurrence of any of the following events:

20.1 Non-payment

The Issuer fails to fulfil any payment obligation due under this Bond Agreement or any Finance Document when due, unless, in the opinion of the Bond Trustee, it is likely that such payment will be made in full within five Business Days following the original due date.

20.2 Breach of other obligations

Any Obligor does not comply with any provision pursuant to this Bond Agreement or any other Finance Document, unless, in the opinion of the Bond Trustee, such failure is capable of being remedied and is remedied within ten Business Days after notice thereof is given to the Issuer by the Bond Trustee.

20-3 Cross default

If for any Group Company:

- (a) any Financial Indebtedness is not paid when due nor within any originally applicable grace period;
- (b) 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);
- (c) any commitment for any Financial Indebtedness is cancelled or suspended by a creditor as a result of an event of default (however described); or
- (d) 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 always that a threshold in the amount of any single Financial Indebtedness or commitment for Financial Indebtedness falling within paragraphs (a) to (d) above of USD 5 million, or the equivalent thereof in other currencies, shall apply.

20.4 Misrepresentations

Any representation, warranty or statement (including statements in any Compliance Certificate) made under this Bond Agreement or any other Finance Document or in connection therewith is or proves to have been incorrect, inaccurate or misleading in any material respect when made or deemed to have been made.

20.5 Insolvency

(a) Any Obligor or Material Subsidiary is unable or admits inability to pay its debts as they fall due or suspends making payments on any of its debts.

(b) The value of the assets of any Obligor or Material Subsidiary is less than its liabilities (taking into account contingent and prospective liabilities).

20.6 Creditors' process

Any Obligor or Material Subsidiary having a substantial proportion of the assets impounded, confiscated, attached or subject to distraint, or becoming subject to enforcement of any Security over any of its assets.

20.7 Insolvency proceedings and dissolution

If for any Obligor or Material Subsidiary, any corporate action, legal proceedings or other procedure step 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 solvent liquidation or reorganisation;
- (b) a composition, compromise, assignment or arrangement with any creditor, having an adverse effect on the Issuer's ability to perform its payment obligations hereunder; 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) or any analogous procedure or step is taken in any jurisdiction.

This Clause 20.7 shall not apply to any winding-up petition which is frivolous or vexatious and is discharged, stayed or dismissed within 14 days of commencement.

20.8 Impossibility or illegality

It is or becomes impossible or unlawful for any Obligor or Material Subsidiary to fulfil or perform any of the terms of any Finance Document to which it is a party.

20.9 Material Adverse Effect

Any other event or circumstance occurs which, in the reasonable opinion of the Bond Trustee, after consultations with the Issuer, would have a Material Adverse Effect.

20.10 Acceleration

(a) On and at any time after the occurrence of an Event of Default which is continuing, the Bond Trustee can, in order to protect the interests of the Bondholders, declare the Outstanding Bonds including accrued interest, costs and expenses to be in default and due for immediate payment.

(b) The Bond Trustee may at its discretion, take every measure necessary to recover the amounts due under the Outstanding Bonds, and all other amounts outstanding under this Bond Agreement and any other Finance Document, including any other contractual and non-contractual claims, that are derived therefrom or in connection therewith.

(c) On and at any time after the occurrence of an Event of Default which is continuing, the Bond Trustee shall declare the Outstanding Bonds including accrued interest, costs and expenses to be in default and due for immediate payment if:

(I) the Bond Trustee receives a demand in writing that a default shall be declared from Bondholders representing at least 1/5 of the Voting Bonds, and the Bondholders' Meeting has not decided on other solutions; or

(II) the Bondholders' Meeting has with simple majority decided to declare the Outstanding Bonds in default and due for payment.

In either case the Bond Trustee shall take every measure necessary to recover the amounts due under the Outstanding Bonds.

(d) In the event that the Bond Trustee pursuant to the terms of the Clause 20.10 declares the Outstanding Bonds to be in default and due for payment, the Bond Trustee shall immediately deliver to the Issuer a notice demanding payment of interest and principal due to the Bondholders under the Outstanding Bonds including accrued interest and interest on overdue amounts and expenses.

21. COMPULSORY TAKE OVER

21.1 In the event that the Bond Trustee pursuant to the terms of Clause 20.10 declares the Outstanding Bonds to be in default and due for payment, the Tranche A Bondholder shall be irrevocably obligated to take over the Multi-Client Libraries, without recourse against the Issuer or any other Obligor in the event that the value of the Multi-Client Libraries is less than the amounts owed to the Tranche A Bondholder. Without prejudice to Clause 13.1 of the Intercreditor Agreement and the Tranche A Bondholder's obligations thereunder, in the event that the unliquidated value of the Multi-Client Libraries is more than the amounts owed to the Tranche A Bondholder, the Tranche A Bondholder will have no obligation to repay an amount representing such excess value to the Issuer or any other party. At the time of the Compulsory Take Over, the Issuer shall provide the Tranche A Bondholder with an updated MC Inventory List, documentation sufficient to transfer and assign title, data rights and all other rights (including under any joint venture or joint ownership arrangements) in connection with the Multi-Client Libraries to the Tranche A Bondholder, any consents necessary to transfer such rights and any other information or documentation reasonably requested by the Tranche A Bondholder in connection with the Multi-Client Libraries.

21.2 Following the Compulsory Take Over:

- (a) the Tranche A Bonds will be deemed to have been irrevocably discharged in full by the Issuer and the Tranche A Bonds will be cancelled by the Issuer;
- (b) the Tranche A Bondholder (hereinafter called the "Multi-Client Libraries Owner") shall have exclusive ownership of the Multi-Client Libraries and the exclusive right to hold, utilise, sell or otherwise dispose of the Multi-Client Libraries in such manner as the Multi-Client Libraries Owner determines;
- (c) the Multi-Client Libraries Owner acknowledges and agrees that (notwithstanding that it is no longer "Tranche A Bondholder" for the purposes of this Bond Agreement), it shall be bound by Clause 13 (*Application of Proceeds*) of the Intercreditor Agreement and this Clause 21 in its capacity as the Multi-Client Libraries Owner; and
- (d) the Security Agent shall be entitled, at the reasonable cost of the Multi-Client Libraries Owner, to appoint an independent auditor to examine the audited financial accounts of the Multi-Client Libraries Owner to verify its compliance with its obligations under Clause 13 (*Application of Proceeds*) of the Intercreditor Agreement, provided that it shall only be entitled to make such request once per calendar year and that such request must be made within 12 months after the end of the relevant fiscal year for which examination of the financial accounts is requested.

22. BONDHOLDERS' MEETING

22.1 Authority of the Bondholders' Meeting

- (a) The Bondholders' Meeting represents the supreme authority of the Bondholders community in all matters relating to the Bonds, and has the power to make all decisions altering the terms and conditions of the Bonds, 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) If a resolution by or an approval of the Bondholders is required, such resolution shall be passed at a Bondholders' Meeting, see however Clause 23.1. Resolutions passed at Bondholders' Meetings shall be binding upon all Bondholders and prevail for all the Bonds.

22.2 Procedural rules for Bondholders' meetings

- (a) A Bondholders' Meeting shall be held at the request of:
 - (I) the Issuer;
 - (II) Bondholders representing at least 1/10 of the Outstanding Bonds;
 - (III) the Exchange, if the Bonds are listed; or

- (IV) the Bond Trustee.
- (b) The Bondholders' Meeting shall be summoned by the Bond Trustee. A request for a Bondholders' Meeting shall be made in writing to the Bond Trustee, and shall clearly state the matters to be discussed.
- (c) If the Bond Trustee has not summoned a Bondholders' Meeting within ten Business Days after having received a valid request, then the requesting party may summons the Bondholders' Meeting itself.
- (d) The summons to a Bondholders' Meeting shall be dispatched no later than five Business Days prior to the date of the Bondholders' Meeting. The summons and a confirmation of each Bondholder's holdings of Bonds shall be sent to all Bondholders registered in the Securities Depository at the time of distribution. The Exchange shall also be informed if the Bonds are listed.
- (e) The summons shall specify the agenda of the Bondholders' Meeting. The Bond Trustee may in the summons also set out other matters on the agenda than those requested. If amendments to this Bond Agreement have been proposed, the main content of the proposal shall be stated in the summons.
- (f) The Bond Trustee may restrict the Issuer from making any changes in the number of Voting Bonds in the period from distribution of the summons until the Bondholders' Meeting, by serving notice to it to such effect.
- (g) Matters that have not been reported to the Bondholders in accordance with the procedural rules for summoning of a Bondholders' Meeting may only be adopted with the approval of all Voting Bonds.
- (h) The Bondholders' Meeting shall be held on premises designated by the Bond Trustee. The Bondholders' Meeting shall be opened and shall, unless otherwise decided by the Bondholders' Meeting, be chaired by the Bond Trustee. If the Bond Trustee is not present, the Bondholders' Meeting shall be opened by a Bondholder, and be chaired by a representative elected by the Bondholders' Meeting.
- (i) Minutes of the Bondholders' Meeting shall be kept. The minutes shall state the number of Bondholders and Bonds represented at the Bondholders' Meeting, the resolutions passed at the meeting, and the result of the voting. The minutes shall be signed by the chairman and at least one other person elected by the Bondholders' Meeting. The minutes shall be deposited with the Bond Trustee and shall be available to the Bondholders.
- (j) The Bondholders, the Bond Trustee and – provided the Bonds are listed – representatives of the Exchange, have the right to attend the Bondholders' Meeting. The chairman may grant access to the meeting to other parties, unless the Bondholders' Meeting decides otherwise. Bondholders may attend by a representative holding proxy. Bondholders have the right to be assisted by an advisor. In case of dispute the chairman shall decide who may attend the Bondholders' Meeting and vote for the Bonds.
- (k) Representatives of the Issuer have the right to attend the Bondholders' Meeting. The Bondholders' Meeting may resolve that the Issuer's representatives may not participate in particular matters. The Issuer has the right to be present under the voting.

22-3**Resolutions passed at Bondholders' Meetings**

- (a) At the Bondholders' Meeting each Bondholder may cast one vote for each Voting Bond owned at close of business on the day prior to the date of the Bondholders' Meeting in accordance with the records registered in the Securities Depository. The Bond Trustee may, at its sole discretion, accept other evidence of ownership. Whoever opens the Bondholders' Meeting shall adjudicate any question concerning which Bonds shall count as the Issuer's Bonds. The Issuer's Bonds shall not have any voting rights.
- (b) For this purpose, a Bondholder that has a Bond that is nominee registered shall be deemed as the Bondholder of such Bond (instead of the nominee) provided that the Bondholder presents relevant evidence stating that the relevant Bondholder is the Bondholder of the Bond and the amount of Bonds held by such Bondholder.
- (c) In all matters, the Issuer, the Bond Trustee and any Bondholder have the right to demand vote by ballot. In case of parity of votes, the chairman shall have the deciding vote, regardless of the chairman being a Bondholder or not.
- (d) Subject always to Clauses 22.3(h) and (i) below, in order to form a quorum, at least half (1/2) of the Voting Bonds must be represented at the meeting, see however Clause 22.4. Even if less than half (1/2) of the Voting Bonds are represented, the Bondholders' Meeting shall be held and voting completed.
- (e) Resolutions shall be passed by simple majority of the Voting Bonds represented at the Bondholders' Meeting, unless otherwise set out in paragraph (f).
- (f) In the following matters, a majority of at least 2/3 of the Voting Bonds represented at the Bondholders' Meeting is required for:
- (I) amendment of the terms of this Bond Agreement regarding the interest rate, the tenor, redemption price and other terms and conditions affecting the cash flow of the Bonds;
- (II) transfer of rights and obligations of this Bond Agreement to another issuer; or
- (III) change of Bond Trustee.
- (g) If giving effect to any resolution passed in a Bondholders' Meeting (in the Security Agent's opinion) impose new or additional obligations on or withdraw or reduce the individual rights of:
- (I) the Tranche A Bondholder or (if there is more than one Tranche A Bondholder) the Tranche A Bondholders; and/or
- (II) the Tranche B Bondholders; and/or
- (III) the Bond Trustee,

reduction of rights) and/or the Bond Trustee (if the Bond Trustee is so affected by such new or additional obligations or withdrawal or reduction of rights).

- (h) For the benefit of the Tranche A Bondholder, the Tranche B Bondholders irrevocably waive their right (i) to vote in any matter to become before a Bondholders' Meeting with respect to the Multi-Client Libraries or the Specified Floating Charges or (ii) otherwise to instruct the Bond Trustee and/or the Security Agent in any manner with respect thereto and, if a Bondholders' Meeting is held with respect to the Multi-Client Libraries or the Specified Floating Charges, the Tranche B Bonds will not count towards the Voting Bonds for the purpose of determining the quorum for that meeting, and only the Tranche A Bonds will count towards the Voting Bonds required for the quorum for that meeting.
- (i) For the benefit of the Tranche B Bondholders, the Tranche A Bondholder irrevocably waives its right (i) to vote in any matter to become before a Bondholders' Meeting with respect to any Security Interest (other than the Multi-Client Libraries) or the Security Documents (other than the Specified Floating Charges) or (ii) otherwise to instruct the Bond Trustee and/or the Security Agent in any manner with respect thereto and, if a Bondholders' Meeting is held with respect to the Security Interest (other than the Multi-Client Libraries) or the Security Documents (other than the Specified Floating Charges), the Tranche A Bonds will not count towards the Voting Bonds for the purpose of determining the quorum for that meeting, and only the Tranche B Bonds will count towards the Voting Bonds required for the quorum for that meeting.
- (j) The Bondholders' Meeting may not adopt resolutions which may give certain Bondholders or others an unreasonable advantage at the expense of other Bondholders.
- (k) The Bond Trustee shall ensure that resolutions passed at the Bondholders' Meeting are properly implemented, however, the Bond Trustee may refuse to carry out resolutions being in conflict with this Bond Agreement (or any other Finance Document) or any applicable law.
- (l) The Issuer, the Bondholders and the Exchange shall be notified of resolutions passed at the Bondholders' Meeting
- 22-4**
- Repeated Bondholders' Meeting**
- (a) If the Bondholders' Meeting does not form a quorum pursuant to paragraph (d) of Clause 22.3, a repeated Bondholders' Meeting may be summoned to vote on the same matters. The attendance and the voting result of the first Bondholders' Meeting shall be specified in the summons for the repeated Bondholders' Meeting.
- (b) The procedures and resolutions as set out in 22.2 and 22.3 above also apply for a repeated Bondholders' Meeting, however, a valid resolution may be passed at a repeated Bondholders' Meeting even though less than half (1/2) of the Voting Bonds are represented.
- 23.**
- THE BOND TRUSTEE**
- 23-1**
- The role and authority of the Bond Trustee**
- (a) The Bond Trustee shall monitor the compliance by the Issuer of its obligations under this Bond Agreement and applicable laws and regulations which are relevant to the terms of this Bond Agreement, including supervision of timely and correct payment of principal or

interest, (however, this shall not restrict the Bond Trustee from discussing matters of confidentiality with the Issuer), arrange Bondholders' Meetings, and make the decisions and implement the measures resolved pursuant to this Bond Agreement. The Bond Trustee is not obligated to assess the Issuer's financial situation beyond what is directly set out in this Bond Agreement.

- (b) The Bond Trustee may take any step it in its sole discretion considers necessary or advisable to ensure the rights of the Bondholders in all matters pursuant to the terms of this Bond Agreement and is entitled to rely on advice from professional advisors. The Bond Trustee may in its sole discretion postpone taking action until such matter has been put forward to the Bondholders' Meeting. The Bond Trustee is not obliged to take any steps to ascertain whether any Event of Default has occurred and until it has actual knowledge or express notice to the contrary the Bond Trustee is entitled to assume that no Event of Default has occurred.
- (c) The Bond Trustee may make decisions binding for all Bondholders concerning this Bond Agreement, including amendments to this Bond Agreement and waivers or modifications of certain provisions, which in the opinion of the Bond Trustee, do not materially and adversely affect the rights or interests of the Bondholders pursuant to this Bond Agreement.
- (d) The Bond Trustee may reach decisions binding for all Bondholders in circumstances other than those mentioned in paragraph (c) above provided that prior notification has been made to the Bondholders. Such notice shall contain a proposal of the amendment and the Bond Trustee's evaluation. Further, such notification shall state that the Bond Trustee may not reach a decision binding for all Bondholders in the event that any Bondholder submits a written protest against the proposal within a deadline set by the Bond Trustee. Such deadline may not be less than five Business Days following the dispatch of such notification.
- (e) The Bond Trustee may reach other decisions than set out in paragraphs (c) or (d) above to amend or rectify decisions which due to spelling errors, calculation mistakes or other obvious errors do not have the intended meaning.
- (f) The Bond Trustee may not adopt resolutions which may give certain Bondholders or others an unreasonable advantage at the expense of other Bondholders.
- (g) The Issuer, the Bondholders and the Exchange shall be notified of decisions made by the Bond Trustee pursuant to this Clause 23.1 unless such notice obviously is unnecessary.
- (h) The Bondholders' Meeting can decide to replace the Bond Trustee without the Issuer's approval, as provided for in paragraph (f) of Clause 22.3.
- (i) The Bond Trustee may act as bond trustee and/or security agent for several bond issues relating to the Issuer notwithstanding potential conflicts of interest. The Bond Trustee may delegate exercise of its powers to other professional parties.
- (j) The Bond Trustee may instruct the Paying Agent to split the Bonds to a lower denomination in order to facilitate partial redemptions or restructuring of the Bonds or other situations.

23.2 Liability and indemnity

- (a) The Bond Trustee is liable only for direct losses incurred by Bondholders or the Issuer as a result of gross negligence or wilful misconduct by the Bond Trustee in performing its functions and duties as set out in this Bond Agreement. Such liability is limited to the maximum aggregate amount set out in Clause 2.3. The Bond Trustee is not liable for the content of information provided to the Bondholders on behalf of the Issuer, nor is the Bond Trustee liable in any respect for the execution, perfection, registration, filing, validity or enforceability of any Security Document.
- (b) The Issuer is liable for, and shall 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, agents and representatives) to fulfil its obligations under the terms of this Bond Agreement and any other Finance Document, 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 establishment and performance of this Bond Agreement and any other Finance Document.
- (c) The Bond Trustee can as a condition for carrying out an instruction from the Bondholders (including, but not limited to, instructions set out in paragraph (c)(i) of Clause 20.10 or paragraph (a)(ii) of Clause 22.2), require satisfactory security and indemnities for any possible liability and anticipated costs and expenses, from those Bondholders who requested that instruction and/or those who voted in favour of the decision to instruct the Bond Trustee. Any instructions from the Bondholders may be put forward to the Bondholders' Meeting by the Bond Trustee before the Bond Trustee takes any action.

23.3 Change of Bond Trustee

- (b) Change of Bond Trustee shall be carried out pursuant to the procedures set out in Clause 22. The Bond Trustee shall continue to carry out its duties as bond trustee until such time that a new Bond Trustee is elected. The fees and expenses of a new bond trustee shall be covered by the Issuer pursuant to the terms set out in Clause 19, but may be recovered wholly or partially from the Bond Trustee if the change is due to a breach by the Bond Trustee of its duties pursuant to the terms of this Bond Agreement or other circumstances for which the Bond Trustee is liable.

- (c) The Bond Trustee undertakes to co-operate so that the new bond trustee receives without undue delay following the Bondholders' Meeting the documentation and information necessary to perform the functions as set out under the terms of this Bond Agreement.

23.4 Appointment of Security Agent

- (a) The Bond Trustee is appointed to act as Security Agent for the Bond Issue and the Scan Bunk Credit Facility.
- (b) The functions, rights and obligations of the Security Agent may be determined by the Intercreditor Agreement, or by such other Security Agent agreement to be entered into between the Bond Trustee, Scan Bunk and the Security Agent, in each case which the Bond Trustee shall have the right to require each Obligor and any other parties to any Security Document to sign as a party, or, at the discretion of the Bond Trustee, to acknowledge.

- (c) Any changes to this Bond Agreement necessary or appropriate in connection with the appointment of a Security Agent shall be documented in an amendment to this Bond Agreement, signed by the Bond Trustee. The Bond Trustee shall at all times retain the right to instruct the Security Agent in all matters.
- (d) If so desired by the Bond Trustee or the Security Agent, any or all of the Security Documents shall be amended, assigned or re-issued, so that the Security Agent is the holder of the relevant Security (on behalf of the Bondholders and Scan Bank). The costs incurred in connection with such amendment, assignment or re-issue shall be for the account of the Issuer.
- 24. MISCELLANEOUS**
- 24.1 The community of Bondholders**
- (a) By virtue of holding Bonds, which are governed by this Bond Agreement (which pursuant to Clause 2.1 is binding upon all Bondholders), a community exists between the Bondholders, implying, inter alia, that:
- (I) the Bondholders are bound by the terms of this Bond Agreement and the other Finance Documents;
- (II) The Bond Trustee has power and authority to act on behalf of, and/or represent the Bondholders, in all matters, included but not limited to taking any legal or other action, including enforcement of the Bond Issue and/or any Security, opening of bankruptcy or other insolvency proceedings;
- (III) the Bond Trustee has, in order to manage the terms of this Bond Agreement, access to the Securities Depository to review ownership of Bonds registered in the Securities Depository; and
- (b) this Bond Agreement establishes a community between Bondholders meaning that:
- (I) the Bonds rank pari passu between each other;
- (II) the Bondholders may not, based on this Bond Agreement, act directly towards, and may not themselves institute legal proceedings against, any Obligor or any other third party based on claims derived from the Finance Documents, including but not limited to recover the Bonds, enforcing any Security Interest or pursuing claims against any party as a substitute for damages to the interests under the Finance Documents, regardless of claims being pursued on a contractual or non-contractual basis, however not restricting the Bondholders to exercise their individual rights derived from this Bond Agreement;
- (III) the Issuer may not, based on this Bond Agreement, act directly towards the Bondholders;
- (IV) the Bondholders may not cancel the Bondholders' community; and
- (V) the individual Bondholder may not resign from the Bondholders' community.
- 24.2 Defeasance**
- (a) The Issuer may, at its option and at any time, elect to have certain obligations discharged (see paragraph (b) below) upon complying with the following conditions (the "Bond Defeasance"):

- (I) the Issuer shall have irrevocably pledged to the Bond Trustee for the benefit of the Bondholders cash or government bonds accepted by the Bond Trustee, or other security accepted by the Bond Trustee, (the "Defeasance Security") in such amounts as will be sufficient for the payment of principal (including if applicable premium payable upon exercise of a Call Option) and interest on the Outstanding Bonds to Maturity Date (or upon an exercise of a Call Option plus applicable premium) or any other amount agreed between the Parties;
- (II) the Issuer shall have delivered to the Bond Trustee a duly signed certificate that the Defeasance Security was not made by the Issuer with the intent of preferring the Bondholders over any other creditors of the Issuer or with the intent of defeating, hindering, delaying or defrauding any other creditors of the Issuer or others; and
- (III) the Issuer shall have delivered to the Bond Trustee any certificate or legal opinion reasonably required by the Bond Trustee regarding the Bond Defeasance including (without limitation) any statements regarding the perfection and enforceability, rights against other creditors (including any hardening period) and any other issues regarding the Defeasance Security and/or the Bond Defeasance.
- (b) Upon the exercise by the Issuer of the Bond Defeasance:
- (I) all Obligors shall be released from the obligations under all provisions in Clauses 13-18, except paragraphs (a)(I), (a)(III), (a)(VI), (a)(VII), (a)(IX) and (a)(x) of Clause 14.1, or as otherwise agreed;
- (II) the Issuer shall not (and shall ensure that all Group Companies shall not) take any actions that may cause the value of the Defeasance Security to be reduced, and shall at the request of the Bond Trustee execute, such further actions as the Bond Trustee may reasonably require;
- (III) any Guarantor(s) shall be discharged from their obligations under the Guarantee(s), and the Guarantee(s) shall cease to have any legal effect, or as otherwise agreed;
- (IV) any Security other than the Defeasance Security shall be discharged; and
- (V) all other provisions of this Bond Agreement (except (I)-(III) above) shall remain fully in force without any modifications, or as otherwise agreed.
- (c) All amounts owed by the Issuer hereunder covered by the Defeasance Security shall be applied by the Bond Trustee, in accordance with the provisions of this Bond Agreement, against payment to the Bondholders of all sums due to them under this Bond Agreement on the due date thereof.
- (d) Any excess funds not required for the payment of principal, premium and interest to the Bondholders (including any expenses, fees etc. due to the Bond Trustee hereunder) shall be returned to the Issuer.
- (e) If the Bonds are secured, the Defeasance Security shall be considered as a replacement of the Security established prior to the Defeasance Security.

24.3 Limitation of claims

All claims under the Bonds and this Bond Agreement for payment, including interest and principal, shall be subject to the time-bar provisions of the Norwegian Limitation Act of May 18, 1979 No. 18.

24.4 Access to information

(a) This Bond Agreement is available to anyone and copies may be obtained from the Bond Trustee or the Issuer. The Bond Trustee shall not have any obligation to distribute any other information to the Bondholders or others than explicitly stated in this Bond Agreement. The Issuer shall ensure that a copy of this Bond Agreement is available to the general public until all the Bonds have been fully discharged.

(b) The Bond Trustee shall, in order to carry out its functions and obligations under this Bond Agreement, have access to the Securities Depository for the purposes of reviewing ownership of the Bonds registered in the Securities Depository.

24.5 Amendments

All amendments of this Bond Agreement shall be made in writing, and shall unless otherwise provided for by this Bond Agreement, only be made with the approval of all parties hereto.

24.6 Notices, contact information

(a) Written notices, warnings, summons etc. to the Bondholders made by the Bond Trustee shall be sent via the Securities Depository with a copy to the Issuer and the Exchange. Information to the Bondholders may also be published at Stamdata only. Any such notice or communication shall be deemed to be given or made as follows:

- (I) if by letter via the Securities Depository, when sent from the Securities Depository; and
- (II) if by publication on Stamdata, when publicly available.
- (b) The Issuer's written notifications to the Bondholders shall be sent via the Bond Trustee, alternatively through the Securities Depository with a copy to the Bond Trustee and the Exchange.
- (c) Unless otherwise specifically provided, all notices or other communications under or in connection with this Bond Agreement between the Bond Trustee and any Obligor shall be given or made in writing, by letter, e-mail or fax. Any such notice or communication shall be deemed to be given or made as follows:
 - (I) if by letter, when delivered at the address of the relevant Party; or
 - (II) if by telefax, when received.
- (d) The Issuer and the Bond Trustee shall ensure that the other party is kept informed of changes in postal address, e-mail address, telephone and fax numbers and contact persons.
- (e) When determining deadlines set out in this Bond Agreement, the following shall apply (unless otherwise stated):
 - (I) If the deadline is set out in days, the first day when the deadline is in force shall not be inclusive, however, the meeting day or the occurrence the deadline relates to, shall be included.

(II) If the deadline is set out in weeks, months or years, the deadline shall 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 shall be the last day of such month.

(III) If a deadline ends on a day which is not a Business Day, the deadline is postponed to the next Business Day.

24.7 Dispute resolution and legal venue

(a) This Bond Agreement and all disputes arising out of, or in connection with this Bond Agreement between the Bond Trustee, the Bondholders and any Obligor, shall be exclusively resolved by the courts of Norway, with the District Court of Oslo as sole legal venue.

(b) All disputes arising out of, or in connection with this Bond Agreement between the Bond Trustee, the Bondholders and any Obligor, shall, subject to paragraph (c) below, be exclusively resolved by the courts of Norway, with the District Court of Oslo as sole legal venue.

(c) Paragraph (b) above is for the benefit of the Bond Trustee only. As a result, the Bond Trustee shall not be prevented from taking proceedings relating to a dispute in any other courts with jurisdiction. To the extent allowed by law, the Bond Trustee may take concurrent proceedings in any number of jurisdictions.

24.8 Process Agent

For the purpose of notifications and service of process in relation to any suit, action or proceeding to be brought against the Issuer, the Parent and each other non-Norwegian Obligor in connection with this Bond Agreement, including but not limited to receipt of notices (Norwegian: "motta varsler") and acceptance of service of process (Norwegian: "vedta forkynnelse"), the Issuer, the Parent and each other non-Norwegian Obligor hereby unconditionally and irrevocably appoints Seabird Exploration Shipping AS as its agent (Norwegian: "representant") for delivery and acceptance of any such notices and any such process, and Seabird Exploration Shipping AS hereby irrevocably accepts such appointment.

This Bond Agreement has been executed in two originals, of which the Issuer and the Bond Trustee retain one each.

Oslo, 2 March 2015

SeaBird Exploration Finance Limited
Issuer

Nordic Trustee ASA
Bond Trustee

.....

.....

(name in block letters)

(name in block letters)

(Position)

(Position)

Nordic Trustee ASA
Security Agent

.....

(name in block letters)

(name in block letters)

SeaBird Exploration PLC
Parent

.....

(name in block letters)

(Position)

SeaBird Exploration PLC
Original Guarantor

.....

(name in block letters)

(Position)

Harrier Navigation Company Ltd
Original Guarantor

.....

(name in block letters)

(Position)

Aquila Explorer Inc.
Original Guarantor

.....

(name in block letters)

(Position)

Osprey Navigation Company Inc.
Original Guarantor

.....

(name in block letters)

Sana Navigation Company Limited
Original Guarantor

.....

(name in block letters)

(Position)

Biliria Marine Company Ltd.
Original Guarantor

.....

(name in block letters)

(Position)

Munin Navigation Company Ltd.
Original Guarantor

.....

(name in block letters)

(Position)

(Position)

Hawk Navigation Company Ltd.
Original Guarantor

.....

(name in block letters)

(Position)

Oreo Navigation Company Ltd.
Original Guarantor

.....

(name in block letters)

(Position)

SeaBird Exploration Multi-Client Ltd.
Original Guarantor

.....

(name in block letters)

(Position)

SeaBird Exploration Cyprus Ltd.
Original Guarantor

.....

(name in block letters)

(Position)

Raven Navigation Company Ltd.
Original Guarantor

.....

(name in block letters)

(Position)

SeaBird Exploration Asia Pacific PTE Ltd.
Original Guarantor

.....

(name in block letters)

(Position)

SeaBird Exploration Shipping AS
Original Guarantor

.....

(name in block letters)

(Position)

SCHEDULE 1***The Original Guarantors***

Name of Original Guarantor	Jurisdiction	Registration number (or equivalent)
SeaBird Exploration PLC	Cyprus	C259593
Aquila Explorer Inc.	Panama	Public Deed no. 19,858 of August 17, 2006
Osprey Navigation Company Inc.	Panama	Public Deed no. 22,064 of September 11, 2006
Sana Navigation Company Ltd.	Cyprus	HE 100821
Harrier Navigation Company Ltd.	Cyprus	HE 171227
Biltria Marine Company Ltd.	Cyprus	HE 304475
Hawk Navigation Company Ltd.	Cyprus	HE 161326
Munin Navigation Company Ltd.	Cyprus	HE 194577
Oreo Navigation Company Ltd.	Cyprus	HE 92764
SeaBird Exploration Multi-Client Ltd.	Cyprus	HE 326686
SeaBird Exploration Cyprus Ltd.	Cyprus	HE 326624
SeaBird Exploration Asia Pacific PTE Ltd.	Singapore	201223807H
SeaBird Exploration Shipping AS	Norway	911 928 914
Raven Navigation Company Ltd	Cyprus	HE171774

SCHEDULE 2***Form of Compliance Certificate***

To: Nordic Trustee ASA
P.O. Box 1470 Vika
N-0116 Oslo
Norway

Fax: +47 22 87 94 10

E-mail: mail@trustee.no

Date: []

Dear Sirs,

SEABIRD EXPLORATION FINANCE LIMITED FIRST LIEN CALLABLE BOND ISSUE 2015/2018 – ISIN NO 001 0732043 and ISIN NO 001 0732076

- We refer to the bond agreement for the above bond issue (the "Bond Agreement") made between, among others, Nordic Trustee ASA as Bond Trustee on behalf of the Bondholders, and the undersigned as Issuer. Terms defined in the Bond Agreement have the same meaning when used in this Compliance Certificate unless given a different meaning in this Compliance Certificate
- We confirm that:
 - the Group has a Leverage Ratio of []:1.00; and
 - the Group has Free Cash of USD [] (or its equivalent).
- We confirm that no Event of Default is continuing.
- Attached hereto are:
 - a correct and updated list of any new agreements referenced in Clause 17.8;
 - a correct and updated list of the MC Inventory List; and
 - copies of our latest [Annual Financial Statements]/[Quarterly Financial Statements].
- We confirm that the information contained in the enclosed MC Inventory List is true and correct in all material respects.

Yours faithfully,
SeaBird Exploration PLC

By: _____
Name of authorised person

Enclosure: [copy of any written documentation]

SCHEDULE 3
Form of MC Inventory List

APPENDIX 2:

Financial information 2014 in respect of the Bond Issuer
and the guarantors of the Bond Issuer's obligations under SBX04
(except for the parent company guarantor)

STATEMENT OF FINANCIAL POSITION
Aquila Explorer Inc

	2014	2013
	US\$'000	US\$'000
ASSETS	Unaudited	Audited
Non current assets		
Property, plant and equipment	14,776	23,279
Multi client library	1,672	5,122
Non current loans receivable	-	11,264
	<u>16,448</u>	<u>39,665</u>
Current assets		
Inventories	620	637
Trade and other receivables	28,560	4,467
Cash and cash equivalents	9	6
	<u>29,189</u>	<u>5,110</u>
Total assets	45,638	44,775
EQUITY AND LIABILITIES		
Equity		
Share capital	10	10
Accumulated losses	(44,943)	(40,045)
Total equity	<u>(44,933)</u>	<u>(40,035)</u>
Non current liabilities		
Borrowings	-	82,361
	<u>-</u>	<u>82,361</u>
Current liabilities		
Trade and other payables	90,571	2,449
Borrowings	-	-
	<u>90,571</u>	<u>2,449</u>
Total liabilities	<u>90,571</u>	<u>84,810</u>
Total equity and liabilities	45,638	44,775

STATEMENT OF COMPREHENSIVE INCOME
Aquila Explorer Inc

	2014	2013
	US\$'000	US\$'000
	Unaudited	Audited
Revenue	27,472	17,836
Charter hire and operating expenses	(13,754)	(4,127)
Selling, general and administration expenses	(2,104)	(1,185)
Other income/(expense)	148	0
Earnings before interest, depreciation and amortization	11,762	12,524
Depreciation and amortization expense	(3,786)	(6,228)
Impairment	(9,211)	0
Earnings before interest and taxes	(1,234)	6,296
Net finance income/(expense)	695	228
Interest expense	(4,850)	(4,668)
Profit/(loss) before tax	(5,390)	1,856
Tax	0	0
Net profit/(loss) for the year	(5,390)	1,856
Other comprehensive income	0	0
Total comprehensive income for the year	(5,390)	1,856

STATEMENT OF FINANCIAL POSITION
Osprey Navigation Company Inc

	2014	2013
	US\$'000	US\$'000
ASSETS	Unaudited	Audited
Non current assets		
Property, plant and equipment	14,885	23,046
Multi client library	0	-
Non current loans receivable	-	8,739
	<u>14,885</u>	<u>31,785</u>
Current assets		
Inventories	579	386
Trade and other receivables	16,835	252
Cash and cash equivalents	183	140
	<u>17,597</u>	<u>778</u>
Total assets	32,482	32,563
EQUITY AND LIABILITIES		
Equity		
Share capital	42,986	10
Other revenue reserve	(10)	-
Accumulated losses	(44,433)	(37,668)
Total equity	<u>(1,457)</u>	<u>(37,658)</u>
Non current liabilities		
Borrowings	-	67,381
	<u>-</u>	<u>67,381</u>
Current liabilities		
Trade and other payables	32,382	2,840
Current tax liabilities	1,557	184
Borrowings	-	-
	<u>33,939</u>	<u>2,840</u>
Total liabilities	<u>33,939</u>	<u>70,221</u>
Total equity and liabilities	32,482	32,563

STATEMENT OF COMPREHENSIVE INCOME
Osprey Navigation Company Inc

	2014	2013
	US\$'000	US\$'000
	Unaudited	Audited
Revenue	14,902	17,676
Charter hire and operating expenses	-9,063	-8,461
Selling, general and administration expenses	-79	-384
Other income/(expense)	-943	44
Earnings before interest, depreciation and ar	4,816	8,875
Depreciation and amortization expense	-3,528	-4,180
Impairment	-4,104	0
Earnings before interest and taxes	-2,815	4,695
Net finance income/(expense)	434	165
Interest expense	-2,523	-4,017
Profit/(loss) before tax	-4,905	843
Tax	-1,869	473
Net profit/(loss) for the year	-6,773	1,316
Other comprehensive income	0	0
Total comprehensive income for the year	-6,773	1,316

STATEMENT OF FINANCIAL POSITION
Sana Navigation Company Inc

	2014	2013
	US\$'000	US\$'000
ASSETS	Unaudited	Audited
Non current assets		
Property, plant and equipment	14,875	18,612
Multi client library	-	436
Non current loans receivable	-	16,241
	<u>14,875</u>	<u>35,289</u>
Current assets		
Inventories	463	520
Trade and other receivables	29,710	395
Cash and cash equivalents	1	4
	<u>30,174</u>	<u>919</u>
Total assets	45,049	36,208
EQUITY AND LIABILITIES		
Equity		
Share capital	2	2
Other revenue reserve	11,513	5,778
Retained earnings	17,520	26,625
Total equity	<u>29,035</u>	<u>32,405</u>
Non current liabilities		
Borrowings	-	2,395
	<u>-</u>	<u>2,395</u>
Current liabilities		
Trade and other payables	15,846	1,224
Current tax liabilities	168	184
	<u>16,014</u>	<u>1,408</u>
Total liabilities	<u>16,014</u>	<u>3,803</u>
Total equity and liabilities	45,049	36,208

STATEMENT OF COMPREHENSIVE INCOME
Sana Navigation Company Inc

	2014	2013
	US\$'000	US\$'000
	Unaudited	Audited
Revenue	11,226	14,928
Charter hire and operating expenses	-9,927	-7,417
Selling, general and administration expenses	-734	-1,151
Other income/(expense)	35	31
Earnings before interest, depreciation and amortization	600	6,391
Depreciation and amortization expense	-3,844	-3,828
Impairment	-982	0
Earnings before interest and taxes	-4,226	2,563
Net finance income/(expense)	1,408	644
Interest expense	-566	-157
Profit/(loss) before tax	-3,384	3,050
Tax	-172	-184
Net profit/(loss) for the year	-3,557	2,866
Other comprehensive income	0	-
Total comprehensive income for the year	-3,557	2,866

STATEMENT OF FINANCIAL POSITION
Harrier Navigation Company Inc

	2014	2013
	US\$'000	US\$'000
ASSETS	Unaudited	Audited
Non current assets		
Property, plant and equipment	14,869	23,009
Non current loans receivable	-	14,958
	<u>14,869</u>	<u>37,967</u>
Current assets		
Inventories	399	182
Trade and other receivables	28,709	669
Cash and cash equivalents	10	7
	<u>29,117</u>	<u>858</u>
Total assets	43,986	38,825
EQUITY AND LIABILITIES		
Equity		
Share capital	2	2
Share premium	31,401	33,300
Accumulated losses	(8,657)	(8,383)
Total equity	<u>22,746</u>	<u>24,919</u>
Non current liabilities		
Borrowings	-	11,717
	<u>-</u>	<u>11,717</u>
Current liabilities		
Trade and other payables	20,105	1,415
Current tax liabilities	1,135	774
	<u>21,240</u>	<u>2,189</u>
Total liabilities	<u>21,240</u>	<u>13,906</u>
Total equity and liabilities	43,986	38,825

STATEMENT OF COMPREHENSIVE INCOME
Harrier Navigation Company Inc

	2014	2013
	US\$'000	US\$'000
	Unaudited	Audited
Revenue	8,137	14,000
Charter hire and operating expenses	-132	-3,170
Selling, general and administration expenses	-18	-693
Other income/(expense)	0	21
Earnings before interest, depreciation and amortization	7,987	10,158
Depreciation and amortization expense	-2,956	-4,303
Impairment	-5,331	
Earnings before interest and taxes	-301	5,855
Net finance income/(expense)	1,197	410
Interest expense	-1,020	-565
Profit/(loss) before tax	-124	5,700
Tax	-210	-387
Net profit/(loss) for the year	-333	5,313
Other comprehensive income	0	0
Total comprehensive income for the year	-333	5,313

STATEMENT OF FINANCIAL POSITION
Billiria Marine Company Ltd

	2014	2013
	US\$'000	US\$'000
ASSETS	Unaudited	Audited
Non current assets		
Property, plant and equipment	250	4,604
	250	4,604
Current assets		
Inventories	1,671	914
Trade and other receivables	43,374	391
Cash and cash equivalents	3	5
	45,048	1,310
Total assets	45,298	5,914
EQUITY AND LIABILITIES		
Equity		
Share capital	-	1
Accumulated losses	(30,443)	(6,920)
Total equity	(30,443)	(6,919)
Non current liabilities		
Borrowings	-	9,003
	-	9,003
Current liabilities		
Trade and other payables	75,741	3,830
	75,741	3,830
Total liabilities	75,741	12,833
Total equity and liabilities	45,298	5,914

STATEMENT OF COMPREHENSIVE INCOME
Billiria Marine Company Ltd

	2014	2013
	US\$'000	US\$'000
	Unaudited	Audited
Revenue	-	7,474
Charter hire and operating expenses	-13,953	-12,413
Selling, general and administration expenses	-148	0
Other income/(expense)	0	127
Earnings before interest, depreciation and amortization	-16,276	-4,812
Depreciation and amortization expense	-1,986	-1,261
Impairment	-3,905	0
Earnings before interest and taxes	-22,167	-6,073
Net finance income/(expense)	1,835	-158
Interest expense	-3,190	-689
Profit/(loss) before tax	-23,522	-6,920
Tax	-1	0
Net profit/(loss) for the year	-23,522	-6,920
Other comprehensive income	0	0
Total comprehensive income for the year	-23,522	-6,920

STATEMENT OF FINANCIAL POSITION
Hawk Navigation Company Ltd

	2014	2013
	US\$'000	US\$'000
ASSETS	Unaudited	Audited
Non current assets		
Property, plant and equipment	14,891	18,414
	14,891	18,414
Current assets		
Inventories	222	745
Trade and other receivables	23,365	506
Cash and cash equivalents	4	4
	23,591	1,255
Total assets	38,482	19,669
EQUITY AND LIABILITIES		
Equity		
Share capital	4	2
Share premium	48,760	28,000
Revaluation reserve	(2)	-
Accumulated losses	(48,330)	(41,266)
Total equity	431	(13,264)
Non current liabilities		
Borrowings	-	22,393
	-	22,393
Current liabilities		
Trade and other payables	33,000	1,235
Current tax liabilities	0	9,305
Borrowings	5,051	10,540
	38,051	32,933
Total liabilities	38,051	32,933
Total equity and liabilities	38,482	19,669

STATEMENT OF COMPREHENSIVE INCOME
Hawk Navigation Company Ltd

	2014	2013
	US\$'000	US\$'000
	Unaudited	Audited
Revenue	3,455	2,081
Charter hire and operating expenses	-2,347	-2,419
Selling, general and administration expenses	-240	0
Other income/(expense)	0	0
Earnings before interest, depreciation and amortization	867	-338
Depreciation and amortization expense	-3,372	-2,662
Impairment	-2,154	0
Earnings before interest and taxes	-4,659	-3,000
Net finance income/(expense)	1,079	-69
Interest expense	-3,486	-2,448
Profit/(loss) before tax	-7,066	-5,517
Tax	0	-
Net profit/(loss) for the year	-7,067	-5,517
Other comprehensive income	0	0
Total comprehensive income for the year	-7,067	-5,517

STATEMENT OF FINANCIAL POSITION
Munin Navigation Company Inc

	2014	2013
	US\$'000	US\$'000
ASSETS	Unaudited	Audited
Non current assets		
Property, plant and equipment	656	4,133
	656	4,133
Current assets		
Trade and other receivables	27,517	5,163
Cash and cash equivalents	2	3
	27,519	5,166
Total assets	28,175	9,299
EQUITY AND LIABILITIES		
Equity		
Share capital	4	2
Share premium	47,771	27,700
Accumulated losses	(50,001)	(45,903)
Total equity	(2,226)	(18,201)
Non current liabilities		
Borrowings	-	26,360
	-	26,360
Current liabilities		
Trade and other payables	30,401	1,140
	30,401	1,140
Total liabilities	30,401	27,500
Total equity and liabilities	28,175	9,299

STATEMENT OF COMPREHENSIVE INCOME
Munin Navigation Company Inc

	2014	2013
	US\$'000	US\$'000
	Unaudited	Audited
Revenue	18,658	17,865
Charter hire and operating expenses	-13,210	-15,862
Selling, general and administration expenses	-4,304	-2,800
Other income/(expense)	0	75
Earnings before interest, depreciation and amortization	1,144	-722
Depreciation and amortization expense	-2,197	-1,938
Impairment	-1,994	
Earnings before interest and taxes	-3,047	-2,660
Net finance income/(expense)	1,007	-55
Interest expense	-2,620	-1,424
Profit/(loss) before tax	-4,660	-4,139
Tax	561	-212
Net profit/(loss) for the year	-4,099	-4,351
Other comprehensive income	0	0
Total comprehensive income for the year	-4,099	-4,351

STATEMENT OF FINANCIAL POSITION
Oreo Navigation Company Inc

	2014	2013
	US\$'000	US\$'000
ASSETS	Unaudited	Audited
Non current assets		
Property, plant and equipment	3,052	6,344
	3,052	6,344
Current assets		
Inventories	460	920
Trade and other receivables	41,548	271
Cash and cash equivalents	0	1
	42,009	1,192
Total assets	45,060	7,536
EQUITY AND LIABILITIES		
Equity		
Share capital	-	2
Retained earnings / (accumulated los:	(10,851)	838
Total equity	(10,851)	840
Non current liabilities		
Borrowings	-	4,119
	-	4,119
Current liabilities		
Trade and other payables	55,876	2,539
Current tax liabilities	35	38
	55,911	2,577
Total liabilities	55,911	6,696
Total equity and liabilities	45,060	7,536

STATEMENT OF COMPREHENSIVE INCOME
Oreo Navigation Company Inc

	2014	2013
	US\$'000	US\$'000
	Unaudited	Audited
Revenue	1,150	33,266
Charter hire and operating expenses	-9,207	-26,432
Selling, general and administration expenses	-8	-2,447
Other income/(expense)	49	178
Earnings before interest, depreciation and amortization	-8,016	4,565
Depreciation and amortization expense	-2,380	-2,554
Impairment	-669	0
Earnings before interest and taxes	-11,066	2,011
Net finance income/(expense)	2,279	-30
Interest expense	-2,906	-697
Profit/(loss) before tax	-11,692	1,284
Tax	-35	-38
Net profit/(loss) for the year	-11,728	1,246
Other comprehensive income	0	0
Total comprehensive income for the year	-11,728	1,246

STATEMENT OF FINANCIAL POSITION
SeaBird Exploration Multi-Client Ltd

	2014	2013
	US\$'000	US\$'000
ASSETS	Unaudited	
Non current assets		
Multi-client library	15,182	2,287
	15,182	2,287
Current assets		
Trade and other receivables	11,486	1
Cash and cash equivalents	6	-
	11,492	1
Total assets	26,674	2,288
EQUITY AND LIABILITIES		
Equity		
Share capital	-	1
Accumulated losses	(11,983)	(263)
Total equity	(11,983)	(262)
Non current liabilities		
Borrowings	-	2,550
	-	2,550
Current liabilities		
Trade and other payables	38,657	-
Total liabilities	38,657	-
Total equity and liabilities	26,674	2,288

STATEMENT OF COMPREHENSIVE INCOME
SeaBird Exploration Multi-Client Ltd

	2014	2013
	US\$'000	US\$'000
	Unaudited	Audited
Revenue	13,316	1,510
Charter hire and operating expenses	-11	0
Selling, general and administration expenses	-5,900	-250
Other income/(expense)	0	0
Earnings before interest, depreciation and amortization	7,406	-250
Depreciation and amortization expense	-12,180	0
Impairment	-6,137	0
Earnings before interest and taxes	-10,911	-250
Net finance income/(expense)	277	0
Interest expense	-1,084	-13
Profit/(loss) before tax	-11,719	-263
Tax	0	0
Net profit/(loss) for the year	-11,719	-263
Other comprehensive income	0	0
Total comprehensive income for the year	-11,719	-263

STATEMENT OF FINANCIAL POSITION
SeaBird Exploration Cyprus Ltd

	2014	2013
	US\$'000	US\$'000
ASSETS	Unaudited	Audited
Non current assets		
Property, plant and equipment	159	-
Non current loans receivable	-	2,550
Goodwill	650	-
	<u>809</u>	<u>2,550</u>
Current assets		
Trade and other receivables	75,901	1,498
Cash and cash equivalents	<u>308</u>	<u>1,498</u>
	<u>76,209</u>	<u>1,498</u>
Total assets	77,018	4,048
EQUITY AND LIABILITIES		
Equity		
Share capital	-	1
Accumulated losses	<u>(8,525)</u>	<u>(17)</u>
Total equity	<u>(8,525)</u>	<u>(16)</u>
Non current liabilities		
Borrowings	-	4,034
	<u>-</u>	<u>4,034</u>
Current liabilities		
Trade and other payables	85,267	30
Current tax liabilities	<u>277</u>	<u>-</u>
Borrowings	-	30
Total liabilities	<u>85,544</u>	<u>4,064</u>
Total equity and liabilities	77,018	4,048

STATEMENT OF COMPREHENSIVE INCOME
SeaBird Exploration Cyprus Ltd

	2014	2013
	US\$'000	US\$'000
	Unaudited	
Revenue	61,855	3,789
Charter hire and operating expenses	-68,179	-3,602
Selling, general and administration expenses	-3,300	-196
Other income/(expense)	2,017	0
Earnings before interest, depreciation and amortization	-7,607	-9
Depreciation and amortization expense	0	0
Impairment	0	0
Earnings before interest and taxes	-7,608	-9
Net finance income/(expense)	2,609	13
Interest expense	-2,788	-21
Profit/(loss) before tax	-7,787	-17
Tax	-501	0
Net profit/(loss) for the year	-8,288	-17
Other comprehensive income	0	0
Total comprehensive income for the year	-8,288	-17

STATEMENT OF FINANCIAL POSITION
SeaBird Exploration Asia Pacific PTE Ltd

	31 Dec 2014	31 Dec 2013
	US\$'000	US\$'000
ASSETS	Unaudited	Audited
Non current assets		
Property, plant and equipment	-	40,810
Non current loans receivable	-	-
Goodwill	-	40,810
Current assets		
Trade and other receivables	51,721	464
Cash and cash equivalents	11	1,249
	<u>51,732</u>	<u>1,713</u>
Total assets	51,732	42,523
EQUITY AND LIABILITIES		
Equity		
Share capital	2,006	0
Accumulated losses	(3,511)	(686)
Total equity	<u>(1,505)</u>	<u>(686)</u>
Non current liabilities		
Borrowings	-	42,967
	<u>-</u>	<u>42,967</u>
Current liabilities		
Trade and other payables	52,861	241
Current tax liabilities	376	-
Borrowings	-	-
	<u>53,237</u>	<u>241</u>
Total liabilities	<u>53,237</u>	<u>43,208</u>
Total equity and liabilities	51,732	42,523

STATEMENT OF COMPREHENSIVE INCOME
SeaBird Exploration Asia Pacific PTE Ltd

	1 Jan 2014 - 31 Dec 2014	27 Sep 2012 - 31 Dec 2013
	US\$'000	US\$'000
	Unaudited	Audited
Revenue	22,234	62,309
Charter hire and operating expenses	-19,746	-54,011
Selling, general and administration expenses	-4,763	-6,215
Other income/(expense)	46	1,543
Earnings before interest, depreciation and amortization	-2,228	3,626
Depreciation and amortization expense	0	0
Impairment	0	0
Earnings before interest and taxes	-2,228	3,626
Net finance income/(expense)	2,668	0
Interest expense	-2,889	-1,298
Profit/(loss) before tax	-2,449	2,328
Tax	-376	-3,014
Net profit/(loss) for the year	-2,825	-686
Other comprehensive income	0	0
Total comprehensive income for the year	-2,825	-686

STATEMENT OF FINANCIAL POSITION
SeaBird Exploration Shipping Ltd

	31 Dec 2014	31 Dec 2013
	US\$'000 Unaudited	US\$'000 Audited
ASSETS		
Non current assets		
Investment in shares	82	82
Current assets		
Trade and other receivables	20,034	11,965
Cash and cash equivalents	0	12
	20,034	11,977
Total assets	20,117	12,059
EQUITY AND LIABILITIES		
Equity		
Share capital	9	5
Currency Translation Reserve	6	1
Accumulated losses	(184)	(127)
Total equity	(170)	(121)
Non current liabilities		
Borrowings	-	-
Current liabilities		
Trade and other payables	20,286	11,432
Current tax liabilities	-	748
Borrowings	-	-
Total liabilities	20,286	12,180
Total equity and liabilities	20,117	12,059

STATEMENT OF COMPREHENSIVE INCOME
SeaBird Exploration Shipping Ltd

	2014	2013
	US\$'000 Unaudited	US\$'000 Audited
Revenue	12,129	10,931
Charter hire and operating expenses	-10,750	-9,964
Selling, general and administration expenses	-1,100	-1,164
Other income/(expense)	134	134
Earnings before interest, depreciation and amortization	412	-62
Depreciation and amortization expense	0	0
Impairment	0	0
Earnings before interest and taxes	412	-62
Net finance income/(expense)	719	-28
Interest expense	-1,011	-43
Profit/(loss) before tax	120	-132
Tax	0	0
Net profit/(loss) for the year	120	-132
Other comprehensive income	0	0
Total comprehensive income for the year	120	-132

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STATEMENT OF FINANCIAL POSITION
Raven Navigation Company Ltd

	2014	2013
	US\$'000	US\$'000
ASSETS	Unaudited	Audited
Non current assets		
Multi-client library	5,610	4,703
Non-current loans receivable	5,610	15,365
		20,068
Current assets		
Trade and other receivables	20,618	1,335
	20,618	1,335
Total assets	26,228	21,403
EQUITY AND LIABILITIES		
Equity		
Share capital	2	2
Share premium	12,900	12,900
Accumulated losses	2,037	735
Total equity	14,939	13,637
Non current liabilities		
Borrowings	-	7,691
	-	7,691
Current liabilities		
Trade and other payables	11,242	24
Current tax liabilities	47	51
	11,289	75
Total liabilities	11,289	7,766
Total equity and liabilities	26,228	21,403

STATEMENT OF COMPREHENSIVE INCOME
Raven Navigation Company Ltd

	2014	2013
	US\$'000	US\$'000
	Unaudited	Audited
Revenue	3,049	1,510
Charter hire and operating expenses	20	-27
Selling, general and administration expenses	-309	-712
Other income/(expense)	0	2
Earnings before interest, depreciation and amortization	2,760	773
Depreciation and amortization expense	-1,960	-1,132
Impairment	0	
Earnings before interest and taxes	800	-359
Net finance income/(expense)	1,044	872
Interest expense	-546	-142
Profit/(loss) before tax	1,298	371
Tax	-47	-51
Net profit/(loss) for the year	1,252	320
Other comprehensive income	0	0
Total comprehensive income for the year	1,252	320

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