

NORSK TILLITSMANN

NORWEGIAN TRUSTEE

Denne melding til obligasjonseierne er kun utarbeidet på engelsk. For informasjon vennligst kontakt Norsk Tillitsmann ASA

To the bondholders in:

ISIN: 001 032604.4 - FRN SeaBird Exploration Ltd Open Bond Issue 2006/2009

Oslo, 13 July 2011

Summons to Bondholders' Meeting – Extension of Maturity - Amendment to Loan Agreement

Norsk Tillitsmann ASA (the “**Bond Trustee**” or “**Norsk Tillitsmann**”) is appointed as trustee for the above mentioned Bond Issue with ISIN 001 032604.4 (the “**Loan**”) where SeaBird Exploration plc is the Borrower (the “**Borrower**” or the “**Company**”).

All capitalized terms used herein and not otherwise defined herein shall have the meanings assigned thereto in the agreement for the Loan, as previously amended (the “**Loan Agreement**” or the “**Bond Agreement**”).

The information in this summons regarding the legal, operational and financial status of the Borrower is provided by the Borrower, and the Bond Trustee expressly disclaims all liability whatsoever related to such information.

The initial Maturity Date of the Loan is 14 July 2011. In order to extend the Maturity Date, the Borrower has engaged ABG Sundal Collier Norge ASA (“**ABGSC**”) and Fearnley Fonds ASA (“**Fearnleys**”) as its financial advisors in connection with the Restructuring Proposal as defined below. Bondholders may accordingly contact Nicolay Friis at ABGSC (tel.: +47 2201 6145 or e-mail: nicolay.friis@abgsc.no) or Thomas Berg-Nielsen at Fearnleys (tel.: +47 22 93 63 51 or e-mail: t.berg-nielsen@fearnleys.no) for further information. ABGSC and Fearnleys act solely for the Borrower and no one else in connection with the Restructuring Proposal. *No due diligence investigations have been carried out by ABGSC or Fearnleys with respect to the Borrower, and ABGSC and Fearnleys expressly disclaim any and all liabilities whatsoever in connection with the Restructuring Proposal.*

1. BACKGROUND INFORMATION

Reference is made to the stock exchange announcements by the Company on 13 July 2011.

2. THE PROPOSED RESTRUCTURING

The Company proposes a resolution to be passed by the Bondholders (the “**Restructuring Proposal**”), whereby the Loan is amended as follows:

- (i) extension of the maturity date of the Loan with two months from 14 July 2011 to 14 September 2011 (the “**Extended Maturity Date**”);
- (ii) repayment of the Bonds on the Extended Maturity Date at 104% of par value;

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- (iii) interest accrued as per 14 July 2011 shall be paid on 14 July 2011;
- (iv) in the period from and including 14 July 2011 and up to date of repayment, interest shall accrue at the rate set out in Clause 11.1 of the Loan Agreement, i.e. 3 months NIBOR plus 9.25 percentage points (the "Extension Interest Rate"), and
- (v) a call option for the Company (the "Issuer's Call Option") shall be introduced pursuant to which the Company may redeem the remaining Loan in whole or in part (together with accrued unpaid interest): (a) at any time on or before 1 August 2011 at 101% of par value, (b) at any time in the period from and including 2 August 2011 to and including 1 September 2011 at 103% of par value, or (c) at any time from and including 2 September 2011 at 104% of par value. Settlement of the Issuer's Call Option shall take place within five Banking Days following the date of exercise. For the avoidance of doubt, the call premium applies for the date of exercise of the call option, and not the settlement date of the call. When exercising the Issuer's Call Option, the Issuer shall notice the Bond Trustee, who shall publish a notice informing the Bondholders at the Stamdata web site. The Issuer's shall notice the Bond Trustee before 14:00 (Oslo time) on a business day in order for that date's call price to apply.

3. EVALUATION OF THE PROPOSAL

3.1 THE BORROWER'S EVALUATION

The Borrower is aiming to settle the Loan within 14 September 2011, through its operating activities, receiving compensation from sale of Multicient work and potential settlement of some long overdue outstanding receivable. An additional source for the Borrower will be to evaluate alternatives which will further strengthen the Company's financial position.

The two months postponement will give the Borrower valuable time to conclude dialogs with prospective clients to improve the Company's backlog in order to strengthen the basis for refinancing.

The Company acknowledges that significant concessions are required from the Bondholders, however firmly believes that the Restructuring Proposal represents a necessary and balanced proposal.

The Borrower has informed the Bond Trustee that Bondholders representing in excess of 2/3 of the outstanding Bond Issue have granted their pre-approval to the Restructuring Proposal and have irrevocably undertaken to vote in favor of the Proposal in the Bondholders' meeting.

3.2 THE BOND TRUSTEE'S EVALUATION

The Bond Trustee puts the requests forward to the Bondholders without further evaluation or recommendation, and amplifies that each Bondholder cast its vote on the Bondholders' meeting based on its own judgment. The Bond Trustee point out that each Bondholder may seek separate counsel in order to evaluate the Restructuring Proposal.

4. SUMMONS TO BONDHOLDERS, MEETING

To enable the Borrower to conduct the proposed change of the Loan Agreement, the Borrower has requested the Bond Trustee to summon a Bondholders' meeting to consider the approval of the Proposal.

Bondholders are hereby summoned to a Bondholders' meeting:

Time: Thursday 21 July 2011 at 13:00 hours (Oslo time),
Place: The premises of Norsk Tillitsmann ASA,
Haakon VIIs gt 1, 01061 Oslo - 5th floor

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Agenda:

1. Approval of the summons.
2. Approval of the agenda.
3. Election of two persons to co-sign the minutes together with the chairman.
4. Consent to the Restructuring Proposal

It is proposed that:

- (i) the Bondholders' meeting resolve the Restructuring Proposal as set forth in Clause 2 above, and
- (ii) the Bondholders' meeting authorise the Bond Trustee (a) to complete the negotiation of form, terms, conditions and timing in relation to the Restructuring Proposal, without any obligation to notify the Bondholders as provided for in Clause 16.2 of the Loan Agreement, and (b) to enter into the necessary agreements in connection with documenting the decisions made by the Bondholders' meeting as well as to carry out the necessary completion work, including making amendments to the Loan Agreement.

To approve the above resolution, Bondholders representing at least 2/3 of the Bonds represented in person or by proxy at the meeting must vote in favour of the resolution. In order to have a quorum, at least 2/10 of the voting Bonds must be represented at the meeting. If the proposal is not adopted, the Bond Agreement will remain unchanged.

Please find attached a Bondholder's Form from the Securities Depository (VPS), indicating your bondholding at the printing date. The Bondholder's Form will serve as proof of ownership of the Bonds and of the voting rights at the Bondholders' meeting. (If the bonds are held in custody - i.e. the owner is not registered directly in the VPS - the custodian must confirm; (i) the owner of the Bonds, (ii) the aggregate nominal amount of the Bonds and (iii) the account number in VPS on which the Bonds are registered.)

The individual bondholder may authorise the Norsk Tillitsmann to vote on its behalf, in which case the Bondholder's Form also serves as a proxy. A duly signed Bondholder's Form, authorising Norsk Tillitsmann to vote, must then be returned to Norsk Tillitsmann in due time before the meeting is scheduled (by scanned e-mail, telefax or post – please see the first page of this letter for further details).

In the event that Bonds have been transferred to a new owner after the Bondholder's Form was made, the new Bondholder must bring to the Bondholders' meeting or enclose with the proxy, as the case may be, evidence which the Bond Trustee accepts as sufficient proof of the ownership of the Bonds.

For practical purposes, we request those who intend to attend the bondholders' meeting, either in person or by proxy other than to Norsk Tillitsmann, to notify Norsk Tillitsmann by telephone or by e-mail (as set out at the first page of this letter) within 16:00 hours (4 pm) (Oslo time) the Banking Day before the meeting takes place.

Yours sincerely

Norsk Tillitsmann ASA


Jo Forfang

Enclosure: - VPS Statement /Power of attorney form.