

Appendix to item 8 in the notice to convene General Meeting:

General guidelines for P/F Atlantic Petroleum (hereinafter referred to as the Company) regarding incentive payment to the Board of Directors and the Management Board.

According to the provisions of § 69 b in the Company's Act the Board of Directors of a Public Limited Company registered on a stock exchange shall make a resolution on general guidelines for the Company's incentive payment to the Board of Directors and the Management Board before entering into agreements in this respect with Members of the Board of Directors or of the Management Board of the Company. These general guidelines must be considered and adopted by the General Meeting of the Company.

General remarks

The Board of Directors of the Company finds that incentive schemes can be necessary to ensure that the Company is able to attract and maintain suitable corporate governance. The Board of Directors wants to connect this corporate governance close to the Company, distribute benefits to the Management for its contribution to long-term increase of the value of the Company and to benchmark, that the corporate governance and the shareholders have mutual interests in an increased market-value of the Company.

Thus the remuneration policy of the Company shall ensure appropriate corporate governance and create the frame for the long-term value creation for the Company's shareholders.

Remuneration to individual members of the Board of Directors and members of the Management Board is detailed in the Annual Report and will also be published on the Company's website under Investor Relations.

Board of Directors' remuneration

The Board of Directors of the Company is remunerated with a fixed fee. The remuneration is not linked to any incentive or performance related pay.

The remuneration is fixed at a certain level, which reflects the competences and efforts of the

Members of the Board of Directors, the activity of the Company, the scope of the work load and the number of board meetings.

The Chairman of the Board of Directors receives double the basic remuneration and the Deputy Chairman receives one and a half the basic remuneration.

According to the Articles of Association of the Company the Board of Directors can determine the remuneration fee of the Board of Directors up to a total annual remuneration of DKK 1,500,000 without obtaining an approval from the General Meeting of the Company.

Remuneration to the Management Board (being members of the Management Board of the Company as announced to the Faroese Company Registry)

The Members of the Management Board are contractually employed. The remuneration is reviewed and evaluated regularly and at least once a year on the initiative of the Board of Directors. All adjustments to existing management contracts should be made in writing and adopted by the Board of Directors.

The Board of Directors, within these guidelines, decides upon all aspects of the remuneration to the members of the Management Board, including severance terms.

The most important criteria to determine the level of the remuneration to the Members of the Management Board is the objective to ensure the Company's continued ability to attract and maintain the best qualified members to the Management Board.

The total remuneration to the Members of the Management Board is determined by consideration of market practice and the Company's specific needs.

Remuneration to the Members of the Management Board may include fixed salaries, non-share-based bonus arrangements, share-based variable remunerations, and pensions.

The total level for the non-variable elements of the remuneration is established in consideration of the market level, as e.g. the Company's size and development are taken into consideration.

Members of the Management Board can receive pensions as a part of the fixed remuneration.

Incentive remuneration can be given on the basis of all kinds of variable schemes, including incentive payments based on share-based remuneration schemes and payments based on non-share based bonus arrangements. Variable remuneration can be paid in shares in the Company or in cash, at the discretion of the Board of Directors of the Company.

Incentive remuneration can be agreed as a one-of payment or for a certain period of time.

Variable remuneration to the members of the Management Board is primarily fixed in consideration of how well the Members of the Management Board have reached the goals defined by the Board of Directors for the individual members of the Management Board.

The estimated Net Present Value (NPV) of the incentive scheme based on shares, covered by these guidelines, shall be calculated according to the applicable provisions in the International Financial Reporting Standards (IFRS).

Where the Company under an incentive scheme based on shares shall provide own shares to fulfil its obligations according to the incentive scheme, this can be made by the Company using own shares purchased back or by using own shares which the Company otherwise might possess or issue.

Publication and implementation of agreements on incentive remuneration

This remuneration policy is adopted by the Board of Directors of P/F Atlantic Petroleum and latest adopted by the General Meeting on 19th March 2011.

The Board of Directors is responsible for initiating any necessary adjustments and resubmitting any changes to the General Meeting for adoption.

A provision will be inserted into the Articles of Association of the Company stating that the General Meeting of the Company has considered and adopted general guidelines for the Company's incentive payment to the Board of Directors and the Management Board in accordance with clause 69 b subclause 2 of the Company's Act.

Agreements on incentive schemes cannot be made until the day after approved guidelines have been published on the Company's website (www.petroleum.fo).