



To the bondholders in:

ISIN: NO 001 0635865

ISIN: NO 001 0703192

ISIN: NO 001 0657802

FRN DOF ASA Senior Unsecured Bond Issue 2012/2017

FRN DOF ASA Senior Unsecured Bond Issue 2014/2018

FRN DOF ASA Senior Unsecured Bond Issue 2012/2019

Oslo, 21 June 2016

CONDITIONAL BUY-BACK OF THE SUBORDINATED CONVERTIBLE BOND

Reference is made to the summons letter for the abovementioned Bond Issues dated 21 June 2016 (the "**Summons Letter**").

All capitalized terms used herein, and not otherwise defined, shall have the meaning assigned to them in the Summons Letter.

Background

The Company's largest shareholder, Møgster Offshore AS, will maintain a minimum ownership share of 40% on a fully diluted basis taken the Subordinated Convertible Bond into consideration. In the event that the Equity Issue as described above is fully subscribed, the Issuer will use the cash proceeds exceeding NOK 850 million (the "**Excess Cash Amount**") to offer to buy back the Subordinated Convertible Bond at 100% of par value.

Procedure

Investors holding the Subordinated Convertible Bond post-closing of the Restructuring, may at their sole discretion opt to sell the whole or parts of their holdings to the Issuer. Total buyback volume is dependent on the final amount raised in the Equity Issue.

Investors willing to sell, need to fill out the form (the "**Acceptance Form**") (enclosed hereto as Annex 2). In the event the total volume tendered for sale exceeds the Excess Cash Amount, the Issuer will allocate bonds purchased on a pro-rata basis. However, investors delivering the Acceptance Form to Pareto Securities AS as described below by no later than 16:00 hours (CET) on 28 June 2016 will get preferred allocation at the Issuer's discretion. For the avoidance of doubt, the Acceptance Form may be delivered to Pareto Securities AS up to 12:00 (CET) hours on 5 July 2016.



Cash settlement of the Subordinated Convertible Bonds acquired by the Issuer will be 3 business days after the settlement date for the Subordinated Convertible Bonds. All Subordinated Convertible Bonds acquired will be cancelled and the total outstanding amount of Subordinated Convertible Bonds will be adjusted accordingly.



DOF ASA

Mons Aase

Enclosed:
Annex 1 – Acceptance Form

Acceptance Form

To the bondholders in:

ISIN: NO 001 0635865	FRN DOF ASA Senior Unsecured Bond Issue 2012/2017
ISIN: NO 001 0703192	FRN DOF ASA Senior Unsecured Bond Issue 2014/2018
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Bondholders may subscribe for cash redemption of the Subordinated Convertible Bonds at 100% of par value using cash proceeds from the Equity Issue in excess of NOK 850 million as described in the summons letter for the abovementioned Bond Issues dated 21 June 2016.

We, _____, confirm the following:

1. We hereby subscribe for cash redemption of the Subordinated Convertible Bonds at 100% of par value.
Amount tendered: NOK _____
2. We hereby commit to vote in favour of the Proposal as set out in the summons letter for the abovementioned bond issues.

In the event the total volume tendered for sale exceeds the Excess Cash Amount, the Issuer will allocate bonds purchased on a pro-rata basis. However, Bondholders delivering the Acceptance Form to Pareto Securities AS by 28 June 2016 will get preferred allocation at the Issuer's discretion.

Place, date

Signature

Return:

Pareto Securities AS

Email: ingrid.helsingeng@paretosec.com
christian.ramm@paretosec.com