

To the bondholders in:

ISIN: NO0010694599 - Cecon Shipping 2 AS Tranche B2 Senior Secured Callable and Putable Bond Issue 2013/2015 with Warrants

ISIN: NO0010744808 - Cecon Shipping 1 AS Tranche C2 Senior Secured Callable and Putable Bond Issue 2014/2015

ISIN: NO0010744832 - Cecon Shipping 1 AS Tranche C3 Senior Secured Callable and Putable Bond Issue 2015/2015

ISIN: NO0010744816 - Cecon Shipping 1 AS Tranche C1 Senior Secured Callable and Putable Bond Issue 2013/2015

ISIN: NO0010726086 - Cecon Shipping 3 AS Tranche D Senior Secured Callable and Putable Bond Issue 2014/2016

Oslo, 25 April 2016

Notice of Default

Nordic Trustee ASA (the “**Bond Trustee**”) acts as bond trustee for the Bondholders in the abovementioned bond issues (the “**Bond Issues**”), where Cecon Shipping 3 AS, Cecon Shipping 2 AS and Cecon Shipping 1 AS are the Issuers, (the “**Issuers**”).

The Issuers for the abovementioned Bond Issues have not redeemed the Bonds on the Maturity Date, being 31 March 2016, in accordance with Addendum No. 20 to the Bond Agreement, dated 21 February 2016. This constitutes an Event of Default pursuant to Clause 15 (*Events of Default*) in the Bond Agreement.

The Bond Issue with ISIN NO0010726086 (“**Tranche D Bonds**”) with Maturity Date 17 December 2016 deems to be in default as of 31 March 2016, due to the failure to redeem all other outstanding Bond Issues issued by the Issuers.

Please be advised that the Bond Trustee today has sent a notice to the Issuers containing a declaration of default for the Bond Issues due to the Issuers’ failure to redeem the Bonds on the Maturity Date, in accordance with the Bond Agreement.

The Bond Trustee has for now not declared the Bonds to be due for immediate payment. However, all rights and remedies which the Bond Trustee (on behalf of the Bondholders) may have are reserved.

Please further note that the Bond Trustee is currently monitoring the situation and has been informed that the Parent Guarantor is together with certain bondholders in the abovementioned Bond Issues trying to resolve the situation at Davie Yard as well as negotiating a general restructuring of the capital structure of the Group with all stakeholders.

Any questions in relation to the above may be directed to:

Vivian Trøsch

E-mail: trosch@nordictrustee.com

Telephone: +47 22 87 94 22

Yours sincerely

A handwritten signature in blue ink, consisting of several loops and horizontal strokes, positioned above the printed name.

Nordic Trustee ASA
Vivian Trøsch