

# WARRANT AGREEMENT

between

**GOLDEN ENERGY OFFSHORE SERVICES AS**

as Company

and

**[OAKTREE]**

as Warrant Holder

\_\_\_\_ July 2022

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This agreement regarding issuance of warrants (the "**Agreement**") is entered into on \_\_\_\_ July 2022 between:

- 1 **GOLDEN ENERGY OFFSHORE SERVICES AS**, a Norwegian limited liability company with registration number 913 011 384 and registered offices at St. Olavs plass 1, N-6002 Ålesund, Norway as issuer (the "**Company**"); and
- 2 **[OAKTREE]**, a [•] limited liability company with [registration number [•] and] registered offices at [•] as holder (the "**Warrant Holder**").

Each a "**Party**" and, together, the "**Parties**".

## 1 BACKGROUND

- a) By a senior secured credit facilities agreement dated [•] July 2022 (the "**Senior Facilities Agreement**") between, among others, [•] as borrower (the "**Borrower**"), the Company as guarantor and [•] as lender, the lender agreed to make available:
  - (i) senior secured credit facilities in the initial amount of up to USD 45,000,000 in three tranches defined as "Facility A", "Facility B" and "Facility C" respectively in the Senior Facilities Agreement; and
  - (ii) an uncommitted accordion facilities in the amount of up to USD 35,000,000.
- b) It is a condition under the Senior Facilities Agreement that the Company shall issue stand-alone subscription rights/warrants (in Norwegian: *frittstående tegningsretter*) to the Warrant Holder in such number which at all times ensures that the Warrant Holder (or its transferee) in aggregate can acquire ordinary shares in the Company representing no less than up to 50% of all ordinary shares in the Company after issuance of the shares comprised by the subscription rights (i.e. 100% of the Company's share capital prior to the exercise of the subscription rights),.
- c) At an extraordinary general meeting of the Company held on 13 July 2022 (the "**EGM**"), it was resolved to issue a total of 57,773,762 warrants (*Nw. frittstående tegningsretter*) to the Warrant Holder.
- d) The Parties have on this background entered into this Agreement.

## 2 DEFINITIONS

In this Agreement:

**"Athos Warrants"** means the up to 4,000,000 standalone subscription rights/warrants (in Norwegian: *frittstående tegningsretter*) in the Company as defined in section 11-12 of the Companies Act issued in favor of Athos Asia Event Driven Master Fund, FMAP ACL Limited, 405 ACM Global Opportunities Fund and New Holland Tactical Alpha Fund LP.

**"BOD Shares"** means 2,600,000 shares to be issued to the board of directors of the Company pursuant to the annual general meeting resolution of the Company on 10 June 2022.

**"Borrower"** has the meaning given to such term in Clause 1a) above.

**"Business Day"** means a day (other than a Saturday or Sunday) on which banks are open for general business in Oslo.

**"Companies Act"** means the Norwegian Private Limited Companies Act of 13 June 1997 No. 44 (No. *aksjeloven*).

**"EGM"** has the meaning ascribed to such term in clause 1c).

**"Exercise Price"** has the meaning given to such term in Clause 4.

**"Initial Warrants"** has the meaning given to such term in Clause 3a).

**"Issue Date"** means the date when the Warrant Shares are issued and delivered to the Warrant Holder in accordance with this Agreement.

**"Maturity Date"** means the date falling five (5) years following the Issue Date.

**"New Issuance Shares"** has the meaning given to such term in Clause **Error! Reference source not found.**,

**"Ordinary Shares"** means each ordinary share issued in the Company from time to time, which shall be fully paid and rank *pari passu* without any preference between them.

**"Put Option"** has the meaning given to such term in Clause 5.

**"Put Option Warrants"** has the meaning given to such term in Clause 5.

**"Senior Facilities Agreement"** has the meaning given to such term in Clause 1a) above.

**"Trailing Average Share Price"** has the meaning given to such term in Clause 5.

**"Warrants"** means any and all stand-alone subscription rights (in Norwegian: *frittstående tegningsretter*) in the Company as defined in section 11-12 of the Companies Act issued, or to be issued, in favour of the Warrant Holder in accordance with this Agreement.

**"Warrant Period"** means the period commencing on the Issue Date and ending on the Maturity Date.

**"Warrant Net Value"** has the meaning given to such term in Clause 5.

**"Warrant Notice"** means a simple notice to be delivered by the Warrant Holder to the Company when exercising the Warrants, such notice to confirm to the Company the details of the election by the Warrant Holder to exercise the Warrants, including the number of Warrants exercised.

**"Warrant Shares"** has the meaning given to such term in Clause 4.

### **3 GRANT OF WARRANTS**

- a) The Company hereby irrevocably and unconditionally undertakes at all times during the Warrant Period to procure the issuance of such number of Warrants in favour of the Warrant Holder which, post-issuance of the Warrant Shares comprised by such Warrants and on a fully diluted basis, represents and entitles the Warrant Holder to subscribe such number of Warrant Shares which equals no less than 50.0% of the total Ordinary Shares in the Company on the applicable Issue Date and on a

continuous basis during the Warranty Period, such number of Warrants as at the date of this Agreement being 57,773,762 Warrants (the "**Initial Warrants**").

- b) The Parties hereby agree that the Warrants shall entitle the Warrant Holder to subscribe a number of Warrant Shares, which in the aggregate post-issuance of the Warrant Shares comprised by such Warrants and on a fully diluted basis, represents 50.0% of the total Ordinary Shares in the Company on a continuous basis during the Warranty Period.
- c) If it by any circumstances pertaining to the Companies Act will be impossible to issue Warrant Shares pursuant to this Agreement, the Company is obliged to summon an extraordinary general meeting and to propose to issue new Ordinary Shares on the terms set out in this Agreement in accordance with the rules set out in the Companies Act for ordinary share capital increases, whereby the Warrant Holder is given the right and opportunity to subscribe a number of Ordinary Shares equal to the number of Warrant Shares for which the Warrants are exercised at the same subscription price per share as the subscription price pursuant to the exercised Warrants.
- d) The Company shall ensure the due registration of each Warrant issued to the Warrant Holder from time to time in the Norwegian Central Securities Depository (VPS) upon its issue.

#### **4 EXERCISE OF WARRANTS**

- a) The Warrant Holder may at any time during the Warrant Period exercise any Warrant by delivering a Warrant Notice to the Company. The Warrants shall be deemed exercised by the Warrant Holder on the date on which such Warrant Notice has been delivered to the Company in accordance with Clause 10.1 (*Notices*) below.
- b) Each Warrant will entitle the Warrant Holder to subscribe for one (1) Ordinary Share in the Company with a nominal value of NOK 1.00 per Ordinary Share issued (each a "**Warrant Share**") at a price of NOK 1.00 per Warrant Share to be settled in cash (the "**Exercise Price**") by the applicable Issue Date (if applicable as adjusted pursuant to clause 6.3).
- c) The Company shall upon receipt of a Warrant Notice without undue delay take all actions and steps required to give effect to the conversion of the Warrants, including but not limited to:
  - (i) procuring that all relevant consents, approvals and confirmations are obtained;
  - (ii) entering into and/or issue (as relevant) any document required to give effect to conversion of the Warrants;
  - (iii) ensuring due registration and delivery of the Warrant Shares in the Norwegian Central Securities Depository (VPS) upon its issue; and
  - (iv) ensuring the listing of the Warrant Shares on Euronext Growth,

all of the above to be completed no later than 25 Business Days following the Warrant Notice, provided however, that this deadline shall be extended to the extent required due to the handling process with the Norwegian Register of Business Enterprises (*Nw. Foretaksregisteret*).

- d) Warrant Shares issued upon exercise of Warrants shall be fully paid and will in all respects rank *pari passu* with all other Ordinary Shares issued by the Company.
- e) Warrants not exercised by the Maturity Date shall automatically lapse without any compensation or other rights to the Warrant Holder.

## 5 PUT-OPTION

- a) The Parties agree that the Warrant Holder shall have a put-option, which shall only be exercisable together with a Warrant Notice for issuance of new Warrant Shares, whereby the Company shall be obligated to purchase a certain number of Warrants from the Warrant Holder subject to the regulation in this clause 5 (the "**Put-Option**").
- b) Where the Put-Option is exercised, the Exercise Notice will specify:
  - (i) That the Warrant Holder exercises the Put-Option;
  - (ii) the number of Warrants in respect of which the Put-Option is exercised (which cannot exceed Warrants giving a Warrant Net Value exceeding the net Exercise Price for the exercised new Warrant Shares comprised by the Exercise Notice) (the "**Put-Option Warrants**");
  - (iii) the trailing average trading price of the Ordinary Shares for a period of 5 consecutive Business Days ending on the business day before the Exercise Date ("**Trailing Average Share Price**"); and
  - (iv) the market value of the Put-Option Warrants being (A) the Trailing Average Share Price, minus (B) the Exercise Price, with the result multiplied by (C) the number of Put-Option Warrants (the "**Warrant Net Value**").

Where the Put-Option is exercised, the Company shall pay a cash consideration to the Warrant Holder equal to the Warrant Net Value. Such cash consideration shall be payable within 20 Business Days following the Exercise Notice.

## 6 ADDITIONAL RIGHTS ATTACHED TO THE WARRANTS

### 6.1 Distributions from the Company

- a) In the event of any dividends or other distributions from the Company to its shareholders prior to the Warrants having been exercised in full during the Warrant Period, the Company shall procure that additional Warrants are issued to the Warrant Holder no later than upon such dividend payment or distribution to the shareholders. The additional Warrants shall have an exercise price of NOK 1 (if applicable adjusted pursuant to clause 6.3) per share and be valued based on the principles set forth in clause 5b) (iii) and (iv) (A) and (B) above. The Warrant Holder shall receive additional Warrants for a value equal to the amount the Warrant Holder would have received on the Warrant Shares comprised by the unexercised Warrants if the Warrants had been exercised prior to the record date of such payment from the Company (i.e. the same payment per such Warrant Share as the payment made on the issued shares).

## **6.2 Governance**

- a) For as long as there are either (i) any amounts outstanding under the Senior Facilities Agreement, or (ii) the Warrant Holder either holds any Warrant or Warrant Shares representing more than 5% of the total Ordinary Shares, the Warrant Holder shall be entitled to appoint one director to the Company's board of directors and one board observer to attend meetings of the Company's board of directors.
- b) At any time following the occurrence of an Event of Default (as such term is defined in the Senior Facilities Agreement) the Warrant Holder shall be entitled to appoint a majority of the directors to the Company's board of directors.

## **6.3 Adjustments of Warrants**

- a) If the Company for any reason changes its share capital or number of shares due to a share split, reverse share split (share combination), reduction of share capital with distribution to the shareholders, bonus issue (in Norwegian: *fondsemissjon*) by issue of new shares, merger, de-merger etc., the Exercise Price shall be adjusted in accordance with generally accepted principles for such adjustment, and the Warrant Holder shall, if applicable, be compensated by issuance of additional Warrants to ensure continued compliance by the Company of its obligations under Clause 3a) above.
- b) For the avoidance of doubt, clause 6.3a) shall also apply in the event of (i) issuance of new shares in the Company according to convertible loans, issuance of shares according to new warrants (excluding the Warrants, the Athos Warrants and the BOD Shares) or other resolutions that affect the Company's shares, share capital or equity with negative effect for the Warrant Holder as well as (ii) issuance of any such rights for anyone to require new shares in the Company issued.

## **6.4 Additional Warrants**

In the event that the Company shall on or after the date of this Agreement issue any shares to any person other than the Warrant Holder (the “**New Issuance Shares**”), the Company shall issue additional Warrants to the Warrant Holder in the amount necessary to ensure that the Warrant Shares shall remain the same proportion of the entire issued share capital of the Company, before and after the issuance of the New Issuance Shares.

## **6.5 Maturity date for additional Warrants**

Any additional Warrants issued to the Warrant Holder pursuant to this Agreement shall have the same maturity date as the Initial Warrants.

## **7 RELATIONSHIP TO THE ATHOS WARRANTS**

- a) The Company has issued the Athos Warrants simultaneously with the Initial Warrants.
- b) The Company shall procure that the Athos Warrants are made subject to undertakings ensuring that the Athos Warrants in order not to become null and void must be exercised either prior to or within 30 days following the date on which the Warrant Holder issues a Warrant Notice.
- c) The Company undertakes to not make any amendments to the Athos Warrant Agreement without the prior written consent of the Warrant Holder.

## **8 REPRESENTATIONS AND WARRANTIES**

The Company hereby, irrevocably and unconditionally, represents and warrants in favour of the Warrant Holder that:

- a) its obligations under this Agreement are legal, valid, binding and enforceable obligations;
- b) the entry into and performance by it of, and the transactions contemplated by, this Agreement do not and will not conflict with any law or regulation applicable to it, its constitutional documents or any agreement binding upon it;
- c) it has the power to enter into, perform and deliver, and has taken all necessary actions to authorise its entry into, performance and delivery of, this Agreement, and the transactions contemplated by this Agreement; and
- d) the nominal value of the Company's Ordinary Shares amounts to NOK 1 per Ordinary Share and the Company shall not amend or adjust such nominal value without the prior written consent of the Warrant Holder.

## **9 INDEMNITY**

The Company shall indemnify and hold the Warrant Holder harmless against any losses or costs incurred by the Warrant Holder due to a breach of this Agreement by the Company, including but not limited to a failure to settle a Put-Option pursuant to clause 5, issue new Ordinary Shares to the Warrant Holder pursuant to clause 3c) or issue additional Warrants to the Warrant Holder pursuant to clauses 6.1 or 6.4.

## **10 MISCELLANEOUS**

### **10.1 Notices**

- a) Any communication to be made under or in connection with this Agreement shall be made in writing and, unless otherwise stated, may be made by letter or e-mail or letter or by way of posting to a secure website.
- b) Any notices, including the Warrant Notice, shall be delivered electronically by e-mail to the following recipients representing the Company: [•] and [•]. Any such notice sent by e-mail shall be deemed to have been delivered on the date on which such e-mail is sent, however so that e-mails sent after 5:00 p.m. at the place of receipt shall be deemed to become effective on the following day.

### **10.2 Severability**

- a) If any provision of this Agreement shall be prohibited, illegal, invalid or unenforceable under applicable law, it shall be ineffective only to such extent and in the relevant jurisdiction, without invalidating or otherwise detrimentally affecting the remainder of this Agreement.
- b) Notwithstanding paragraph a) above, the Parties hereto agree that they will negotiate in good faith and will replace the invalid, void or unenforceable provision with a valid and enforceable provision which reflects to the extent possible the intention of the Parties of the provision thus replaced.



### 10.3 Costs

All costs related to this Agreement (including the preparation of this Agreement, issuance of Warrants and issuance of Warrant Shares under the Agreement etc.) shall be covered by the Company.

## 10.4 Amendments

No amendments may be made to this Agreement without the prior written approval of the Parties.

## 10.5 Counterparts

This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one instrument.

## 11 TRANSFERABILITY

The Warrants shall be freely transferable and the Warrant Holder may at any time transfer the Warrants to any party without having to notify or seek the consent of the Company. This Agreement shall in such event apply to the transferee as well.

## 12 GOVERNING LAW AND DISPUTE RESOLUTION

- a) This Agreement shall be governed by and construed in accordance with Norwegian law.
- b) The Parties agree to negotiate in good faith to resolve any dispute, controversy or claim arising out of or relating to this Agreement, or the breach, termination or validity thereof. If the negotiations do not resolve the dispute to the reasonable satisfaction of the Parties, then the Parties agree that either Party may invoke court proceedings before Oslo District Court (Norwegian: *Oslo tingrett*) as legal venue.

**SIGNATURE PAGE**

The Company:

**GOLDEN ENERGY OFFSHORE SERVICES AS**

By:\_\_\_\_\_

Name:

Title:

The Warrant Holder:

**[•]**

By:\_\_\_\_\_

Name:

Title: