

Stavanger, 2<sup>nd</sup> February 2017

**NOTICE OF EXTRAORDINARY GENERAL MEETING**

**on 23<sup>rd</sup> February 2017 at 08:00 CET**

**Badger Explorer ASA, Prof. Olav Hanssensvei 15, 4021 Stavanger, Norway**

Notice is hereby given of an Extraordinary General Meeting ("EGM") in Badger Explorer ASA (the "Company") to be held on Thursday 23<sup>rd</sup> February 2017 at 08:00 CET.

At the time of this notice, the Company's share capital is NOK 47,317,161 divided into 378,537,288 shares with a nominal value of NOK 0.125. Each share entitles its shareholder to one vote at the EGM. The Company does not hold own shares.

Shareholders who wish to attend the EGM, in person or by proxy, must notify and return the attached attendance or proxy form no later than on 21<sup>st</sup> February 2017 at 08:00 (CET) to:

Badger Explorer ASA, attn./Gunnar Dolven, P.O. Box 8046, 4068 Stavanger, Norway

E-mail: [gdo@bxpl.com](mailto:gdo@bxpl.com) - Tel: +47 908 53 168

The attendance/proxy forms provide more information on registration, voting etc. Each shareholder may bring an advisor who will have the right to speak on behalf of the shareholder at the EGM. The Shareholder may also require that directors and CEO provide such information set out in section 5-15 in the Public Limited Liabilities Act.

This notice with attachments is available at [www.bxpl.com](http://www.bxpl.com) or may be ordered free of charge by contacting the Company (e-mail: [post@bxpl.com](mailto:post@bxpl.com) or office: +47 407 66 049). The Company's articles of association, as last amended on 9<sup>th</sup> January 2017, are available on [www.bxpl.com](http://www.bxpl.com).

The Board of Directors ("Board") proposes the following agenda for the EGM:

- 1. Opening of the EGM by the Chairman of the Board, Marcus Hansson (no voting)**
- 2. Registration of attending shareholders and received proxies (no voting)**
- 3. Appointment of chairman for the meeting and election of one person to co-sign the minutes together with the chairman of the meeting**

The EGM shall elect a chairman to chair the EGM. The chairman of the EGM will then propose a person to be elected to co-sign the minutes of the EGM.

- 4. Approval of the notice and the agenda**
- 5. Share capital increase in connection with the private placement**

The Company announced on 2<sup>nd</sup> February 2017 that it had raised NOK 300 million in gross proceeds through a private placement consisting of 600,000,000 new shares with a subscription price of NOK 0.50 per share. The private placement was directed towards existing shareholders and new Norwegian and international investors.

The private placement was partly underwritten by several of the Company's largest shareholders; including Apollo Asset Limited, Tycoon Industrier A/S, Tigerstaden AS, Silvercoin Industries AS and Middelborg Invest AS as well as Spencer Trading Inc., owned by Arne Blystad, as a new long-term investor and partly pre-subscribed by other existing and new institutional investors.

The net proceeds from the Private Placement will be used for further development of the Badger tool and pursue opportunities which can accelerate the commercialization of the Company's patents and knowhow. The Company is further of the opinion that the current state of the oil services industry opens up for several interesting investment opportunities. The aim of the Company is to capitalize on the current situation and selectively pursue potential opportunities that arise.

Based on the above, the Board therefore proposes that the EGM approves the completion of the private placement and passes the following resolution on the share capital increase by issuing new shares:

1. *"The Company's share capital shall be increased by up to NOK 75,000,000 by issuing up to 600,000,000 new shares, each with a nominal value of NOK 0.125.*
2. *The subscription price is NOK 0.50 per share.*
3. *The new shares shall be subscribed for by ABG Sundal Collier ASA, on behalf of the investors who received conditional allotment of shares in the Private Placement.*
4. *Existing shareholders' right to subscribe for new shares pursuant to section 10-4 of the Norwegian Public Limited Liabilities Act, cf. section 10-5, is waived.*
5. *Subscription shall be made on a separate subscription form no later than two weeks after the date of the EGM.*
6. *The share contribution shall be settled by cash payment to a separate share contribution account with the Company no later than two weeks after the date of the EGM.*
7. *The new shares will carry full shareholders' rights in the Company, including dividend rights, as from the date the share capital increase is registered in the Norwegian Register of Business Enterprises.*
8. *Estimated costs and fees in connection with the capital increase is approximately NOK [ ].*
9. *Section 4 in the Company's articles of association shall be amended to reflect the new number of shares and the new share capital after the share capital increase."*

In order to complete the private placement it is necessary to waive the shareholders' preferential rights. The Board considers this to be in the Company's and shareholders' interest, as the Company was able to raise capital in a timely and cost efficient manner that may be used for investments within the Company's investment strategy. Following a full assessment of the Company's financial condition, the need for new investors, preferred timing of the equity issue and the proposed subscription price, trading price of the shares and the Company's book values, the Board believes that the private placement enables a quicker capital inflow and more proceeds than a rights issue. In this respect, it is also proposed that the EGM grants the Board an authorization to carry out a subsequent repair offering, as further described under agenda item 6.

For a description of the Company, matters which should be emphasized by subscription of shares and significant events following the last financial statements please refer to the Company's press releases published on [www.newsweb.no](http://www.newsweb.no), including the Company's report for Q3 2016. Recent annual report and accounts are available on the Company's registered office and on its website [www.bxpl.com](http://www.bxpl.com).

#### **6. Board authorization to increase the share capital in connection with a subsequent offering**

As announced together with the private placement described in item 5 above, the Board proposes to carry out a subsequent offering directed towards shareholders in the Company as of close of trading on 1<sup>st</sup> February 2017, as registered in VPS on 3<sup>rd</sup> February 2017 who were not allocated shares in the private placement, and who are not resident in a jurisdiction where such offering would be unlawful or would (in a jurisdiction other than Norway) require any prospectus filing, registration or similar action. Such shareholders will receive non-transferable subscription rights, which give a preferential right to subscribe for and be allocated shares in the subsequent offering. The number of subscription rights allocated to eligible shareholders will be calculated on the basis of such shareholders shareholding as follows from the Company's shareholder register in the VPS on 3<sup>rd</sup> February 2017. This means that a shareholder must have bought the share at the latest on 1<sup>st</sup> February 2017 to be entitled to participate in the subsequent offering (assuming standard T+2 settlement). Further terms and details will be presented in the prospectus.

The Board proposes to issue up to 80,000,000 new shares at the same subscription price as the private placement in the subsequent offering and intends to commence the subscription following the publication of a prospectus and the EGM.

Based on the above, the Board proposes that the EGM passes the following resolution to authorize the Board by to increase the share capital by issuing new shares in the subsequent offering:

1. *"The Board is authorized to increase the Company's share capital by up to NOK 10,000,000 by issuing up to 80,000,000 new shares, each with a nominal value NOK 0.125.*
2. *Subscription price shall be NOK 0.50 per share.*

## TO THE SHAREHOLDERS OF BADGER EXPLORER ASA

3. *Existing shareholders' right to subscribe for new shares pursuant to section 10-4 of the Norwegian Public Limited Liabilities Act, cf. section 10-5, may be waived by the Board.*
4. *The authorization applies only to share capital increase through cash payment.*
5. *The authorization shall only be used for the implementation of a subsequent offering as described in the EGM, and on such terms as otherwise determined by the Board.*
6. *The authorization is valid until 30<sup>th</sup> June 2017.*
7. *This authorization does not replace previous authorization.*
8. *The Board is given authorization to amend section 4 in the Company's articles of association to reflect the new number of shares and the new share capital subsequent to the share capital increase."*

In order to allocate shares to the eligible subscribers in accordance with the terms and purpose of the subsequent offering, it is necessary to waive the shareholders' preferential rights.

\* \* \* \* \*

2<sup>nd</sup> February 2017

On behalf of the Board of Directors of  
Badger Explorer ASA



Marcus Hansson  
(Chairman of the Board)



## TO THE SHAREHOLDERS OF BADGER EXPLORER ASA

### Attachment 1

#### Notice of Attendance

#### Extraordinary General Meeting in Badger Explorer ASA

**23<sup>rd</sup> February 2017 at 08:00 CET**

Shareholders who wish to attend the Extraordinary General Meeting ("EGM") in Badger Explorer ASA on 23<sup>rd</sup> February 2017 at 08:00 CET are asked to fill out and return this notice of attendance to:

Badger Explorer ASA, attn./Gunnar Dolven, P.O. Box 8046, 4068 Stavanger, Norway

E-mail: [gdo@bxpl.com](mailto:gdo@bxpl.com) - Tel: +47 908 53 168

The notice shall be returned latest by 21<sup>st</sup> February 2017 at 08:00 CET.

The undersigned, owning \_\_\_\_\_ shares in Badger Explorer ASA wishes to attend the Company's EGM on 23<sup>rd</sup> February 2017 at 08:00 CET. The undersigned will also represent the below mentioned shareholder/shareholders pursuant to the enclosed or separately submitted proxy/proxies.

Shareholder's name/names

Number of shares

---

---

---

---

Shareholder's signature

Name in block capitals

Date and place



## TO THE SHAREHOLDERS OF BADGER EXPLORER ASA

### Attachment 2

#### Proxy

#### Extraordinary General Meeting in Badger Explorer ASA

**23<sup>rd</sup> February 2017 at 08:00 CET**

If a shareholder of Badger Explorer ASA will not personally take part in the Company's Extraordinary General Meeting ("EGM") on 23<sup>rd</sup> February 2017 at 08:00 CET, the shareholder may attend the EGM by proxy. The shareholder is asked to fill out the proxy form below and return it at the latest on 21<sup>st</sup> February 2017 at 08:00 CET to

Badger Explorer ASA, attn. /Gunnar Dolven, P.O. Box 8046, 4068 Stavanger, Norway

E-mail: gdo@bxpl.com - Tel: +47 908 53 168

The undersigned, owning \_\_\_\_\_ shares in Badger Explorer ASA gives hereby (please check off):

Marcus Hansson, chairman of the Board of Directors, or the person he authorizes, or

\_\_\_\_\_  
Name of the representative in block  
capitals

authority to represent the undersigned at the EGM in Badger Explorer ASA on 23<sup>rd</sup> February 2017 at 08:00 CET.

In case the proxy was sent without naming the representative, the proxy will be considered to be given to Marcus Hansson.



## TO THE SHAREHOLDERS OF BADGER EXPLORER ASA

Matter	In favour	Against	Withhold	Representative decides
Appointment of chairman for the meeting and election of one person to co-sign the minutes together with the chairman of the meeting				
Approval of the notice and agenda of the EGM				
Share capital increase in connection with the private placement				
Board authorization to increase the share capital in connection with the subsequent offering				

The voting by the representative shall happen according to the above given instructions. The Company does not take on any responsibility to verify that the proxy holder votes in accordance with the instructions. Note that if accurate instructions are not given in the voting form above, it will be regarded as an instruction to vote "in favour" for the specific proposal. In the event that a proposal will be submitted in addition or as a replacement for proposals in the notice, it is the representative that decides.

---

Shareholder's signature

---

Name in block capitals

---

Date and Place