

Denne meldingen til obligasjonseierne er kun utarbeidet på engelsk. For informasjon vennligst kontakt Nordic Trustee AS.

To the bondholders of:

ISIN: NO0010863236 Independent Oil and Gas plc. FRN senior secured EUR 130,000,000 bond 2019/2024

Oslo, 16 June 2023

SUMMONS FOR A WRITTEN RESOLUTION

Nordic Trustee AS (the "**Bond Trustee**") acts as bond trustee for the holders of bonds (the "**Bondholders**") in the above mentioned bond issue with ISIN NO0010863236 (the "**Bonds**") issued by IOG plc. (previously known as Independent Oil and Gas plc.) as issuer (the "**Issuer**") pursuant to the bond terms made between the Bond Trustee and the Issuer dated 19 September 2019 (the "**Bond Terms**").

All capitalised terms used, but not defined, herein shall have the meaning assigned to them in the Bond Terms, unless otherwise stated herein. References to Clauses and paragraphs are references to Clauses and paragraphs in the Bond Terms.

The Bond Trustee has issued this summons for a Written Resolution pursuant to a request from the Issuer, in accordance with the Bond Terms.

*The information in this summons (the "**Summons**") regarding the Issuer, market conditions and described transactions is provided by the Issuer, and the Bond Trustee expressly disclaims all liability whatsoever related to such information. Bondholders are encouraged to read this Summons in its entirety.*

1 BACKGROUND

The Bond Trustee has been informed by the Issuer that it is seeking certain waivers to the Bond Terms as further described below.

As a consequence of the sharp fall in gas prices during the course of 2023 and the delay in bringing Blythe H2 on to production at the expected gas flow rate, the liquidity position of the Company has become an important area of focus. The Company is looking to maintain an adequate liquidity buffer to secure stability during its process of discussions with bondholders. The purpose of these discussions is:

- a) to secure pre-emptive waivers of potential covenant breaches;

- b) to agree measures to enable the Company to withstand short term consequences of recent gas price developments; and
- c) to explore the most effective means of addressing the maturity of the bond in September 2024.

In addition to self-help measures taken by the Company, liquidity is also impacted by the requirement to pay cash interest on the Bond, with the next payment due on 20 June 2023. Whilst discussions between the Company and the Ad-Hoc Group (as defined below) of Bondholders progress, it is important for stability that the payment date for the next interest payment be deferred to 31 July 2023. The current balance held on the debt service retention account is €3.11 million, and will remain in place until the proposed deferred coupon date.

Alleviation of the constraints and demands on the Company's liquidity resulting from the Bond Terms would not only directly benefit the Company but would be likely to have a significantly beneficial impact on the outcome of other self-help measures. Any self-help measures will be considerably more difficult if there is an impending breach of Bond Terms, including financial covenants, as at 30 June 2023.

The Issuer has further made the Bond Trustee aware that pursuant to the LOG Debt held by London Oil and Gas ("**LOG**") it is an immediate event of default if, by reason of actual or anticipated financial difficulties, any member of the Group commences negotiations with one or more of its creditors (excluding LOG) with a view to rescheduling any of its indebtedness.

This means that, unless an amendment is agreed, a cross default in respect of the LOG Debt may be triggered under the Bond Terms as a result of negotiations between the Issuer and the Bondholders. The LOG Debt is subject to a subordination agreement with the Bond Trustee which inter alia restricts LOG from taking action against IOG whilst amounts due under the Bonds remain outstanding. Accordingly, LOG's ability to do anything as a result of any default under the LOG Debt will be severely limited. However, a cross default provision exists whereby IOG would trigger an event of default under the Bond Terms in the event that any creditor (including LOG) became entitled to declare financial indebtedness due and payable prior to its maturity date as a result of the event of default.

Consequently, it is requested that the Bond Terms are amended so that a default under the Bond Terms arising out of cross default from a claimed LOG Debt event of default due to discussions taking place between the Issuer and Bondholders is waived until 31 July 2023, as further specified in item 2 below.

The Issuer has informed the Bond Trustee that it has received voting undertakings in support of the Proposal from Bondholders controlling more than 50 per cent. of the Voting Bonds (the "**Ad-Hoc Group**").

The Ad-Hoc Group contemplates to engage ABG Sundal Collier ASA ("**ABGSC**") as advisor to the Bond Trustee (on behalf of itself and the Bondholders). The Issuer has agreed to cover the fees of ABGSC. However, in the event that the Issuer does not cover the fees of ABGSC, it is contemplated that the Bond Trustee shall be authorised to cover such unpaid fees from the recovery of the

Bondholders under the Finance Documents, limited to 1% of the aggregate Nominal Amount of the Outstanding Bonds at the date of this Summons.

2 THE PROPOSAL

Based on the above, the Issuer has requested the Bond Trustee to summon a Written Resolution to propose that the Bondholders resolve to approve the following resolution (the "**Proposal**"):

- (a) that the minimum Interest Cover Ratio requirement pursuant to paragraph 13.20(c) of the Bond Terms with respect to the Relevant Period ending on 30 June 2023 is waived;
- (b) that the payment date for the interest payment due to be made by the Issuer on 20 June 2023 pursuant to paragraph 9.2 of the Bond Terms is deferred from 20 June 2023 to 31 July 2023 (and shall be payable to the holders of the Bonds on such deferred payment date with the record date for the payment being two Business Days prior to such deferred payment date, and for the avoidance of doubt no additional interest shall accrue on such amounts as a result of the deferral);
- (c) that any event of default under the Bond Terms pursuant to paragraph 14.1(e) arising out of a composition, compromise, assignment or arrangement with any creditor (including LOG) in connection with the circumstances described above is waived until 31 July 2023;
- (d) that any event of default under the Bond Terms pursuant to paragraph 14.1(d)(iv) arising out of cross default from a claimed event of default under the LOG Debt caused by discussions taking place or any agreement or arrangement being entered into between the Company and Bondholders (as well as the Company and any other creditor of the Company) is waived until 31 July 2023, and the Bondholders consent to the Issuer entering into negotiations with LOG to agree a formal written waiver of any event of default under the LOG Debt caused by the above;
- (e) that the Bondholders confirm that all fees, costs and expenses incurred by the Bond Trustee in connection with the engagement of ABGSC, to the extent not covered by the Issuer, shall be treated in the same manner as fees, costs and expenses incurred under the Bond Trustee Fee Agreement, including, but not limited to:
 - (i) that any Partial Payment received shall firstly be used to settlement of fees, costs and expenses incurred by the Bond Trustee prior to payment of any amounts outstanding under the Bond Terms, cf. Clause 8.3 (*Partial Payments*) of the Bond Terms; and
 - (ii) that the Bond Trustee may make a reduction in the Bondholders' proceeds equal to the amount owed to ABGSC in the event that the Issuer does not reimburse the Bond Trustee's incurred fees, costs and expenses, cf. paragraph (g) of Clause 16.4 (*Expenses, liability and indemnity*) of the Bond Terms; and
- (f) that the Bond Trustee shall be authorised and instructed to implement and effect the Proposal.

The Proposal shall take effect from the date on which it has been duly approved by the necessary 2/3 majority of Voting Bonds as per Clause 15.5 (*Written Resolutions*). Upon such approval, the Issuer and the Bond Trustee shall enter into an amendment agreement documenting the waivers granted herein.

Other than the waivers and amendments contemplated by the Proposal (including any necessary logical and/or related adjustments), the Bond Terms shall remain unchanged and continue to apply in their existing form.

3 EVALUATION OF THE PROPOSAL

The Proposal is put forward to the Bondholders without further evaluation or recommendation from the Bond Trustee, and the Bond Trustee emphasises that each Bondholder should cast its vote based on its own evaluation of the Proposal. Nothing herein shall constitute a recommendation to the Bondholders by the Bond Trustee.

The Bondholders must independently evaluate whether the Proposal is acceptable and vote accordingly. The Bond Trustee urges each Bondholder to seek advice in order to evaluate the Proposal.

4 FURTHER INFORMATION

Subject to adoption of the Proposed Resolution, the Bond Trustee will (on behalf of itself and the Bondholders) retain ABGSC as financial advisor (the "**Advisor**"). Bondholders may contact the Advisor for further information:

Ola Nygård, +47 41 21 34 10, projectatom@abgsc.no

Harald Erichsen, +47 48 01 60 23, projectatom@abgsc.no.

The Advisor acts solely for the Bond Trustee and the Bondholders and no-one else in connection with the Proposal. No due diligence investigations have been carried out by the Advisor with respect to the Issuer, and the Advisor expressly disclaims any and all liability whatsoever in connection with the Proposal (including but not limited to in respect of the information herein).

For further questions to the Bond Trustee, please contact Lars Erik Lærum, +47 22 87 94 06, laerum@nordictrustee.com.

5 WRITTEN RESOLUTION

Bondholders are hereby provided with a voting request for a Written Resolution pursuant to Clause 15.5 (*Written Resolutions*). For the avoidance of doubt, no Bondholders' Meeting will be held.

It is proposed that the Bondholders resolve the following (the "**Proposed Resolution**"):

"The Bondholders approve the Proposal as described in section 2 (The Proposal) of this Summons on the conditions set out herein.

The Bondholders approve and instruct the Bond Trustee to engage ABGSC on the terms set out herein.

The Bond Trustee is hereby authorized to implement the Proposal and carry out other necessary work to implement the Proposal, including to prepare, negotiate, finalize and enter into all necessary agreements in connection with documenting the decisions made by way of this Written Resolution as well as carry out necessary completion work, including agreeing on necessary amendments to the Bond Terms and other Finance Documents."

* * * *

Voting Period: The Voting Period shall expire ten (10) Business Days after the date of this Summons, being on 3 July 2023 at 16:00 Oslo time. The Bond Trustee must have received all votes necessary in order for the Written Resolution to be passed with the requisite majority under the Bond Terms prior to the expiration of the Voting Period.

How to vote: A scan of a duly completed and signed voting form (attached hereto as Appendix 1), together with proof of ownership/holdings must be received by the Bond Trustee no later than at the end of the Voting Period and must be submitted by e-mail to mail@nordictrustee.com.

A Proposed Resolution will be passed if either: (a) Bondholders representing at least a 2/3 majority of the total number of Voting Bonds vote in favour of the relevant Proposed Resolution prior to the expiry of the Voting Period; or (b) (i) a quorum representing at least 50% of the total number of Voting Bonds submits a timely response to the Summons and (ii) the votes cast in favour of the relevant Proposed Resolution represent at least a 2/3 majority of the Voting Bonds that timely responded to the Summons.

If no resolution is passed prior to the expiry of the Voting Period, the number of votes shall be calculated at the expiry of the Voting Period, and a decision will be made based on the quorum and majority requirements set out in Clause 15.1 (*Authority of the Bondholders' Meetings*).

The effective date of a Written Resolution passed prior to the expiry of the Voting Period is the date when the resolution is approved by the last Bondholder that results in the necessary voting majority being achieved.

If the above resolution is not adopted as proposed herein, the Bond Terms and other Finance Documents will remain unchanged.

Yours sincerely,
Nordic Trustee AS



Lars Erik Lærum

Appendices:

Appendix 1 – Voting form

Appendix 1: Voting Form – Written Resolution

**ISIN: NO0010863236 Independent Oil and Gas plc. FRN senior secured EUR
130,000,000 bond 2019/2024**

The undersigned holder or authorised person/entity, votes in the following manner to the Proposed Resolution as defined in the Summons for a Written Resolution dated 16 June 2023:

In favour of the Proposed Resolution

Against the Proposed Resolution

ISIN NO0010863236	Amount of bonds owned
Custodian Name	Account number at Custodian
Company	Day time telephone number
	E-mail

Enclosed to this form is the complete printout from our custodian/VPS¹, verifying our bondholding in the bond issue as of _____ 2023.

We acknowledge that Nordic Trustee AS in relation to the Written Resolution for verification purpose may obtain information regarding our holding of Bonds on the above stated account in the securities register VPS.

We consent to the following information being shared with the Advisor:

Our identity and amounts of Bonds owned

Our vote

Place, date

Authorized signature

Return by mail:

Nordic Trustee AS
PO Box 1470 Vika
N-0116 Oslo
Norway

¹ If the Bonds are held in custody other than in the VPS, evidence provided from the custodian confirming that (i) you are the owner of the Bonds, (ii) in which account number the Bonds are held, and (iii) the amount of Bonds owned.

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