

From: the nomination committee of North Energy ASA

To: the general meeting of North Energy ASA

### **Recommendation of directors and nomination committee members in North Energy ASA 2016**

The chair of the nomination committee has had several meetings with the chair of the board and the CEO ahead of the forthcoming general meeting of North Energy ASA (NE ASA) on 17 June 2016. Contacts have also taken place with selected major shareholders.

On the basis of the strategic process pursued in the company, an extraordinary general meeting on 18 May 2016 resolved to change the corporate structure so that NE ASA becomes a holding company, with the opportunity to own a number of subsidiaries with operational activities. All petroleum activity in NE ASA is being transferred to North E&P, formerly Explora Petroleum, and work is under way to identify more business areas in order to strengthen NE ASA further. Substantial resources have been devoted to implementing this process through the engagement of North Advisors, which comprises Anders Onarheim, Rachid Bendriss and Didrik Leikvang. This trio all have substantial experience in relevant business areas.

NE ASA accomplished a sharp reduction in costs, staffing and office locations during 2015. The nomination committee has determined that the present board, which has taken the decisions on such a restructuring, is also best positioned to get the new structure to function as intended. The re-election of the directors is thereby recommended.

These are:

Anders Onarheim (chair)

Elin Karfjell

Jogeir Romestrand

In addition, it is desirable that the employees elect a director.

All members of the nomination committee come up for re-election every two years. In order to reflect the new position, where oil exploration forms only part of the business, some changes in the composition of expertise in the nomination committee is proposed. The members recommended for election are:

Rabbe E Lund (chair)

Merete Haugli

Hans Kristian Rød

It is recommended that the directors' fees remain unchanged at:

NOK 450 000 for the chair

NOK 175 000 for shareholder-elected directors

NOK 100 000 for the director elected by the employees

The fees apply for up to eight physical meetings. Additional physical meetings are remunerated at a 10 per cent supplement per meeting over and above eight physical meetings.

It is recommended that fees for the nomination committee members remain unchanged at:

NOK 65 000 for the chair

NOK 20 000 for the other members

Rabbe Lund

18 May 2016