

# INFORMATION MEMORANDUM

in relation to the proposed merger between



Aker Exploration ASA

and



**DET NORSKE**

Det norske oljeselskap ASA

## **Exchange Ratio**

1 share in Det norske oljeselskap ASA will give 1.403328 shares in  
Aker Exploration ASA

**NO SHARES OR OTHER SECURITIES ARE BEING OFFERED OR SOLD IN ANY  
JURISDICTION PURSUANT TO THIS INFORMATION MEMORANDUM**



Financial advisor to Aker Exploration ASA



Financial advisor to Det norske oljeselskap ASA

28 September 2009

## Important information

This information memorandum (the “**Information Memorandum**”) has been prepared in connection with the proposed merger (the “**Merger**”) between Aker Exploration ASA (“**Aker Exploration**”) and Det norske oljeselskap ASA (“**Det norske oljeselskap**” or “**Det norske**”). This Information Memorandum has been prepared in reliance on the exemption of section 7-5 no. 5 of the Norwegian Securities Trading Act, in order to comply with the Continuing Obligations for companies listed on Oslo Børs and Oslo Axess and to serve as listing particulars in accordance with section 7-2 (1) (e) of the Securities Regulation. Oslo Børs has reviewed this Information Memorandum, but has not approved or disapproved this Information Memorandum pursuant to the provision of the Norwegian Securities Trading Act concerning prospectuses.

The boards of directors (the “**Boards of Directors**”) of Aker Exploration and Det norske have approved an agreed merger plan (the “**Merger Plan**”) that provides for the Merger of Aker Exploration with Det norske. Subject to extraordinary general meetings in Aker Exploration and Det norske scheduled to be held on 19 October 2009 (the “**Extraordinary General Meetings**”), the Merger will be implemented in accordance with Norwegian law whereby the assets and liabilities, rights and obligations of Det norske will be transferred to the merged company for consideration in the form of shares of Aker Exploration (the “**Merged Company**”, to carry the legal name “Det norske oljeselskap ASA” in accordance with the proposal).

Aker Exploration and Det norske have summoned Extraordinary General Meetings where the shareholders have been invited to consider and vote upon the approval of the Merger Plan between Aker Exploration and Det norske. The resolutions relating to the approval of the Merger Plan require the affirmative vote of a two-thirds majority of the votes cast and the share capital present at the Extraordinary General Meetings of each of Aker Exploration and Det norske.

The exchange ratio for the proposed Merger has been agreed to be 1:1.403328 (Aker Exploration: Det norske) (the “**Exchange Ratio**”). If the Merger Plan is adopted and the Merger completed, shareholders of Det norske will receive 1.403328 shares of Aker Exploration for each Det norske share that they own. Upon completion of the Merger, Aker Exploration’s shareholders will own 18 per cent of the shares of the Merged Company and Det norske’s shareholders will hold 82 per cent of the shares of the Merged Company. The shares of Aker Exploration are currently admitted to trading on Oslo Axess, whereas the shares of Det norske are admitted to trading on Oslo Børs. Completion of the Merger is conditional upon Oslo Børs confirming that the shares of the Merged Company will assume trading on Oslo Børs, and the shares of the Merged Company are expected to commence trading the first trading day after registration of the capital increase following the Merger with the Norwegian Registry of Business Enterprises.

All inquiries relating to this Information Memorandum must be directed to Aker Exploration. No other person is authorized to give any information about, or to make any representations on behalf of Aker Exploration in connection with the Merger. The information contained herein is valid as at the date hereof and is subject to change, completion and amendment without further notice.

The contents of this Information Memorandum are not to be construed as legal, business or tax advice. Each reader of this Information Memorandum should consult with its own legal, business or tax advisor as to legal, business or tax advice. If you are in any doubt about the contents of this Information Memorandum you should consult your stockbroker, bank manager, lawyer, accountant or other professional advisor.

The distribution of this Information Memorandum in certain jurisdictions may be restricted by law. Persons in possession of this Information Memorandum are required to inform themselves about, and to observe, any such restrictions.

**Investing in the Merged Company's shares involves risks. See section 3 “Risk Factors” below.**

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## **1. ENGLISH SUMMARY**

*This summary should be read as an introduction to the Information Memorandum and any decision to invest in the shares in the Merged Company should be based on consideration of the Information Memorandum as a whole by the investor, including the risks of investing in the shares set out in section 3 "Risk Factors". This summary is not complete and does not contain all the information that should be considered in connection with any decision to invest in the shares.*

*Where a claim relating to the information contained in this Information Memorandum is brought before a court, the plaintiff might under the applicable legislation have to bear the costs of translating the Information Memorandum before the legal proceedings are initiated.*

### **1.1 OVERVIEW OF THE PROPOSED MERGER**

#### **1.1.1 Background and rationale**

On 25 August 2009, the Boards of Directors announced their intention to merge Aker Exploration and Det norske oljeselskap. An integration agreement concerning the proposed Merger was entered into on 24 August 2009.

The strategic rationale behind the Merger is to create a company with a larger and more diversified exploration portfolio. This will give improved growth opportunities and also larger operational capacity. As one of the largest operators on the Norwegian shelf, the Merged Company will also actively take part in the industry consolidation that both company boards expect will take place over the next couple of years in Norway.

The Merged Company will also be a strong partner for other oil companies and Norwegian authorities.

The Merger between Det norske and Aker Exploration unites two exploration companies that have each succeeded in building up sizeable license portfolios on the NCS. The portfolios of the two merging companies complement each other, as Det norske's portfolio is dominated by licenses in mature areas, near existing infrastructure with low-capex opportunities, while Aker Exploration's portfolio has a larger portion of frontier exploration opportunities. Det norske also has ownership interests in fields in production and a substantial portfolio of discoveries that will be developed in the years to come. The Merged Company has long-term contracts with two floating rigs, Songa Delta and Aker Barents. The latter is particularly well suited for operations under extreme climatic conditions and in environmentally sensitive areas. With these contracts, the Merged Company has the necessary rig capacity and flexibility to explore and develop its large license portfolio.

#### **1.1.2 Exchange ratio and consideration shares**

The Exchange Ratio in the proposed Merger has been set to 1:1.403328 (Aker Exploration: Det norske oljeselskap). If the Merger Plan is adopted and the Merger completed, shareholders of Det norske will receive 1.403328 shares of Aker Exploration for each Det norske share they own. Fractions of shares will not be distributed to the shareholders. Such fractions will instead be aggregated and sold (rounded down to the nearest whole share) at the risk and cost of the entitled shareholders, and the net proceeds will be distributed to the relevant shareholders.

#### **1.1.3 The acquiring entity in the Merger and the legal name of the Merged Company**

Aker Exploration will, for legal and financial reasons, be the acquiring part in the proposed Merger. The Merger will be implemented in accordance with chapter 13 of the Norwegian Public Limited Liability Companies Act whereby the assets and liabilities, rights and obligations of Det norske will be transferred to Aker Exploration for consideration in the form of shares in Aker Exploration.

Det norske is by far the biggest party to the merger. The Merged Company's legal name, logo and ticker code will according to the Merger proposal be that of Det norske oljeselskap ASA.

#### **1.1.4 The Extraordinary General Meetings and the Merger Plan**

The Extraordinary General Meetings to consider and vote upon the approval of the Merger Plan between Aker Exploration and Det norske are scheduled to be held on 19 October 2009. The resolutions relating to the

approval of the Merger Plan require the affirmative vote of a two-thirds majority of the share capital of each of Aker Exploration and Det norske represented at the Extraordinary General Meetings.

### 1.1.5 Conditions for completion of the Merger and key dates

Completion of the proposed Merger is conditional upon:

- (a) Approval of the Merger Plan at the Extraordinary General Meetings;
- (b) Regulatory approval being obtained from the Norwegian Ministry of Petroleum and Energy (in Norwegian: *Olje- og Energidepartementet*) in accordance with § 10-12 of the Petroleum Act, and clearance from the Ministry of Finance in accordance with § 10 of the Petroleum Tax Act including the relevant administrative regulations, and regulatory approval/clearance from the Norwegian Competition Authorities (in Norwegian: *Konkurransetilsynet*) on acceptable terms and conditions;
- (c) Surrender of 5 million warrants to subscribe for shares in Aker Exploration pertaining to Aker Capital, see section 9.9.6 “Outstanding warrants”.
- (d) All required approvals and consents from third parties deemed necessary to complete the Merger on satisfactory terms ;
- (e) Oslo Børs confirming that the shares of the Merged Company will be listed on Oslo Børs upon completion of the Merger;
- (f) The Merger being registered as completed with the Norwegian Registry of Business Enterprises (in Norwegian: *Foretaksregisteret*) within 31 March 2010;

To the extent approvals/consents set forth in conditions (b), (c) or (d) are not granted on terms satisfactory to Aker Exploration and Det norske, the companies shall seek to reduce the potential negative consequences through inter alia discussions with the relevant governmental authority or third party.

The timetable below provides certain indicative key dates for the proposed Merger (all times referred to are CET):

Merger proposal approved by the Boards of Directors .....	16 September 2009
Extraordinary General Meetings to consider and vote upon the Merger Plan....	19 October 2009
Expiry of creditor period .....	on or about 20 December 2009
Effectuation of the proposed Merger .....	expected on or about 21 December 2009
Delivery of consideration shares with the VPS.....	expected on or about 22 December 2009
Transfer of admission of the shares in the Merged Company from Oslo Axess to Oslo Børs .....	expected on or about 23 December 2009

### 1.1.6 Admission to trading

The shares of Aker Exploration are currently admitted to trading on Oslo Axess, whereas the shares of Det norske are admitted to trading on Oslo Børs. Completion of the Merger is conditional upon Oslo Børs confirming that the shares of the Merged Company will assume trading on Oslo Børs. The shares of the Merged Company are expected to commence trading on Oslo Børs on the first trading day after registration of the capital increase following from the Merger with the Norwegian Registry of Business Enterprises (expected to be on or about 23 December 2009).

### 1.1.7 Expenses relating to the Merger

Transaction costs and all other directly attributable costs in connection with the Merger will be borne by the Merged Company. The total costs amount to approximately NOK 50 million.

## 1.2 THE MERGED COMPANY

The legal name of the Merged Company will, according to the Merger proposal, be “Det norske oljeselskap ASA” and the registered office will be at Nedre Bakklundet 58C, 7014 Trondheim, Norway. The Merged Company will also have offices in Stavanger, Oslo and Harstad. The organization number of the Merged Company will be 989 795 848.

### **1.2.1 Vision and strategy**

The Merged Company's vision is to find and procure oil and gas resources from the Norwegian shelf to the mutual benefit of shareholders, employees and the Norwegian society at large. The Merged Company's strategy is to participate in all phases of the E&P value chain, from exploration to production. This will be achieved by both organic growth, as well as merger and acquisition activity.

For more information, see section 7.2 "Vision and strategy".

### **1.2.2 Board of Directors and Management**

The executive management of the Merged Company will comprise of Mr. Erik Haugane as CEO, Mr. Øyvind Bratsberg as Deputy CEO, Finn Øistein Nordam as CFO, and Mr. Lars Thorrud as EVP Business Development and CEO of Aker Exploration AS. See section 7.8.1 "Management of the Merged Company" for more information.

Kjell Inge Røkke is proposed as chairman of the board of the new Det norske oljeselskap ASA. The board of directors is further proposed to comprise of Mr. Berge Gerdt Larsen, Ms. Maria Moræus Hanssen, Ms. Hege Sjø and Mr. Kaare Gisvold. See section 7.8.2 "Board of Directors" for further information.

### **1.2.3 Financial information and pro forma financial information**

Certain financial information regarding Det norske and Aker Exploration has been included in sections 8.7 and 9.7 respectively of the Information Memorandum. Unaudited pro forma financial information for the Merged Company has been included in section 7.11.

### **1.2.4 Auditor**

Deloitte AS is proposed as the independent auditor for the Merged Company.

### **1.2.5 Shares and share capital**

The Merged Company's issued share capital upon completion of the Merger will be NOK 111,111,111, divided into 111,111,111 shares fully paid up each with a par value of NOK 1. The Merged Company will have one class of shares, equal in all respects. Each share will carry one vote. The Merged Company's articles of association will not provide for limitations on the transferability or ownership of shares.

The shares of the Merged Company will be registered with VPS under the International Securities Identification Number (ISIN) NO 001 0345853, and admitted to trading under the symbol "DET NOR". The registrar for the shares will be DnB NOR Bank ASA, Stranden 21, NO-0250 Oslo, Norway.

## **1.3 DET NORSKE OLJESELSKAP ASA**

### **1.3.1 Introduction**

Det norske is a leading operator on the Norwegian continental shelf ("NCS"). The company's business activity is exploration, development and production of petroleum resources. Det norske has licenses in the North Sea, the Norwegian Sea and the Barents Sea.

### **1.3.2 History, incorporation and registered office**

Pertra ASA ("Pertra") was established by Petroleum Geo-Services ASA on 2 January 2002. In January 2005 the company was sold to Talisman. The management of Pertra established a new oil company on 11 February 2005 and bought back the Pertra name, including shares in five licenses from Talisman. The company has experienced considerable growth since then.

Det Norske Oljeselskap ASA was founded in 1989, as a wholly owned subsidiary of DNO ASA. In connection with Pertra's acquisition of the vast majority of shares of Det Norske Oljeselskap AS and Pertra, Det Norske Oljeselskap changed its name to NOIL Energy ASA, while Pertra, on 19 November 2007, changed its name to Det norske oljeselskap ASA.

In May 2008, Det norske oljeselskap ASA and NOIL Energy ASA initiated a joint merger plan with Det norske as the acquiring company. The merger became effective from and including 25 July 2008, with accounting and tax effect from 1 January 2008.

Det norske's registered office is in Trondheim, Norway (Nedre Baklandet 58c, 7014 Trondheim), and telephone number +47 90 70 60 00. The company's head office function is split between the offices in Trondheim and Oslo. Det norske has also offices in Oslo, Harstad and Stavanger.

### 1.3.3 Board of Directors and Management

The current board consists of Svein Sivertsen (Chairman), Kaare Moursund Gisvold, Marianne Elisabeth Johnsen, Lone Fønss Gjørup Schrøder, Hege Sjø, Tore Lilloe-Olsen, Jan Gunnar Opsal, Bjarne Kristoffersen and Kristin Aubert. For more information, see section 8.8.1 "Board of Directors".

The management comprises Erik Haugane (CEO), Øyvind Bratsberg (COO), Finn Øistein Nordam (CFO), Odd Ragnar Heum (Vice President Reserve and Area Development), Tom Bugge (Vice President Exploration), Anita Utseth (Vice President Health and Safety Environment), Stein Fines (Vice President Technology and Development), Vidar Bergo Larsen (Vice President Business Development), Sigmund Hanslien (Vice President Geology), Torgeir Anda (Head of Corporate Communication) and Anton Tronstad (Vice President Drilling and Well Operations). For more information, see section 8.8.2 "Management".

### 1.3.4 Financial statements

Below is a summary of Det norske oljeselskap's recent income statements and balance sheets. For further information, see section 8.7 "Financial Information".

**Table 1.3.4-1 – Summary of income statements for Det norske oljeselskap ASA**

<b>Income statement (NOK 1,000)</b>	<b>Un-audited IFRS 6 Months ended 30 June 2009</b>	<b>Un-audited IFRS 6 Months ended 30 June 2008</b>	<b>Audited IFRS 12 Months ended 31 December 2008</b>
<b>Operating revenues</b>	<b>123,886</b>	<b>168,954</b>	<b>635,070</b>
Operating expenses (excluding depreciation and amortization)	579,667	221,777	1,095,727
<b>EBITDA</b>	<b>-455,781</b>	<b>-52,823</b>	<b>-460,657</b>
Depreciation and amortization	23,298	49,473	111,357
<b>Operating profit (loss)</b>	<b>-479,079</b>	<b>-102,296</b>	<b>-572,014</b>
Net finance	36,294	-8,935	155,869
<b>Loss before tax</b>	<b>-442,785</b>	<b>-111,231</b>	<b>-416,145</b>
Tax	-372,980	-95,532	-641,640
<b>Gain/Loss for the period</b>	<b>-69,805</b>	<b>-15,699</b>	<b>225,494</b>

Source: Det norske oljeselskap's Annual Report 2008 and quarterly reports 30 June 2009 and 2008

**Table 1.3.4-2 – Summary of balance sheets for Det norske oljeselskap ASA**

<b>Balance sheet (NOK 1,000)</b>	<b>Un-audited IFRS 30 June 2009</b>	<b>Un-audited IFRS 30 June 2008</b>	<b>Audited IFRS 31 December 2008</b>
Total non-current assets	3,638,008	5,212,343	2,727,010
Total current assets	1,854,665	1,200,574	2,491,098
<b>Total assets</b>	<b>5,492,673</b>	<b>6,412,916</b>	<b>5,218,108</b>
Total equity	3,621,414	3,516,904	3,691,219
Total non-current liabilities	1,338,993	2,272,699	1,103,201
Total current liabilities	532,266	623,314	423,688
<b>Total equity and liabilities</b>	<b>5,492,673</b>	<b>6,412,916</b>	<b>5,218,108</b>

Source: Det norske oljeselskap's Annual Report 2008 and quarterly reports 30 June 2009 and 2008

### 1.3.5 Summary of capitalization and indebtedness

For further information, see section 8.7.12 "Capitalization and indebtedness".

**Table 1.3.5-1 – Summary of capitalization and indebtedness**

<b>NOK 1,000</b>	<b>Un-audited As at 30 June 2009</b>
Total shareholders equity	3,621,414
Total current debt	532,266
Total non-current debt	1,338,993
Total indebtedness	1,871,259
Total capitalization	5,492,673
Liquidity	1,348,332
Net current financial indebtedness	-1,840,441
Net non-current financial receivables	-672,732
Net financial indebtedness	-2,513,173

### 1.3.6 Trends and significant changes in the financial or trading position since 30 June 2009

On 28 July 2009 Det norske entered into an agreement to lift its stake in the PL 027D Jetta prospect from 35 percent to 47 percent by taking on a 12 percent stake from ExxonMobil, prior to drilling operations. For further information see section 8.11 "Trend Information".

The drilling of the Fongen prospect in PL 380 and the Trolla prospect in PL 483S was completed in the third quarter. Both wells were dry.

Except for the above, Det norske has not experienced any changes or trends outside the course of business since 30 June 2009, which are significant to Det norske, and the management of Det norske. Please see section 10 "The Market", section 8.7 "Financial Information" and section 8.9 "Share Capital and Shareholder Matters" for more information about significant recent trends in the company's business and relevant markets.

### 1.3.7 Major shareholders

The following shareholders own more than 5% of the issued share capital in the Det norske oljeselskap as per 28 September 2009.

Table 1.3.7-1 – Major shareholders

	Shareholder	No. of Shares	Percentage
1	DNO International ASA	15,231,255	23.46%
2	Aker ASA	11,797,752	18.17%

Source: VPS

### 1.3.8 Related party transactions

All transactions, agreements, and business activities with related parties are conducted based on ordinary business terms and conditions (arm's-length principles).

- Det norske has carried out some minor transactions with DNO International ASA which is the company's largest shareholder.
- Det norske has entered into a three-year contract with Deep Sea Rig AS, which is associated with Odfjell Drilling Ltd and accordingly a related party of Det norske oljeselskap as further described in section 8.6 "Related party transactions".

For further information, see section 8.6 "Related party transactions".

## 1.4 AKER EXPLORATION ASA

### 1.4.1 Introduction

Aker Exploration is a pure oil and gas exploration company focusing on the northern part of the North Sea, the Norwegian Sea and the Barents Sea on the Norwegian Continental Shelf.

The business model is currently based upon the company swapping rig capacity for license shares and then exit the license prior to a plan for development and operations ("PDO") being in place in order to reinvest in ongoing exploration activity. Aker Exploration also applies for direct awards of shares in production licenses in the regular Licensing Rounds and APA rounds on the NCS.

### 1.4.2 History, incorporation and registered office

Aker Exploration was formally established as a Norwegian public limited company (ASA) by Aker Capital AS on 2 May 2006. The business address of Aker Capital AS is at Fjordalléen 16, 0250 Oslo, Norway. Prior to incorporation, the company started as an in-house project within Aker ASA in late 2005. The wholly owned subsidiary Aker Exploration AS was established on 6 March 2006.

Aker Exploration was pre-qualified as licensee on the NCS in November 2006 and as an operator one year later. The company was listed on Oslo Axess in December 2007.

Aker Exploration ASA's registered office is Haakon VII's gt. 9, P.O. Box 508 Sentrum, NO-4003 Stavanger, Norway.

### 1.4.3 Board of Directors and Management

The current board of Aker Exploration consists of Kjell Inge Røkke (Chairman), May Britt Myhr, Nina Udnes Tronstad and Maria Moræus Hansen. For more information, see section 9.8.1 "Board of Directors".

The group executive management comprises Bård Johansen (CEO), Alan McIntyre (CFO), Rune Fauskanger (HSEQ manager), Lars Thorrud (Operations and business development manager) and Steinar Sørensen (Exploration manager). For more information, see section 9.8.2 "Management".

#### 1.4.4 Financial statements

Below is a summary of Aker Exploration's recent income statements and balance sheets. For further information, see section 9.7 "Financial Information".

**Table 1.4.4-1 – Summary of income statements for Aker Exploration ASA (consolidated)**

Income statement (NOK 1,000)	Un-audited IFRS 6 Months ended 30 June 2009	Un-audited IFRS 6 Months ended 30 June 2008	Audited IFRS 12 Months ended 31 December 2008
<b>Operating revenues</b>	-	-	-
Operating expenses (excluding depreciation and amortization)	-214,142	-241,000	-496,880
<b>EBITDA</b>	<b>-214,142</b>	<b>-241,000</b>	<b>-496,880</b>
Depreciation and amortization	-999	-787	-1,740
<b>Operating profit (loss)</b>	<b>-215,141</b>	<b>241,787</b>	<b>-498,620</b>
Net finance	-1,215,810	-50,969	238,073
<b>Loss before tax</b>	<b>-340,951</b>	<b>-292,756</b>	<b>-260,547</b>
Tax	201,245	199,387	306,399
<b>Loss for the period</b>	<b>-139,706</b>	<b>-93,369</b>	<b>45,852</b>

Source: Aker Exploration's Annual Report 2008 and quarterly reports 30 June 2009 and 2008

**Table 1.4.4-2 – Summary of balance sheets for Aker Exploration ASA (consolidated)**

Balance sheet (NOK 1,000)	Un-audited IFRS 30 June 2009	Un-audited IFRS 30 June 2008	Audited IFRS 31 December 2008
Total non-current assets	720,683	323,551	548,070
Total current assets	866,217	1,034,033	861,257
<b>Total assets</b>	<b>1,586,900</b>	<b>1,357,583</b>	<b>1,409,327</b>
Total equity	751,949	770,912	891,654
Total non-current liabilities	534,471	484,362	457,683
Total current liabilities	300,480	102,308	59,990
<b>Total equity and liabilities</b>	<b>1,586,900</b>	<b>1,357,583</b>	<b>1,409,327</b>

Source: Aker Exploration's Annual Report 2008 and quarterly reports 30 June 2009 and 2008

#### 1.4.5 Summary of capitalization and indebtedness

For further information, see section 9.7.13 “Capitalization and indebtedness”.

**Table 1.4.5-1 – Summary of capitalization and indebtedness**

<b>NOK 1,000</b>	<b>Un-audited As at 30 June 2009</b>
Total shareholders equity	751,949
Total current debt	300,480
Total non-current debt	534,471
Total indebtedness	834,951
Total capitalization	1,586,900
Liquidity	199,180
Net current financial indebtedness	-199,180
Net non-current financial receivables	500,398
<b>Net financial indebtedness</b>	<b>301,218</b>

Source: Aker Exploration’s Annual Report 2008 and quarterly reports 30 June 2009 and 2008

#### 1.4.6 Trends and significant changes in the financial or trading position since 30 June 2009

On 15 July 2009, Aker Exploration entered into an agreement with ExxonMobil of acquiring a 40% share of a prospect in license 028 S. On 26 July 2009, Aker Barents was taken on contract. Drilling operations started 9 August 2009 and will continue for an estimated period of 45 days before the rig moves to its next location. On 27 July 2009, PL304 was declared dry and was plugged and abandoned. For further information, see section 9.11 “Trend information”.

Except for the above, Aker Exploration has not experienced any changes or trends outside the course of business since 30 June 2009, which are significant to the company, and the management of Aker Exploration. Please see section 10 “The Market”, section 9.7 “Financial Information” and section 9.9 “Share Capital and Shareholder Matters” for more information about significant recent trends in the company’s business and relevant markets.

Aker Exploration is believed to have a satisfactory financial standing going forward. The company has established a future strategy expected to ensure continued growth and profit opportunity when Aker Barents is put into operation. In addition to being an attractive farm-in partner, the company expects that the access to a high quality exploration drilling rig will make it an attractive participant in future licensing rounds.

#### 1.4.7 Major shareholders

The following shareholders own more than 5% of the issued share capital in Aker Exploration as per 28 September 2009.

**Table 1.4.7-1 – Major shareholders**

	<b>Shareholder</b>	<b>No. of Shares</b>	<b>Percentage</b>
1	Aker Capital AS	15,224,848	76.12%

Source: VPS

#### 1.4.8 Related party transactions

Aker Exploration has chartered the drilling rig Aker Barents from Aker Drilling Operations AS, a subsidiary of Aker Drilling ASA. Aker ASA, the ultimate parent company of Aker Exploration ASA owns through Aker Capital AS 100% of Aker Drilling ASA. The drilling contract is described in section 9.5.1 “Drilling contract”.

The company is renting offices at Fjordalléen 16 for employees based in Oslo from Aker ASA. In addition, Aker Exploration has an agreement with Intellectual Property Holding, a wholly-owned subsidiary of Aker ASA, providing the right to the use of the “Aker” trademarks and domain names.

## 1.5 SUMMARY OF RISK FACTORS

Below is a brief summary of some of the most relevant risk factors described in section 3 “Risk factors”:

### **Operational and commercial risks related to the Merged Company**

- Risks relating to the nature of business
- Risks relating to reserves, resources, prospective resources and leads
- The Merged Company is dependent on finding, acquiring, developing and producing oil and gas reserves that are economically recoverable
- The Merged Company’s oil and natural gas reserves are only estimates and may prove to be inaccurate
- Concentration in a few number of fields
- The Merged Company will hold a number of licenses in their initial terms
- Risks relating to competition
- Substantial investments will be necessary in the future
- Risks related to drilling units
- Risks relating to the availability of drilling equipment and access to restrictions
- Reliance on third party operators and key personnel
- The Merged Company is dependent on attracting and retaining personnel

### **Risks related to the industry in which the Merged Company will operate**

- Commodity price volatility
- Political and regulatory risks
- Environmental and HSE risks
- The Merged Company might encounter operating hazards
- Unexpected shut downs may occur
- Risks associated with future decommissioning liabilities
- Risks associated with damaged equipment and the Merged Company’s insurance policies

### **Financial risks related to the Merged Company**

- Taxation
- Financial resources
- The Merged Company’s debt structure may restrict its business in various ways
- Exchange rate volatility

### **Risks related to the shares in the Merged Company**

- Volatility of share price
- Dilution
- Enforcement of civil liabilities predicated on U.S. securities laws against the Merged Company, its affiliates, directors and officers
- Nominee accounts and voting rights

### **Risks related to the Merger**

- Third party consents and completion risks
- Combination risk
- The unaudited pro forma financial information presented in this Information Memorandum may not be indicative of future results

If any of these risks or uncertainties actually occurs, the business, operating results and financial condition of the Merged Company could be materially and adversely affected. The risks presented in this Information Memorandum are not exhaustive, and other risks not discussed herein may adversely affect the Merged Company. Any prospective investor should consider carefully the information contained in this Information Memorandum and make an independent evaluation before making an investment decision.

## **1.6 ADDITIONAL INFORMATION**

### **1.6.1 Documents on display**

For the life of this Information Memorandum the following documents (or copies thereof) may be inspected at the Merged Company's business address:

- the articles of association of the Merged Company;
- all reports, letters, and other documents, historical financial information and statements prepared by any expert at the Merged Company's request any part of which is included or referred to in this Information Memorandum;
- the historical financial information of Det norske oljeselskap, Aker Exploration and its subsidiary undertakings for each of the three financial years preceding the publication of this Information Memorandum.

### **1.6.2 Advisors**

Carnegie ASA has acted as financial advisor to Aker Exploration. Aker Exploration's legal counsels are Bugge, Arentz-Hansen & Rasmussen (BA-HR) and Arntzen de Besche Advokatfirma AS.

RS Platou Markets has acted as financial advisor to Det norske. Their legal counsel is Advokatfirmaet Selmer DA.

### **1.6.3 Proposed articles of association for the Merged Company**

The Merged Company's registered name is Det norske oljeselskap ASA. The company is a Norwegian Public Limited Company. The company's registered office is in Trondheim, Norway.

The Merged Company's scope of business is petroleum exploration and production and activities related to this, as well as independently or in cooperation with other companies and stakeholders subscribe for shares or otherwise participate in such or other related enterprises.

The proposed articles of association of the Merged Company are included as Appendix 5.

## 2. NORSK SAMMENDRAG (NORWEGIAN SUMMARY)

*This Norwegian summary has been prepared in the Norwegian language for the Norwegian securities market in connection with the Merger. The information provided in this section is a summary of information provided in the rest of the Information Memorandum, and does not contain any additional information.*

*Dette norske sammendraget inneholder en oversettelse av kapittel 1 "Summary" i informasjonsdokumentet ("Informasjonsdokumentet"). Dette norske sammendraget er utarbeidet på norsk for det norske verdipapirmarkedet i forbindelse med den foreslåtte fusjonen ("Fusjonen") mellom Aker Exploration ASA ("Aker Exploration") og Det norske oljeselskap ("Det norske oljeselskap" eller "Det norske"). Sammendraget utgjør en del av det engelskspråklige Informasjonsdokumentet. Informasjonsgrunnlaget for det norske verdipapirmarkedet består således ikke kun av sammendraget på norsk, men av hele Informasjonsdokumentet. Investorer oppfordres til å lese hele Informasjonsdokumentet nøye før en investeringsbeslutning eventuelt treffes. Teksten i de øvrige delene av Informasjonsdokumentet har forrang i tilfelle motstrid med dette norske sammendraget.*

### 2.1 OVERSIKT OVER DEN FORESLÅTTE FUSJONEN

#### 2.1.1 Bakgrunn og begrunnelse

Den 25. august 2009 kunngjorde styrene sin intensjon om å fusjonere Aker Exploration og Det norske oljeselskap. En integrasjonsavtale vedrørende den foreslåtte fusjonen ble undertegnet 24. august 2009.

Den strategiske begrunnelsen for fusjonen er et ønske om å skape et selskap med en større og mer diversifisert leteportefølje. Det vil både gi bedre vekstmuligheter og økt operasjonell kapasitet. Som en av de største operatørene på norsk sokkel vil det fusjonerte selskapet også ta aktivt del i den bransjekonsolideringen som styret i begge selskapene forventer vil finne sted i Norge de kommende årene.

Det fusjonerte selskapet vil også være en robust partner for andre oljeselskaper og norske myndigheter.

Med fusjonen mellom Det norske og Aker Exploration forenes to leteselskaper som begge har lyktes med å bygge opp en betydelig lisensportefølje på norsk sokkel. De fusjonerende selskaperes porteføljer utfyller hverandre idet Det norskens portefølje domineres av lisenser i modne områder nær eksisterende infrastruktur og forbundet med lavere kapitalutgifter, mens Aker Explorations portefølje har et større innslag av mer utfordrende letemuligheter. Det norske har også eierinteresser i produserende felt og en betydelig portefølje av funn som vil bli utbygget i årene som kommer. Det fusjonerte selskapet har langsiktige avtaler med to flytende borerigger, Songa Delta og Aker Barents. Sistnevnte er spesielt godt egnet for drift under ekstreme klimatiske forhold og i miljø sensitive områder. Med disse avtalene har det fusjonerte selskapet sikret seg den riggekapasiteten og fleksibiliteten som trengs for å utforske og utvikle sin store lisensportefølje.

#### 2.1.2 Bytteforhold og vederlagsaksjer

Bytteforholdet i den foreslåtte fusjonen er fastsatt til 1:1,403328 (Aker Exploration : Det norske oljeselskap). Dersom fusjonsplanen vedtas og fusjonen gjennomføres, vil Det norskens aksjonærer motta 1,403328 aksjer i Aker Exploration for hver aksje de eier i Det norske. Aksjonærene vil ikke få tildelt brøkdelsaksjer. Slike brøkdeler vil i stedet bli slått sammen og solgt (rundet ned til nærmeste hele aksje) for de berettigede aksjonærenes egen risiko og regning, og nettoinntektene vil bli utbetalt til aksjonærene.

#### 2.1.3 Overtakende enhet i fusjonen og det fusjonerte selskapets juridiske navn

Av juridiske og økonomiske årsaker vil Aker Exploration være den overtakende part i den foreslåtte fusjonen. Fusjonen vil bli gjennomført i henhold til allmennaksjeloven § 13 slik at Det norskens eiendeler, ansvar, rettigheter og forpliktelser vil bli overdratt til Aker Exploration mot vederlag i form av aksjer i Aker Exploration.

Det norske er den klart største part i fusjonen. Det fusjonerte selskapet skal i henhold til fusjonsforslaget videreføres med Det norskens oljeselskap ASAs juridiske navn, logo og tickerkode.

### 2.1.4 De ekstraordinære generalforsamlingene og fusjonsplanen

De ekstraordinære generalforsamlingene der fusjonsplanen mellom Aker Exploration og Det norske skal opp til behandling og avstemming, planlegges avholdt 19. oktober 2009. Vedtakene om godkjenning av fusjonsplanen krever to tredjedels flertall blant Aker Explorations og Det norske aksjekapital som er representert på de ekstraordinære generalforsamlingene.

### 2.1.5 Vilkår for gjennomføring av fusjonen og nøkkeldatoer

Gjennomføringen av den foreslåtte fusjonen forutsetter:

- (a) Godkjenning av fusjonsplanen på de ekstraordinære generalforsamlingene,
- (b) godkjenning fra Olje- og energidepartementet i henhold til petroleumsloven § 10-12, og klarering fra Finansdepartementet i henhold til Petroleumsskatteloven § 10 med relevante forskrifter, og godkjenning/klarering fra Konkurransetilsynet på vilkår som er akseptable,
- (c) frasing av 5 millioner tegningsretter i Aker Exploration som eies av Aker Capital, se punkt 9.9.6 "Outstanding warrants",
- (d) alle godkjenninger og samtykker fra tredjeparter som anses som nødvendige for å gjennomføre fusjonen på tilfredsstillende vilkår,
- (e) bekreftelse fra Oslo Børs på at aksjene i det fusjonerte selskapet vil bli opptatt til notering på Oslo Børs etter at fusjonen er gjennomført,
- (f) registrering av fusjonen som gjennomført i Foretaksregisteret innen 31. mars 2010.

I den utstrekning godkjenningene/samtykkene i vilkår (b), (c) og (d) ikke blir innvilget på vilkår som er tilfredsstillende for Aker Exploration og Det norske, skal selskapene søke å redusere de potensielle negative konsekvensene blant annet gjennom drøftinger med den relevante statlige myndighet eller tredjepart.

Tidsplanen under viser noen av nøkkeldatoene for den foreslåtte fusjonen (alle klokkeslett er CET):

Fusjonsforslaget godkjent av styrene .....	16. september 2009
Behandling av og avstemming om fusjonsplanen på ekstraordinære generalforsamlinger .....	19. oktober 2009
Utløp av kreditorperioden .....	rundt 20. desember 2009
Iverksettelse av den foreslåtte fusjonen .....	planlagt til rundt 21. desember 2009
Levering av vederlagsaksjer gjennom VPS .....	planlagt til rundt 22. desember 2009
Overføring av notering av aksjene i det fusjonerte selskapet fra Oslo Axess til Oslo Børs .....	planlagt til rundt 23. desember 2009

### 2.1.6 Opptak til notering

Aksjene i Aker Exploration er for tiden notert på Oslo Axess, mens aksjene i Det norske er notert på Oslo Børs. Gjennomføring av fusjonen forutsetter at Oslo Børs bekrefter at aksjene i det fusjonerte selskapet vil bli notert på Oslo Børs. Aksjene i det fusjonerte selskapet forventes notert på Oslo Børs den første børsdagen etter at kapitalutvidelsen som følger av fusjonen er blitt registrert i Foretaksregisteret (forventes å bli rundt 23. desember 2009).

### 2.1.7 Utgifter knyttet til fusjonen

Transaksjonskostnadene og alle andre kostnader som er direkte henførbare til fusjonen, skal bæres av det fusjonerte selskapet. De samlede kostnadene beløper seg til om lag 50 millioner kroner.

## 2.2 DET FUSJONERTE SELSKAPET

Det fusjonerte selskapets juridiske navn vil ifølge fusjonsforslaget være "Det norske oljeselskap ASA", og dets forretningskontor vil være i Nedre Bakklandet 58C, 7014 Trondheim, Norge. Det fusjonerte selskapet vil også ha kontorer i Stavanger, Oslo og Harstad. Det fusjonerte selskapets organisasjonsnummer vil være 989 795 848.

### **2.2.1 Visjon og strategi**

Det fusjonerte selskapets visjon er å påvise og utvinne olje- og gassressurser på norsk kontinentalsokkel til gjensidig nytte for aksjonærer, ansatte og det norske samfunn generelt. Det fusjonerte selskapets strategi er å delta i alle faser av verdikjeden for leting og produksjon. Dette skal oppnås både gjennom organisk vekst og gjennom fusjons- og oppkjøpsvirksomhet.

For ytterligere informasjon, se punkt 7.2 "Vision and strategy".

### **2.2.2 Styre og ledelse**

Hovedledelsen i det fusjonerte selskapet vil bestå av Erik Haugane, administrerende direktør, Øyvind Bratsberg, viseadministrerende direktør, Finn Øistein Nordam, finansdirektør og Lars Thorrud, direktør for forretningsutvikling og administrerende direktør for Aker Exploration AS. Se punkt 7.8.1 "Management of the Merged Company" for ytterligere informasjon.

Kjell Inge Røkke er foreslått som styreleder for det nye Det norske oljeselskap ASA. Det er videre foreslått at styret skal bestå av Berge Gerdt Larsen, Maria Moræus Hanssen, Hege Sjø og Kaare Gisvold. Se punkt 7.8.2 "Board of Directors" for ytterligere informasjon.

### **2.2.3 Finansiell informasjon og proforma finansiell informasjon**

En del finansiell informasjon om Det norske og Aker Exploration er medtatt i henholdsvis punkt 8.7 og 9.7 i informasjonsdokumentet. Urevidert proforma finansiell informasjon om det fusjonerte selskapet er medtatt i punkt 7.11.

### **2.2.4 Revisor**

Deloitte AS er foreslått som uavhengig revisor for det fusjonerte selskapet.

### **2.2.5 Aksjer og aksjekapital**

Det fusjonerte selskapets utstedte aksjekapital etter gjennomføring av fusjonen vil være 111 111 111 kroner fordelt på 111 111 111 fullt innbetalte aksjer, hver pålydende 1 krone. Det fusjonerte selskapet vil ha én aksjeklasse som står likt i alle henseender. Hver aksje har én stemme. Det fusjonerte selskapets vedtekter vil ikke inneholde bestemmelser om begrensninger i anledningen til å overdra eller eie aksjer.

Aksjene i det fusjonerte selskapet vil bli registrert i VPS med verdipapirnummer (ISIN) NO 001 0345853, og vil bli notert under tickeren "DETNOR". Kontofører for aksjene vil være DnB NOR Bank ASA, Stranden 21, NO-0250 Oslo, Norge.

## **2.3 DET NORSKE OLJESELSKAP ASA**

### **2.3.1 Innledning**

Det norske er en ledende operatør på norsk kontinentalsokkel. Selskapets forretningsvirksomhet er leting, utbygging og produksjon av petroleumsressurser. Det norske har lisenser i Nordsjøen, Norskehavet og Barentshavet.

### **2.3.2 Historikk, stiftelse og forretningskontor**

Pertra ASA ("Pertra") ble opprettet av Petroleum Geo-Services ASA 2. januar 2002. I januar 2005 ble selskapet solgt til Talisman. Den 11. februar 2005 opprettet ledelsen i Pertra et nytt oljeselskap og kjøpte tilbake Pertra-navnet samt andeler i fem lisenser fra Talisman. Selskapet har siden hatt betydelig vekst.

Det Norske Oljeselskap ASA ble grunnlagt i 1989 som et heleid datterselskap av DNO ASA. I forbindelse med at Pertra kjøpte opp aksjemajoriteten i Det Norske Oljeselskap AS og Pertra, endret Det Norske Oljeselskap navn til NOIL Energy ASA, mens Pertra 19. november 2007 endret navn til Det norske oljeselskap ASA.

I mai 2008 tok Det norske oljeselskap ASA og NOIL Energy ASA i fellesskap initiativ til en fusjonsplan, med Det norske som overtakende selskap. Fusjonen trådte i kraft fra og med 25. juli 2008, med regnskaps- og skattemessig virkning fra 1. januar 2008.

Det norske forretningskontor ligger i Trondheim, Norge (Nedre Baklandet 58c, 7014 Trondheim). Funksjonen som selskapets hovedkontor er delt mellom kontorene i Trondheim og Oslo. Det norske har også kontorer i Oslo, Harstad og Stavanger.

### 2.3.3 Styre og ledelse

Det sittende styret består av Svein Sivertsen (styreleder), Kaare Moursund Gisvold, Marianne Elisabeth Johnsen, Lone Fønss Gjørup Schrøder, Hege Sjø, Tore Lilloe-Olsen, Jan Gunnar Opsal, Bjarne Kristoffersen og Kristin Aubert. For ytterligere informasjon, se punkt 8.8.1 "Board of Directors".

Ledelsen består av Erik Haugane (administrerende direktør), Øyvind Bratsberg (viseadministrerende direktør), Finn Øistein Nordam (finansdirektør), Odd Ragnar Heum (direktør reserve- og områdeutvikling), Tom Bugge (direktør leting), Anita Utseth (direktør HMS), Stein Fines (direktør teknologi og utbygging), Vidar Berge Larsen (direktør for forretningsutvikling), Sigmund Hanslien (direktør geofag), Torgeir Anda (kommunikasjonssjef) og Anton Tronstad (direktør boring og brønn). For mer informasjon, se punkt 8.8.2 "Management".

### 2.3.4 Regnskap

Under gis det et sammendrag av Det norske oljeselskaps siste resultatregnskap og balanse. For ytterligere informasjon, se punkt 8.7 "Financial information".

Tabell 2.3.4-1 – Sammendrag av resultatregnskap for Det norske oljeselskap ASA

Resultatregnskap (NOK 1 000)	Urevidert IFRS 6 måneder avsluttet 30. juni 2009	Urevidert IFRS 6 måneder avsluttet 30. juni 2008	Revidert IFRS 12 måneder avsluttet 31. desember 2008
<b>Driftsinntekter</b>	<b>123 886</b>	<b>168 954</b>	<b>635 070</b>
Driftsinntekter (ekskl. avskrivninger og amortisering)	579 667	221 777	1 095 727
<b>EBITDA</b>	<b>-455 781</b>	<b>-52 823</b>	<b>-460 657</b>
Avskrivning og amortisering	23 298	49 473	111 357
<b>Driftsresultat</b>	<b>-479 079</b>	<b>-102 296</b>	<b>-572 014</b>
Netto finansresultat	36 294	-8 935	155 869
<b>Resultat før skatt</b>	<b>-442 785</b>	<b>-111 231</b>	<b>-416 145</b>
Skatt	-372 980	-95 532	-641 640
<b>Resultat for perioden</b>	<b>-69 805</b>	<b>-15 699</b>	<b>225 494</b>

Kilde: Det norske oljeselskaps årsrapport 2008 og kvartalsregnskap per 30. juni 2009 og 2008

**Tabell 2.3.4-2 – Sammendrag av balanse for Det norske oljeselskap ASA**

Balanse (NOK 1 000)	Urevidert IFRS 30. juni 2009	Urevidert IFRS 30. juni 2008	Revidert IFRS 31. desember 2008
Sum anleggsmidler	3 638 008	5 212 343	2 727 010
Sum omløpsmidler	1 854 665	1 200 574	2 491 098
<b>Sum eiendeler</b>	<b>5 492 673</b>	<b>6 412 916</b>	<b>5 218 108</b>
Sum egenkapital	3 621 414	3 516 904	3 691 219
Sum langsiktige forpliktelser	1 338 993	2 272 699	1 103 201
Sum kortsiktige forpliktelser	532 266	623 314	423 688
<b>Sum egenkapital og forpliktelser</b>	<b>5 492 673</b>	<b>6 412 916</b>	<b>5 218 108</b>

Kilde: Det norske oljeselskaps årsrapport 2008 og kvartalsregnskap per 30. juni 2009 og 2008

### 2.3.5 Sammendrag av egenkapital og gjeld

For ytterligere informasjon, se punkt 8.7.12 “Capitalization and indebtedness”.

**Tabell 2.3.5-1 – Sammendrag av egenkapital og gjeld**

NOK 1 000	Urevidert per 30. juni 2009
Sum aksjekapital	3 621 414
Sum kortsiktig gjeld	532 266
Sum langsiktig gjeld	1 338 993
Sum gjeld	1 871 259
Sum egenkapital	5 492 673
Likviditet	1 348 332
Netto kortsiktig finansiell gjeld	-1 840 441
Netto langsiktige finansielle fordringer	-672 732
Netto finansiell gjeld	-2 513 173

### 2.3.6 Trender og vesentlige endringer i finansiell eller driftsmessig stilling etter 30. juni 2009

Den 28. juli 2009 inngikk Det norske en avtale om å øke sin andel i PL 027D Jetta-prospektet fra 35 prosent til 47 prosent ved å overta en andel på 12 prosent fra ExxonMobil, i forkant av boreoperasjonene. For ytterligere informasjon, se punkt 8.11 “Trend Information”.

Boringen av Fongen-prospektet i PL 380 og Trolla-prospektet i PL 483S var ferdig i tredje kvartal 2009. Begge brønnene var tørre.

Med unntak for det ovennevnte har Det norske siden 30. juni 2009 ikke opplevd vesentlige endringer eller trender som får innvirkning på Det norske eller på styringen av selskapet. Se punkt 10 “The Market”, punkt 8.7 “Financial Information” og punkt 8.9 “Share Capital and Shareholder Matters” for mer informasjon om vesentlige nye trender i selskapets virksomhet og relevante markeder.

### 2.3.7 Hovedaksjonærer

Følgende aksjonærer eier over 5 % av den utstedte aksjekapitalen i Det norske oljeselskap ASA per 28. september 2009.

Tabell 2.3.7-1 – Hovedaksjonærer

	Aksjonær	Ant. aksjer	Prosent
1	DNO International ASA	15,231,255	23.46%
2	Aker ASA	11,797,752	18.17%

Kilde: VPS

### 2.3.8 Transaksjoner med nærstående parter

Alle transaksjoner, avtaler og forretningsaktiviteter med nærstående parter gjennomføres på grunnlag av alminnelige forretningsvilkår (armlengdeprinsippet).

- Det norske har foretatt noen mindre transaksjoner med DNO International ASA, som er selskapets største aksjonær.
- Det norske har inngått en treårig kontrakt med Deep Sea Rig AS, som er tilknyttet Odfjell Drilling Ltd og dermed en nærstående part til Det norske oljeselskap, som nærmere beskrevet i punkt 8.6 “Related party transactions”.

For ytterligere informasjon, se punkt 8.6 “Related party transactions”.

## 2.4 AKER EXPLORATION ASA

### 2.4.1 Innledning

Aker Exploration er et rent leteselskap innen olje og gass som satser spesielt på norsk sokkel i nordlige Nordsjøen, Norskehavet og Barentshavet.

Forretningsmodellen går for tiden ut på å bytte riggekapasitet mot lisensandeler for deretter å gå ut av lisensen før en plan for utbygging og drift (“PUD”) foreligger, med sikte på å reinvestere i pågående leteaktivitet. I tillegg søker Aker Exploration om direkte tildelinger av andeler i produksjonslisenser i de ordinære lisensrundene og TFO-rundene på norsk sokkel.

### 2.4.2 Historikk, stiftelse og forretningskontor

Aker Exploration ble formelt stiftet som et norsk allmennaksjeselskap (ASA) av Aker Capital AS den 2. mai 2006. Aker Capital AS’ forretningsadresse er Fjordalléen 16, 0250 Oslo, Norge. Sent i 2005, før selskapet ble stiftet, startet det som et internt prosjekt i Aker ASA. Det heleide datterselskapet Aker Exploration AS ble stiftet 6. mars 2006.

Aker Exploration ble prekvalifisert som lisenshaver på norsk sokkel i november 2006 og som operatør ett år senere. Selskapet ble notert på Oslo Axess i desember 2007.

Aker Exploration ASA har forretningskontor i Haakon VII’s gt. 9, Postboks 508 Sentrum, 4003 Stavanger, Norge.

### 2.4.3 Styre og ledelse

Styret i Aker Exploration består av Kjell Inge Røkke (styreleder), May Britt Myhr, Nina Udnes Tronstad og Maria Moræus Hanssen. For ytterligere informasjon, se punkt 9.8.1 “Board of Directors”.

Konsernledelsen består av Bård Johansen (administrerende direktør), Alan McIntyre (finansdirektør), Rune Fauskanger (KHMS-direktør), Lars Thorrud (direktør for drift og forretningsutvikling) og Steinar Sørensen (letedirektør). For mer informasjon, se punkt 9.8.2 “Management”.

## 2.4.4 Regnskap

Under gis det et sammendrag av Aker Explorations siste resultatregnskap og balanse. For ytterligere informasjon, se punkt 9.7 "Financial Information".

**Tabell 2.4.4-1 – Sammendrag av resultatregnskap for Aker Exploration ASA (konsolidert)**

<b>Resultatregnskap (NOK 1 000)</b>	<b>Urevidert IFRS 6 måneder avsluttet 30. juni 2009</b>	<b>Urevidert IFRS 6 måneder avsluttet 30. juni 2008</b>	<b>Revidert IFRS 12 måneder avsluttet 31. desember 2008</b>
<b>Driftsinntekter</b>	-	-	-
Driftsinntekter (ekskl. avskrivninger og amortisering)	-214 142	-241 000	-496 880
<b>EBITDA</b>	<b>-214 142</b>	<b>-241 000</b>	<b>-496 880</b>
Avskrivning og amortisering	-999	-787	-1 740
<b>Driftsresultat (tap)</b>	<b>-215 141</b>	<b>241 787</b>	<b>-498 620</b>
Sum finansresultat	-1 215 810	-50 969	238 073
<b>Resultat før skatt</b>	<b>-340 951</b>	<b>-292 756</b>	<b>-260 547</b>
Skattekostnad	201 245	199 387	306 399
<b>Resultat for perioden</b>	<b>-139 706</b>	<b>-93 369</b>	<b>45 852</b>

Kilde: Aker Explorations årsrapport 2008 og kvartalsregnskap per 30. juni 2009 og 2008

**Tabell 2.4.4-2 – Sammendrag av balansen for Aker Exploration ASA (konsolidert)**

<b>Balanse (NOK 1 000)</b>	<b>Urevidert IFRS 30. juni 2009</b>	<b>Urevidert IFRS 30. juni 2008</b>	<b>Revidert IFRS 31. desember 2008</b>
Sum anleggsmidler	720 683	323 551	548 070
Sum omløpsmidler	866 217	1 034 033	861 257
<b>Sum eiendeler</b>	<b>1 586 900</b>	<b>1 357 583</b>	<b>1 409 327</b>
Sum egenkapital	751 949	770 912	891 654
Sum langsiktige forpliktelser	534 471	484 362	457 683
Sum kortsiktige forpliktelser	300 480	102 308	59 990
<b>Sum egenkapital og forpliktelser</b>	<b>1 586 900</b>	<b>1 357 583</b>	<b>1 409 327</b>

Kilde: Aker Explorations årsrapport 2008 og kvartalsregnskap per 30. juni 2009 og 2008

#### 2.4.5 Sammendrag av egenkapital og gjeld

For ytterligere informasjon, se punkt 9.7.13 "Capitalization and indebtedness".

**Tabell 2.4.5-1 – Sammendrag av egenkapital og gjeld**

<b>NOK 1 000</b>	<b>Urevidert per 30. juni 2009</b>
Sum egenkapital	751 949
Sum kortsiktige forpliktelser	300 480
Sum langsiktige forpliktelser	534 471
Sum forpliktelser	834 951
Sum egenkapital og forpliktelser	1 586 900
Likviditet	199 180
Netto kortsiktig finansiell gjeld	-199 180
Netto langsiktige finansielle fordringer	500 398
<b>Netto finansiell gjeld</b>	<b>301 218</b>

Kilde: Aker Explorations årsrapport 2008 og kvartalsregnskap pr. 30. juni 2009 og 2008

#### 2.4.6 Trender og vesentlige endringer i finansiell eller omsetningsmessig stilling etter 30. juni 2009

Den 15. juli 2009 inngikk Aker Exploration en avtale med ExxonMobil om kjøp av en andel på 40 % av et prospekt i lisens 028 S. Den 26. juli 2009 ble Aker Barents hyret inn. Boreoperasjonene startet 9. august 2009 og er forventet å vare ca. 45 dager før riggen flyttes til neste lokasjon. Den 27. juli 2009 ble PL304 erklært tørr og ble plugget og forlatt. For ytterligere informasjon, se punkt 9.11 "Trend information".

Med unntak av det ovenstående har Aker Exploration siden 30. juni 2009 ikke opplevd noen vesentlige endringer eller trender som får innvirkning på Aker Exploration eller styringen av selskapet. Se kapittel 10 "The Market", punkt 9.7 "Financial Information" og punkt 9.9 "Share Capital and Shareholder Matters" for ytterligere opplysninger om vesentlige nyere trender i selskapets virksomhet og relevante markeder.

Aker Exploration antas å ha en tilfredsstillende finansiell stilling i tiden framover. Selskapet har fastsatt en framtidig strategi som forventes å sikre fortsatte vekst- og fortjenestemuligheter når Aker Barents settes i drift. I tillegg til å være en attraktiv "farm-in"-partner, forventer selskapet at tilgangen til en leterigg av høy kvalitet vil gjøre det til en attraktiv deltaker i framtidige lisensrunder.

#### 2.4.7 Hovedaksjonærer

Følgende aksjonær eier mer enn 5 % av utstedt aksjekapital i Aker Exploration ASA per 28. september 2009.

**Tabell 2.4.7-1 – Hovedaksjonærer**

	<b>Aksjonær</b>	<b>Ant. aksjer</b>	<b>Prosent</b>
1	Aker Capital AS	15,224,848	76.12%

Kilde: VPS

#### 2.4.8 Transaksjoner med nærstående parter

Aker Exploration har chartret boreriggen Aker Barents fra Aker Drilling Operations AS, et datterselskap av Aker Drilling ASA. Aker ASA, det ultimate morselskapet for Aker Exploration ASA, eier gjennom Aker Capital AS 100 % av Aker Drilling ASA. Borekontrakten er beskrevet i punkt 9.5.1 "Drilling contract".

Selskapet leier kontorer i Fjordalléen 16 for ansatte basert i Oslo fra Aker ASA. I tillegg har Aker Exploration en avtale med Intellectual Property Holding, et heleid datterselskap av Aker ASA, som gir retten til å bruke varemerkene og domenenavnene "Aker".

### 2.5 SAMMENDRAG AV RISIKOFAKTORER

Under gis et kort sammendrag av noen av de mest relevante risikofaktorene beskrevet i kapittel 3 "Risk factors":

### **Driftsmessige og kommersielle risikoer knyttet til det fusjonerte selskapet**

- Risikoer knyttet til virksomhetens art
- Risikoer knyttet til reserver, ressurser, prospektive ressurser og muligheter
- Det fusjonerte selskapet er avhengig av å påvise, erverve, bygge ut og produsere olje- og gassreserver som er økonomisk utvinnbare
- Det fusjonerte selskapets olje- og naturgassreserver er bare estimater og kan vise seg å være unøyaktige
- Konsentrasjon om et lite antall felt
- Det fusjonerte selskapet vil besitte en rekke lisenser som er i sine innledende faser
- Risikoer knyttet til konkurranse
- Betydelige investeringer vil bli nødvendig i framtiden
- Risikoer knyttet til boreenheter
- Risikoer knyttet til tilgjengelighet på boreutstyr og eventuelle begrensninger
- Avhengighet av tredjepartsoperatører og nøkkelpersonell
- Det fusjonerte selskapet er avhengig av å tiltrekke seg og beholde personell

### **Risikoer knyttet til bransjen som det fusjonerte selskapet skal drive virksomhet i**

- Volatilitet i råvareprisene
- Politiske og regulatoriske risikoer
- Miljø- og HMS-risikoer
- Det fusjonerte selskapet kan støte på driftsmessige farer
- Uventede nedstengninger kan inntreffe
- Risikoer knyttet til framtidige forpliktelser ifm. avvikling
- Risikoer i forbindelse med ødelagt utstyr og det fusjonerte selskapets forsikringspoliser

### **Finansielle risikoer knyttet til det fusjonerte selskapet**

- Skatt
- Finansielle ressurser
- Gjeldsstrukturen i det fusjonerte selskapet kan begrense virksomheten på ulike måter
- Volatilitet i valutakursen

### **Risikoer knyttet til aksjene i det fusjonerte selskapet**

- Volatilitet i aksjekursen
- Utvanning
- Håndhevelse av sivilrettslige forpliktelser basert på amerikansk verdipapirlovgivning mot det fusjonerte selskapet, dets datterselskaper, styremedlemmer og tillitsmenn
- Forvalterkontoer og stemmeretter

### **Risikoer knyttet til fusjonen**

- Risiko ifm. samtykke fra tredjepart og gjennomføring
- Risiko ifm. sammenslåingen
- Den ureviderte proforma finansielle informasjonen presentert i dette informasjonsdokumentet er ingen indikasjon på framtidig resultatutvikling

Hvis noen av disse risikoene eller usikkerhetene faktisk skulle inntreffe, kan det fusjonerte selskapets virksomhet, driftsresultater og finansielle stilling påvirkes negativt i vesentlig grad. Risikoene presentert i dette informasjonsdokumentet er ikke uttømmende, og andre risikoer som ikke er drøftet her kan påvirke det fusjonerte selskapet negativt. Eventuelle investorer bør nøye vurdere informasjonen i dette informasjonsdokumentet og foreta en uavhengig vurdering før beslutning om investering treffes.

## **2.6 TILLEGGSI NFORMASJON**

### **2.6.1 Dokumenter til gjennomsyn**

Så lenge dette informasjonsdokumentet er gyldig er følgende dokumenter (eller kopier av disse) lagt ut for gjennomsyn på det fusjonerte selskapets forretningsadresse:

- det fusjonerte selskapets vedtekter,

- alle rapporter, brev og andre dokumenter, finansiell historikk og erklæringer utarbeidet av en hvilken som helst ekspert etter anmodning fra det fusjonerte selskapet, hvis enkelte deler er tatt med eller omtalt i dette informasjonsdokumentet,
- finansiell historikk for Det norske oljeselskap, Aker Exploration og dets datterselskaper for hvert av de tre regnskapsårene forut for publiseringen av dette informasjonsdokumentet.

### **2.6.2 Rådgivere**

Carnegie ASA har fungert som finansiell rådgiver for Aker Exploration. Aker Exploration har fått juridisk bistand fra advokatfirmaet Bugge, Arentz-Hansen & Rasmussen (BA-HR) og Arntzen de Besche Advokatfirma AS.

RS Platou Markets har fungert som finansiell rådgiver for Det norske. Det norske har fått juridisk bistand fra Advokatfirmaet Selmer DA.

### **2.6.3 Foreslåtte vedtekter for det fusjonerte selskapet**

Det fusjonerte selskapets registrerte navn er Det norske oljeselskap ASA. Selskapet er et norsk allmennaksjeselskap. Selskapets forretningskontor er i Trondheim, Norge.

Det fusjonerte selskapets virksomhetsområde er petroleumsleting og -produksjon og aktiviteter i tilknytning til dette, samt å tegne aksjer i slike eller andre relaterte foretak, enten alene eller sammen med andre selskaper og interessenter.

De foreslåtte vedtektene for det fusjonerte selskapet er inntatt som vedlegg 3.

### **3. RISK FACTORS**

#### **3.1 GENERAL**

Investing in the Merged Company will involve inherent risks. Prospective investors should consider, among other things, the risk factors set out in the Information Memorandum before making an investment decision on investing in the Merged Company. The risks described below are not the only ones that will face the Merged Company. Additional risks not presently known, or currently deemed immaterial, may also impair the Merged Company's business operations and adversely affect the price of the shares of the Merged Company. If any of the following risks actually occur, the Merged Company's business, financial position and operating results could be materially and adversely affected. A prospective investor should consider carefully the factors set forth below, and elsewhere in the Information Memorandum, and should consult his or her own expert advisors as to the suitability of an investment in shares of the Merged Company. An investment in shares of the Merged Company will be suitable only for investors who understand the risk factors associated with this type of investment and who can afford a loss of all or part of the investment.

All forward-looking statements included in this Information Memorandum are based on information available to the Company on the date hereof and reflect the Company's present best effort opinions only. The Company assumes no obligation to update any such forward-looking statements unless required by applicable law or regulations. Investors are cautioned that any forward-looking statements are not guarantees of future performance and are subject to risks and uncertainties and that actual result may differ materially from those assumed in the forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those described below and elsewhere in this Information Memorandum.

#### **3.2 OPERATIONAL AND COMMERCIAL RISKS RELATED TO THE MERGED COMPANY**

##### **3.2.1 Nature of business**

An investment in the Merged Company should be considered speculative due to the nature of the Merged Company's involvement in the exploration for, and the acquisition, development, and production of, oil and natural gas. Also, oil and gas operations involve many risks, which even a combination of experience and knowledge and careful evaluation may not be able to overcome. There is no assurance that further commercial quantities of oil and natural gas will be discovered or acquired by the Merged Company.

##### **3.2.2 Reserves, resources, prospective resources and leads**

Throughout this document, the Merged Company has attempted to provide an appreciation of the potential that the Merged Company's asset base offers and this should be distinguished from reserves and resources.

*Reserves* are the amount of hydrocarbons that are economically recoverable from a particular resource base from a given date forward. Ultimate recoverable reserves can range widely depending on resource characteristics, available technologies, and economic and contractual parameters.

*Resources* are defined as discoveries that are not yet declared commercial. At the time when the License formally decides to submit a PDO for such resources, they are reclassified as Reserves.

*Prospective resources* are calculated recoverable volumes in defined prospects where both the data coverage is sufficient to calculate such volumes and there are plausible reasons why there could be hydrocarbons in such prospects. Since Prospective Resources has not yet been verified by a well, the corresponding volumes are normally risked by their individual probabilities.

*Leads* are potential prospects in a play model. These can be purely conceptual ideas where there is very little data, but also potentially prolific areas where prospects have not yet been defined. In the Merged Company context there has no meaning to refer to any numbers with respect to potentially recoverable hydrocarbons in Leads.

##### **3.2.3 The Merged Company is dependent on finding, acquiring, developing and producing oil and gas reserves that are economically recoverable**

The Merged Company is dependent on its ability to appraise, find, acquire, develop and commercially produce oil and gas reserves. The Merged Company must continually locate and develop or acquire new reserves to

replace its existing reserves that are being depleted by production. Future increases in the Merged Company's reserves will depend not only on its ability to explore and develop its existing properties but also on its ability to select and acquire suitable additional properties either through awards at licensing rounds or through acquisitions.

Few prospects that are explored are ultimately developed into producing oil and gas fields. Significant expenditure is required to establish the extent of oil and gas reserves through seismic and other surveys and drilling and there can be no certainty that oil and gas reserves will be found. There are many reasons why the Merged Company may not be able to find or acquire oil and gas reserves or develop them for commercially viable production.

Without successful exploration or acquisition activities, the Merged Company's reserves, production and revenues will decline. There is no assurance that the Group will discover, acquire or develop further commercial quantities of oil and gas.

#### **3.2.4 The Merged Company's oil and natural gas reserves are only estimates and may prove to be inaccurate**

There are numerous uncertainties inherent in estimating quantities of proved reserves and their values, including many factors beyond the control of the producer. The reserve data included in this Information Memorandum represent only estimates. The estimates of other companies with interests in the same oil and gas field or fields may differ and the magnitude of the differences may be substantial. This reflects the degree to which reservoir engineering is a subjective and inexact process, requiring the estimate of underground accumulations of oil and natural gas that cannot be measured in an exact manner. Evaluating properties for their recoverable reserves of oil and natural gas entails the assessment of geological, engineering and production data, some or all of which may prove to be unreliable. Accordingly, reserve estimates may be subject to downward or upward adjustment. Actual production, revenues and expenditures with respect to the Merged Company's reserves will likely vary from estimates, and those variances may be material. Any downward adjustment in its reserve data could lead to lower future production, which would negatively affect operating results and financial condition.

#### **3.2.5 Concentration in a few number of fields**

The Merged Company's production of oil and gas will be concentrated in a limited number of offshore fields. If mechanical problems, storms or other events curtail a substantial portion of the Merged Company's production or if the actual reserves associated with any one of the Merged Company's producing fields are less than the estimated reserves, the Merged Company's results of operations and financial condition could be adversely affected.

#### **3.2.6 The Merged Company will hold a number of licenses in their initial terms**

The Merged Company will hold a number of interests in exploration licenses or in other licenses that are in their initial terms. The early stages or exploration period of a license are commonly the most risky. These phases of the term of a license require high levels of relatively speculative capital expenditure without a commensurate degree of certainty of a return on that investment.

#### **3.2.7 Competition**

The oil and natural gas industry is intensely competitive. The Merged Company's competitive position will depend on its geological, geophysical and engineering expertise, its financial resources, its ability to develop its properties and its ability to discover, acquire, and develop resources. The Merged Company will compete with a number of other companies having large technical staffs and great financial and operational resources. Many such companies not only engage in the acquisition, exploration, development, and production of oil and natural gas reserves, but also carry on refining operations and market refined products. In addition, the Merged Company will compete with major and independent oil and natural gas companies and other industries supplying energy and fuel in the marketing and sale of oil and natural gas to transporters, distributors, and end users, including industrial, commercial, and individual consumers. The Merged Company will also compete with other oil and natural gas companies in attempting to secure drilling rigs and other – companies to review equipment necessary for drilling and completion of wells. Such equipment may be in short supply. In addition, equipment and other materials necessary to construct production and transmission facilities may be in short supply from time to time. Finally, companies not previously investing in oil and natural gas may choose to

acquire reserves to establish a firm supply or simply as an investment. Such companies will also provide competition for the Merged Company.

### **3.2.8 Substantial investments will be necessary in the future**

The Merged Company will be required to make substantial capital expenditure for the acquisition, exploration, development and production of oil and gas reserves in the future. Such capital expenditures could be covered by revenues, new equity or by obtaining new debt. If the Merged Company's revenues decline, or if the Merged Company is unable to attract investors to increase the Merged Company's equity, or if new debt arrangements are not accessible, or only on unattractive commercial terms, the Merged Company will experience a limited ability to undertake or complete future exploration programs, development investments and acquisitions. The Merged Company's inability to access sufficient capital for its operations could lead to licenses being revoked, or could lead to a material adverse effect on the Merged Company's financial conditions, results of operations or prospects in general.

### **3.2.9 Risks related to drilling units**

The Merged Company will be subject to significant contractual obligations to third parties relating to the provision of the drilling units and related services contracted by the Merged Company, including the drilling unit "Aker Barents". The Merged Company's ability to fulfill these obligations depends to a large extent on the providers fulfillment of their obligations vis-à-vis the Merged Company under the drilling contracts for the lease of the drilling unit(s). The Merged Company's counterparty to the drilling contracts in respect of the drilling unit(s), may have limited operating history prior to the commencement of the drilling services related to the drilling unit(s). Further, they may not be able to attract and retain key personnel and possible sub-contractors to be able to deliver the required services related to the drilling unit(s), which may impact on the Merged Company's ability to fulfill its obligations under the relevant farm-in contracts and thereby have a material effect on the earnings and financial position of the Merged Company.

As the drilling units will operate offshore, there will always be exposure to damage to, or destruction of, the drilling units, and technical risks, with unforeseen operational problems leading to unexpectedly high operating costs and/or lost earnings, additional investments, penalty payments, etc., which could impact on the Merged Company's ability to fulfill its obligations under the relevant farm-in contracts and thereby have a material effect on the earnings and financial position of the Merged Company.

The Merged Company will have rig contracts with Aker Barents and Songa Delta until the summer of 2012. The Merged Company has currently not entered into contracts which secure the full employment of the drilling units in this period. The market for such drilling units is volatile, thus there are risks related to whether the Merged Company will be able to enter into a sufficient number of contracts to secure full employment of the drilling units as well as risks as to whether such contracts can be entered into on terms that would secure that costs that the Merged Company have in relation of its drilling units are fully covered. Based on the structure of the day rates applicable for the drilling units the Merged Company may experience that they are liable to pay day rates in a situation where the Merged Company has not been successful in having the drilling units in operation or where the drilling units are in operation, at market rates which do not fully cover the costs which the Merged Company have in relation of its drilling units. Should any such situation as described above occur, the Merged Company may be unable to apply the costs as eligible costs under the tax refund arrangement for exploration costs (see section 3.4.1 below) which again may have a material effect on the earnings and financial position of the Merged Company.

### **3.2.10 Availability of drilling equipment and access to restrictions**

Oil and natural gas exploration and development activities are dependent on the availability of specialized equipment, including drilling and related equipment in the particular areas where such activities will be conducted. From time to time the demand for such limited equipment may be high or access restrictions will affect the availability and cost of such equipment to the Merged Company and from time to time delays exploration and development activities.

### **3.2.11 Reliance on third party operators and key personnel**

While the Merged Company operates certain of its assets, it is not the operator of some of its current development and production assets. To the extent that the Merged Company is not the operator of its properties,

the Merged Company will generally have limited control over the day-to-day management or operations of those assets. Therefore the Merged Company will be dependent upon the activities of the third party operator. A third party operator's mismanagement of an asset may result in delays or increased costs to the Merged Company. There can be given no assurance related to the operations of the third operators.

### **3.2.12 The Merged Company is dependent on attracting and retaining personnel**

The Merged Company's success will depend, to a significant extent, upon management, key employees and independent consultants. The loss of such human resources could have a material negative effect on the Merged Company. Attracting and retaining additional key personnel will be important for the performance and expansion of the Merged Company's business. The Merged Company will face significant competition for skilled personnel. There can be given no assurances that the Merged Company will successfully attract and retain personnel required for the Company to successfully execute its business strategy.

## **3.3 RISKS RELATED TO THE INDUSTRY IN WHICH THE MERGED COMPANY WILL OPERATE**

### **3.3.1 Commodity price volatility**

Both oil and natural gas prices are unstable and are subject to fluctuation. Any material decline in prices could result in a reduction of the Merged Company's net production revenue and overall value and could result in write-downs. The economics of producing from some wells and assets may change as a result of lower prices, which could result in a reduction in the volumes of Merged Company's reserves. The Merged Company might also elect not to produce from certain wells at lower prices. All of these factors could result in a material decrease in the Merged Company's net production revenue, causing a reduction in inter alia its oil and gas acquisition and development activities. A substantial material decline in prices from historical average prices may result in a reduced borrowing base under credit facilities available to the Merged Company and possibly require that a portion of the Merged Company's bank debt be repaid, and could reduce the Merged Company's ability to obtain new debt financing, or refinancing of its current debt, on favourable terms.

From time to time the Merged Company may enter into agreements to receive fixed prices on its oil and natural gas production to offset the risk of revenue losses if commodity prices decline; however, if commodity prices increase beyond the levels set in such agreements, the Merged Company will not benefit from such increases and the Merged Company may nevertheless be obligated to pay suppliers and others in the market based on such higher price.

### **3.3.2 Political and regulatory risks**

Changes in the legislative and fiscal framework governing the activities of the companies engaged within the oil and gas sector may have a material impact on exploration and development activity or directly affect the Merged Company's operations.

In order to conduct its operations in compliance with applicable laws and regulations, the Merged Company must obtain licenses and permits from various government authorities. The Group may incur substantial costs in order to maintain compliance with these existing laws and regulations and additional costs if these laws are revised or if new laws affecting the Merged Company's operations are passed. Furthermore, there can be no assurance that the Merged Company will be able to obtain all necessary licenses and permits that may be required to carry out exploration, development and production operations on its properties.

### **3.3.3 Environmental and HSE risks**

All phases of the oil business present environmental risks and hazards and are subject to environmental regulation pursuant to a variety of international conventions and state and municipal laws and regulations. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, releases or emissions of various substances produced in association with oil and gas operations. The legislation also requires that wells and facility sites be operated, maintained, abandoned and reclaimed to the satisfaction of applicable regulatory authorities. Compliance with such legislation can require significant expenditures and a breach may result in the imposition of fines and penalties, some of which may be material. Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement, larger fines and liability and potentially increased capital expenditures and operating costs. The discharge of oil, natural gas or other pollutants into the air, soil or water may give rise to liabilities to foreign governments and third parties and may require the Merged Company to incur costs to remedy such discharge. No assurance can be given that

environmental laws will not result in a curtailment of production or a material increase in the costs of production, development or exploration activities or otherwise adversely affect the Merged Company's financial condition, results of operations or prospects.

The Merged Company's operations and assets are affected by numerous international, EU and national laws and regulations concerning health and safety and environmental ("HSE") matters including, but not limited to, those relating to the health and safety of employees, discharges of hazardous substances into the environment and the handling and disposal of waste. The technical requirements of these laws and regulations are becoming increasingly complex, stringently enforced and expensive to comply with and this trend is likely to continue. The failure to comply with current HSE laws and regulations has and may in the future result in regulatory action, the imposition of fines or the payment of compensation to third parties which each could in turn have a material adverse effect on the Merged Company's business, financial condition and results of operations.

#### **3.3.4 The Merged Company might encounter operating hazards**

Oil and natural gas exploration, development, and production operations are subject to all the risks and hazards typically associated with such operations, including hazards such as fire, explosion, blowouts, and oil spills, each of which could result in substantial damage to oil and natural gas wells, production facilities, other property, and the environment or in personal injury. In accordance with industry practice, the Merged Company will not be fully insured against all of these risks, nor are all such risks insurable. Although the Merged Company will maintain liability insurance in an amount that it considers adequate and consistent with industry practice, the nature of these risks is such that liabilities could exceed policy limits, in which event the Merged Company could incur significant costs that could have a materially adverse effect upon its financial condition. Oil and natural gas production operations are also subject to all the risks typically associated with such operations, including premature decline of reservoirs and the invasion of water into producing formations.

#### **3.3.5 Unexpected shut downs may occur**

Mechanical problems, accidents, oil leaks or other events at the Merged Company's producing fields or its pipelines or subsea infrastructure may cause an unexpected production shutdown at these fields. Any unplanned production shutdown of the Merged Company's facilities could have a material adverse effect on the Merged Company's business, financial condition and results of operations.

#### **3.3.6 Risks associated with future decommissioning liabilities**

The Merged Company will assume decommissioning liabilities in respect of its future operations. These liabilities are derived from legislative and regulatory requirements concerning the decommissioning of wells and production facilities and require the Merged Company to make provision for and/or underwrite the liabilities relating to such decommissioning. It is difficult to forecast accurately the costs that the Merged Company will incur in satisfying its decommissioning obligations. When its decommissioning liabilities crystallize, the Merged Company will be jointly and severally liable for them with other former or current partners in the field. In the event that other partners default on their obligations, the Merged Company will remain liable and its decommissioning liabilities could be magnified significantly through such default. Any significant increase in the actual or estimated decommissioning costs that the Merged Company incurs may adversely affect its financial condition.

#### **3.3.7 Risk associated with damaged equipment and the Merged Company's insurance policies**

The Merged Company maintains a number of separate insurance policies to protect its core businesses against loss and/or liability to third parties. Risks insured against generally include general liability, business interruption, workers' compensation and employee liability, professional indemnity and material damage. There are, however, certain types of losses that generally are not insured because they are either uninsurable or not economically insurable, such as losses occasioned by war, terrorism, dishonesty, gross negligence, criminal acts and possibly consequential damages or losses related to recalls. The results of operations, business and the financial condition of the Merged Company could be materially adversely affected in the event of an uninsured loss, a loss that exceeds insured limits, or a succession of such losses.

## **3.4 FINANCIAL RISKS RELATED TO THE MERGED COMPANY**

### **3.4.1 Taxation**

The Merged Company's taxable revenue is applicable to the company as a special petroleum tax in Norway. There is no assurance that future political conditions in Norway will not result in the government adopting different policies respecting petroleum taxation. Furthermore, the amounts of taxes the Merged Company must pay could also vary as a result of new interpretations of the relevant tax laws and regulations. In addition, taxing authorities could review and question the Merged Company's tax returns leading to additional taxes and tax penalties which could be material. Decommissioning (where relevant) could also have a material tax impact for the Merged Company's financial position and results as well as affect the Merged Company's ability to undertake exploration and development activities in respect of present and future properties.

As a result of rules introduced in 2005, a company which is not in a tax payable position may annually claim a refund from the government of the tax value of direct and indirect costs, except financial charges, incurred in exploration for petroleum resources. The tax value is set to the total of direct and indirect exploration costs multiplied by the tax rate, currently 78%. The interpretation of the new rules in regard of which costs that are classified as incurred in exploration for petroleum resources are still to a certain degree unclear.

The financing of the Merged Company is based on the assumption that the Merged Company will be able to claim tax refund for its exploration costs, included all costs related to its drilling units. To the extent this assumption should be proven wrong or if such tax refund rights are limited or repealed, this may have a material adverse effect on the Merged Company's financial position and may constitute an event of default which may trigger mandatory repayment or reduction of the balance under the credit facilities of the Merged Company.

### **3.4.2 Financial resources**

The financial leverage of the Merged Company from time to time may have several adverse consequences, including the need to manage its businesses in a way to service its debt and other financial obligations. Should the financing of the Merged Company not be sufficient to meet its financing needs, the Merged Company may be forced to reduce or delay capital expenditures or research and development expenditures or sell assets or businesses at unanticipated times and/or at unfavorable prices or other terms, or to seek additional equity capital or to restructure or refinance its debt. There can be no assurance that such measures would be successful or would be adequate to meet debt and other obligations as they come due, or would not result in the Merged Company being placed in a less competitive position.

### **3.4.3 The Merged Company's debt structure may restrict its business in various ways**

The financial leverage of the Merged Company or any breach of covenants (or other circumstances which entail that loans fall due prior to the final maturity date) may have several adverse consequences, including the need to refinance, restructure, or dispose of certain parts of, the Merged Company's businesses in order to fulfill the Merged Company's financial obligations.

### **3.4.4 Exchange rate volatility**

The Merged Company will be exposed to expenses incurred in currencies other than NOK, such as USD. Fluctuating foreign exchange rates and possible exchange control or similar restrictions may affect the cash flows the Merged Company may realize from its operations, and consequently impact on its results of operations and its financial condition.

In order to reduce the impact of potential adverse USD fluctuations, the Merged Company will be party to a series of foreign exchange agreements with DnB NOR Bank ASA. Aker Exploration currently has 8 futures agreements at an aggregated value of USD 96 million with a maximum exchange rate of NOK 6.145/USD and a minimum exchange rate of NOK5.650/USD remaining. The futures agreements are running consecutively starting 26 October 2008 and each agreement expire after 3 months.

### **3.5 RISK RELATED TO THE SHARES IN THE MERGED COMPANY**

All investments in shares are connected with risk. The Merged Company is exposed to fluctuations in the general economy. Changes in interest rates and foreign exchange ratios will influence the financial situation of the Merged Company.

#### **3.5.1 Volatility of share price**

The trading price of the shares could fluctuate significantly in response to quarterly variations in operating results, adverse business developments, interest rates, changes in financial estimates by securities analysts, matters announced in respect of major customers or competitors, changes to the regulatory environment in which the Merged Company will operate, or a variety of other factors outside the control of the Merged Company.

The market price of the shares could decline due to sales of a large number of the shares in the market or the perception that such sales could occur. Such sales could also make it more difficult for the Merged Company to offer equity securities in the future at a time and at a price that are deemed appropriate.

#### **3.5.2 Dilution**

The Company may issue additional shares in the future. Shareholders of the Merged Company may suffer from dilution in connection with future issuances of shares. Shareholders in certain jurisdictions may be restricted by law to subscribe for shares and to receive subscription rights in relation to such offerings.

#### **3.5.3 Enforcement of civil liabilities predicated on U.S. securities laws against the Merged Company, its affiliates, directors and officers**

The Merged Company will be a public limited Merged Company incorporated under the laws of Norway. The rights of holders of shares will be governed by Norwegian law and by the Articles of Association of the Merged Company. These rights might differ from the rights of shareholders in other jurisdictions. In particular, Norwegian law limits the circumstances under which shareholders of Norwegian companies may bring derivative actions. In addition, it may be difficult to prevail in a claim against the Merged Company under, or to enforce liabilities predicated upon, securities laws in other jurisdictions.

#### **3.5.4 Nominee Accounts and Voting Rights**

Beneficial owners of shares in the Merged Company that have their holdings registered through a nominee account (e.g., through brokers, dealers or other third parties) may not be able to vote such shares unless their ownership is re-registered in their names with the VPS prior to general meetings in the Merged Company. Such holders may not receive the notice for a general meeting in time to instruct their nominees to either effect a re-registration of their shares or otherwise vote their shares in the manner desired by such beneficial owners.

### **3.6 RISK RELATED TO THE MERGER**

#### **3.6.1 Third party consents and completion risks**

Aker Exploration and Det norske cannot assure that the conditions to the completion of the Merger will be satisfied. If the Merger is not completed for any reason, Aker Exploration and/or Det norske oljeselskap may be subject to several risks, including the following:

- no realization of any of the expected benefits of having completed the merger;
- the current market price may reflect a market assumption that the merger will occur;
- Failure to complete the merger could result in a negative perception by the stock market of Aker Exploration or Det norske and a resulting decline in the market price of their shares; and
- Aker Exploration and Det norske would continue to face the risks that they currently face as independent entities.

Further, Aker Exploration and Det norske may be party to agreements and arrangements which contain change of control provisions that may be triggered by the merger. In addition, other agreements may require the payment of fees in connection with a change of control transaction. If the companies are unable to obtain any

necessary waiver or consent, the operation of change of control provisions may cause the loss of significant contractual rights and benefits, the termination agreements and/or the payment of significant fees. Investors cannot be assured that the Merged Company will be able to negotiate new agreements on terms as favorable as those that Aker Exploration or Det norske had, or at all.

### **3.6.2 Combination risk**

The Merger involves the integration of the two companies that have previously operated independently and as competitors. Achieving the benefits of the acquisition will depend in part upon meeting the challenges inherent in the successful combination and integration of business enterprises of the size and scope of Aker Exploration and Det norske and the possible resulting diversion of management attention for an extended period of time.

There can be no assurance that the two companies will meet these challenges and that such diversion will not negatively affect operations, or that the benefits expected from the acquisition will be realized. In addition, delays encountered in the transition process could have a material adverse effect on revenues, expenses, operating results and financial condition. There can be no assurance that the Companies will actually achieve anticipated synergies or other benefits from the acquisition. In addition, in the past the Companies has grown by acquisition, and the Companies may acquire companies or assets in the future. Such acquisitions, whether completed or in the future, present various financial and management related risks, including integration of the acquired businesses in a cost effective manner; implementation of a combined intended business strategy; diversion of management's attention; outstanding or unforeseen legal, regulatory, contractual, labor or other issues arising from the acquisitions; additional capital expenditure requirements; retention of customers; integration of different company and management cultures; operation in new geographic markets; the need for more extensive management coordination; and retention, hiring and training of key personnel. Should any of these risks associated with acquisitions materialize, it could have a material adverse effect on the Merged Company's business, financial condition and results of operations.

### **3.6.3 The unaudited pro forma financial information presented in this Information Memorandum may not be indicative of future results**

This Information Memorandum contains unaudited pro forma financial information, which gives effect to the Merger. The unaudited pro forma financial information is based on preliminary estimates and assumptions which the Merged Company believes to be reasonable and is being furnished solely for illustrative purposes and is not necessarily indicative of what Aker Exploration's and Det norske's combined results of operations and financial condition would have been had the Merger occurred on 1 January 2008 or 1 January 2009 respectively.

#### 4. RESPONSIBILITY FOR THE INFORMATION MEMORANDUM

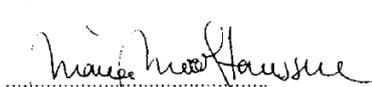
The Board of Directors of Aker Exploration ASA is responsible for the information in this document and is also responsible for meeting the requirements for the content and format of this document.

The Board of Directors of Aker Exploration ASA hereby declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Information Memorandum is, to the best of their knowledge, in accordance with the facts and contains no omission likely to affect its import.

28 September 2009

##### The Board of Directors of Aker Exploration ASA

  
Kjell Inge Røkke (Chairman)

  
Maria Møræus Hansen

  
May Britt Myhr

  
Nina Udnes Tronstad

For the purpose of enabling the Board of Directors of Aker Exploration ASA to make the statement above, the Board of Directors of Det norske oljeselskap ASA hereby declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Information Memorandum on, or relating to, Det norske oljeselskap ASA and the description of the Merger and the Merged Company is, to the best of their knowledge, in accordance with the facts and contains no omission likely to affect its import.

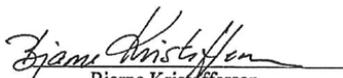
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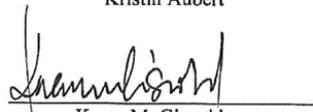
##### The Board of Directors of Det norske oljeselskap ASA

  
Svein Sivertsen

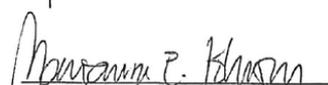
  
Tore Lilloe-Olsen

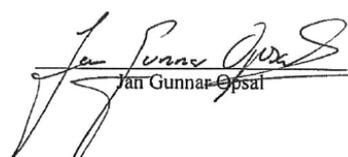
  
Kristin Aubert

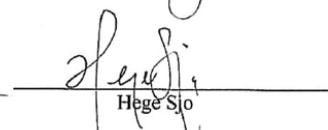
  
Bjarne Kristoffersen

  
Kaare M. Givold

  
Lone Fønss Schroder

  
Marianne E. Johnsen

  
Jan Gunnar Opsal

  
Hege Sjø

## 5. NOTICE REGARDING FORWARD LOOKING STATEMENTS

This Information Memorandum includes “forward-looking” statements, including, without limitation, projections and expectations regarding the Merged Company’s future financial position, business strategy, plans and objectives. When used in this document, the words “projects”, “forecasts”, “estimates”, “expects”, “anticipates”, “believes”, “plans”, “intends”, “may”, “might”, “will”, “would”, “can”, “could”, “should”, “seek to” or, in each case, their negative, or other variations or similar expressions, as they relate to the Merged Company, its subsidiaries or its management, are intended to identify forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of the Merged Company and its subsidiaries, or, as the case may be, the industry, to materially differ from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Merged Company’s business strategies and the environment in which the Merged Company and its subsidiaries will operate. Factors that could cause the Merged Company’s actual results, performance or achievements to materially differ from those in the forward-looking statements include but are not limited to:

- the competitive nature of the markets in which the Merged Company will operate,
- global and regional economic conditions,
- government regulations,
- changes in political events,
- force majeure events

Prospective investors in the Merged Company are cautioned that forward-looking statements are not guarantees of future performance and that the Merged Company’s actual financial position, operating results and liquidity, and the development of the industry in which it operates may differ materially from those made in or suggested by the forward-looking statements contained in this Information Memorandum. The Company cannot guarantee that the intentions, beliefs or current expectations upon which its forward-looking statements are based will occur. These forward-looking statements are subject to risks, uncertainties and assumptions, including those discussed elsewhere in this Information Memorandum. Forward-looking statements include statements regarding:

- oil and gas reserves quantities;
- obtaining permits;
- retaining licenses and title to assets;
- the amount and nature of capital expenditure;
- drilling of wells;
- the timing and amount of future production and operating costs;
- availability of equipment;
- business strategies and plans of management; and
- prospect development and property acquisitions.

Some important factors that could cause actual results to differ materially from those in the forward-looking statements are, in certain instances, included with such forward-looking statements and in Section 3 “Risk Factors” in this Information Memorandum. The Merged Company undertakes no obligation update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

## 6. THE MERGER

### 6.1 OVERVIEW

On 25 August 2009, the Boards of Directors announced their intention to merge the Aker Exploration and Det norske oljeselskap. An integration agreement concerning the proposed Merger was entered into on 24 August 2009, relating to the key terms of the Merger.

The Merger will be completed pursuant to chapter 13 of the Norwegian Public Limited Companies Act whereby the assets and liabilities, rights and obligations of Det norske will be transferred to Aker Exploration for consideration in the form of shares of Aker Exploration. The agreed Merger Plan is appended to this Information Memorandum as Appendix 6.

Aker Exploration will according to the agreed Merger Plan be the acquiring party in the Merger. It is proposed that Aker Exploration, in connection with completion of the Merger changes its name to “Det norske oljeselskap ASA”. It is further proposed that the articles of association are changed to reflect the proposal for articles of association for the Merged Company as set forth in Appendix 5 and that Deloitte AS is appointed as new auditor for the Merged Company. The Merger Plan must be approved in the Extraordinary General Meetings, see section 6.5 “The Extraordinary General Meetings”. In addition to being subject to the approval by the Extraordinary General Meetings, completion of the Merger is subject to certain other conditions, including but not limited to, approval from relevant governmental authorities, see section 6.6 “Conditions for completion of the Merger”.

The consideration shares to be issued to the shareholders of Det norske will be delivered after notice of completion of the Merger has been registered in the Norwegian Register of Business Enterprises expected to be on or about 23 December 2009. Such notice will be filed as soon as possible after the end of the creditor notice period (and as soon as the relations to any objecting creditors, if applicable, have been agreed).

The timetable below provides certain indicative key dates for the proposed Merger (all times referred to are CET):

Merger proposal approved by the Boards of Directors .....	16 September 2009
Extraordinary General Meetings to consider and vote upon the Merger Plan ..	19 October 2009
Expiry of creditor period .....	on or about 20 December 2009
Effectuation of the proposed Merger .....	expected on or about 21 December 2009
Delivery of consideration shares with the VPS .....	expected on or about 22 December 2009
Transfer of admission of the shares in the Merged Company from Oslo Axess to Oslo Børs .....	expected on or about 23 December 2009

### 6.2 BACKGROUND AND RATIONALE FOR THE MERGER

The strategic rationale behind the Merger is to create a company with a larger and more diversified exploration portfolio. This will give improved growth opportunities and also larger operational capacity. As one of the largest operators on the Norwegian shelf, the Merged Company will also actively take part in the industry consolidation that both company boards expect will take place over the next couple of years in Norway.

The Merged Company will also be a strong partner for other oil companies and Norwegian authorities.

The merger between Det norske and Aker Exploration unites two exploration companies that have each succeeded in building up sizeable license portfolios on the NCS. The portfolios of the two merging companies complement each other, as Det norske’s portfolio is dominated by licenses in mature areas, near existing infrastructure with low-capex opportunities, while Aker Exploration’s portfolio has a larger portion of frontier exploration opportunities. Det norske also has ownership interests in fields in production and a substantial portfolio of discoveries that will be developed in the years to come. The Merged Company has long-term contracts with two floating rigs, Songa Delta and Aker Barents. The latter is particularly well suited for operations under extreme climatic conditions and in environmentally sensitive areas. With these contracts, the Merged Company has the necessary rig capacity and flexibility to explore and develop its large license portfolio.

### **6.3 THE ACQUIRING ENTITY IN THE MERGER AND LEGAL NAME OF THE MERGED COMPANY**

Aker Exploration will, for legal and financial reasons, be the acquiring part in the proposed Merger. The Merger will be implemented in accordance with chapter 13 of the Norwegian Public Limited Companies Act whereby the assets and liabilities, rights and obligations of Det norske will be transferred to Aker Exploration for consideration in the form of shares in Aker Exploration.

Under the Merger Proposal, the legal name of the Merged Company shall be “Det norske oljeselskap ASA”.

### **6.4 EXCHANGE RATIO AND CONSIDERATION SHARES**

The Exchange Ratio in the Merger has been agreed to 1:1.403328 (Aker Exploration: Det norske). The consideration to the shareholders in Det norske shall be settled with shares in Aker Exploration. The merger consideration shall thus be settled by issuance of 1.403328 shares in Aker Exploration for each share in Det norske.

The Exchange Ratio has been determined following negotiations between Aker Exploration and Det norske, represented by the companies’ managements and Boards of Directors. The conversations and negotiations on the Exchange Ratio have been based on a total evaluation of the companies’ book equity, market values and their future earnings potential. Both parties have engaged financial advisors who have carried out financial analysis and assessment of the two companies. Such analysis and assessments have functioned as background material for the respective party. Aker Exploration and Det norske have to varying degrees used and emphasized the outcome of these evaluations.

The Exchange Ratio has been determined on the basis that there are 20,000,000 outstanding shares in Aker Exploration and 64,925,020 million outstanding shares in Det norske.

The Exchange Ratio implies that the shareholders in Det norske upon completion of the Merger will receive 1.403328 shares in Aker Exploration for each share the shareholder owns in Det norske as merger consideration. Fractions of shares will not be issued and distributed to the shareholders. Such fractions will instead be aggregated and sold (rounded down to the nearest whole share) at the risk and cost of the entitled shareholders, and the net proceeds will be distributed to the relevant shareholders.

Upon completion of the Merger, Aker Exploration’s issued share capital will be increased by NOK 91,111,111, by issuance of 91,111,111 shares as merger consideration to the shareholders in Det norske.

No special rights or benefits will fall to board members or the management of any of the companies as a result of the Merger, cf. section 13-16, sub section 1 of the Norwegian Public Companies Act.

### **6.5 THE EXTRAORDINARY GENERAL MEETINGS**

#### **6.5.1 Aker Exploration**

At the extraordinary general meeting of Aker Exploration, to be held at the date, time and place indicated in a separate notice to the shareholders, Aker Explorations shareholders will vote on the following proposals:

- Approval of the Merger Plan between Aker Exploration and Det norske appended to this Information Memorandum as Appendix 6,
- Increase of the share capital of the company in order to issue consideration shares to the shareholders of Det norske as further accounted for in section 6.4 “Exchange Ratio and consideration shares” above,
- Adoption of the articles of association of the Merged Company appended to this Information Memorandum as Appendix 5,
- Election of members to the board of directors and nomination committee of the Merged Company as further presented in section 7.8 “Organization”, and
- Appointment of Deloitte AS as auditor for the Merged Company.

By approving the above listed proposals, Aker Exploration’s shareholders will approve changes to Aker Explorations articles of association, which will become effective, and only then, upon completion of the Merger.

Under Norwegian law there are no quorum requirements applicable to general meetings. The resolution approving the Merger Plan and thereby the issuance of consideration shares, and the amendment of the articles of association require the affirmative vote of a two thirds majority of the votes cast and the share capital present at the extraordinary general meeting. The election of members to the board and the nomination committee as well as appointment of an auditor is made by simple majority.

It is necessary to attend the extraordinary general meeting (in person or by proxy) in order to vote on the proposals put before the shareholders. In accordance with section 7 of the articles of association of Aker Exploration, the company may set a deadline for registration to the extraordinary general meeting, which shall not fall earlier than five (5) days prior to the extraordinary general meeting. Such deadline has been set to 15 October 2009.

### **6.5.2 Det norske oljeselskap**

At the extraordinary general meeting, to be held at the date, time and place indicated in a separate notice to the shareholders, Det norske's shareholders will vote on the proposal of approval of the Merger Plan between Aker Exploration and Det norske appended to this Information Memorandum as Appendix 6.

By approving the Merger Plan, Det norske's shareholders will approve the exchange of shares in Aker Exploration for shares in Det norske as contemplated by the Merger Plan and the dissolution of Det norske, which will only become effective upon completion of the Merger.

Under Norwegian law there are no quorum requirements applicable to general meetings. The resolution approving the Merger Plan and thereby the dissolution of Det norske require the affirmative vote of a two thirds majority of the votes cast and the share capital present at the extraordinary general meeting.

It is necessary to attend the extraordinary general meeting (in person or by proxy) in order to vote on the proposals put before the shareholders.

## **6.6 CONDITIONS FOR COMPLETION OF THE MERGER**

Completion of the proposed Merger is conditional upon:

- (a) Approval of the Merger Plan at the Extraordinary General Meetings;
- (b) Regulatory approval being obtained from the Norwegian Ministry of Petroleum and Energy (in Norwegian: *Olje- og Energidepartementet*) in accordance with § 10-12 of the Petroleum Act, and clearance from the Ministry of Finance in accordance with § 10 of the Petroleum Tax Act including the relevant administrative regulations, and regulatory approval/clearance from the Norwegian Competition Authorities (in Norwegian: *Konkurransetilsynet*) on acceptable terms and conditions;
- (c) Surrender of 5 million warrants to subscribe for shares in Aker Exploration pertaining to Aker Capital, see section 9.9.6 "Outstanding warrants".
- (d) All required approvals and consents from third parties deemed necessary to complete the Merger on satisfactory terms ;
- (e) Oslo Børs confirming that the shares of the Merged Company will be listed on Oslo Børs upon completion of the Merger;
- (f) The Merger being registered as completed with the Norwegian Registry of Business Enterprises (in Norwegian: *Foretaksregisteret*) within 31 March 2010;

To the extent approvals/consents set forth in conditions (b), (c) or (d) are not granted on terms satisfactory to Aker Exploration and Det Norske, the companies shall seek to reduce the potential negative consequences through inter alia discussions with the relevant governmental authority or third party.

## **6.7 ADMISSION TO TRADING**

The shares of Aker Exploration are currently admitted to trading on Oslo Axess, whereas the shares of Det norske are admitted to trading on Oslo Børs. Completion of the Merger is conditional upon Oslo Børs confirming that the shares of the Merged Company will assume trading on Oslo Børs. The shares of the Merged Company are expected to commence trading on Oslo Børs the first trading day after registration of the capital

increase following from the Merger with the Norwegian Registry of Business Enterprises (expected to be on or about 23 December 2009).

## **6.8 ADVISORS**

Carnegie ASA has acted as financial advisor to Aker Exploration. Aker Exploration's legal counsels are Bugge, Arentz-Hansen & Rasmussen (BA-HR) and Arntzen de Besche Advokatfirma AS. RS Platou Markets has acted as financial advisor to Det norske oljeselskap. Their legal counsel is Advokatfirmaet Selmer DA.

## **6.9 EXPENSES RELATED TO THE MERGER**

Transaction costs and all other directly attributable costs in connection with the Merger will be borne by the Merged Company. The total costs amount to approximately NOK 50 million.

## 7. THE MERGED COMPANY FOLLOWING THE COMPLETION OF THE MERGER

### 7.1 INTRODUCTION

The Merged Company will be a leading operator on the Norwegian continental shelf. The company's business activities are exploration, development and production of petroleum resources. The Merged Company have licenses in the North Sea, the Norwegian Sea and in the Barents Sea.

The Merged Company will be named "Det norske oljeselskap ASA", and the Merged Company will continue to use Det norske's logo and profiling. The registered office will be at Nedre Baklandet 58C, 7014 Trondheim, Norway. Head office functions will be split between the offices in Trondheim and Oslo as a continuation of the current split of head office functions in Det norske. The Merged Company will also have offices in Stavanger and Harstad. The organization number of the Merged Company will be 989 795 848.

The figure below illustrates the legal structure of the Merged Company:

**Figure 7.1-1 – Legal structure of the Merged Company**



### 7.2 VISION AND STRATEGY

#### 7.2.1 Vision

The Merged Company's vision is to find and produce oil and gas resources from the Norwegian shelf to the mutual benefit of shareholders, employees and the Norwegian society at large. This will be achieved by being creative and open minded; efficient and cooperative.

The Merged Company will conduct its business in a safe and responsible manner in close cooperation with the authorities and the service industry.

Both Det norske and Aker Exploration have succeeded in attracting very qualified staff with significant experience from the Norwegian oil industry, capable of creative thinking and able to take on great responsibility. It is important that the Merged Company continue to attract the best minds.

#### 7.2.2 Strategy

The Merged Company's strategy is to participate in all phases of the E&P value chain, from exploration to production. This will be achieved by both organic growth, as well as merger and acquisition activity.

Exploration activity on the Norwegian shelf has gradually moved from the North Sea, northwards into the Norwegian and Barents seas. In the Norwegian Sea, exploration has also moved from shallow waters near the coastline and into deeper waters. The Merged Company believes that this trend will continue and it expects that the largest discoveries in the future will be found in these frontier areas. The Merged Company will thus put great emphasis on gaining access to frontier exploration acreage in future licensing rounds. In order to succeed with this, it will selectively develop new exploration models that can give competitive advantage in future licensing rounds. However, in order to take on more risk in frontier areas, it is of equal importance to strengthen and build on the company's existing position and successes in mature areas. The Merged Company has been trusted by the government with significant exploration acreage, and it is the company's ambition to meet these expectations by optimizing its exploration portfolio and to continue its high exploration drilling activity. The Merged Company will utilize and build a strong base in mature areas to enable expansion in frontier areas.

The Merged Company will therefore forcefully pursue its existing strategy of developing low-capex resources near existing infrastructure in mature areas. It is due to the large time lag from discovery to production in the oil industry that the Merged Company will have to work in parallel in order to achieve fast growth and accelerated commercialization. While continuing the existing strategy aiming at finding and developing fields in mature areas, it must at the same time explore for the larger discoveries in frontier areas. This is a key reason for the merger, as the two companies' portfolios are complementary and together supports such a strategy.

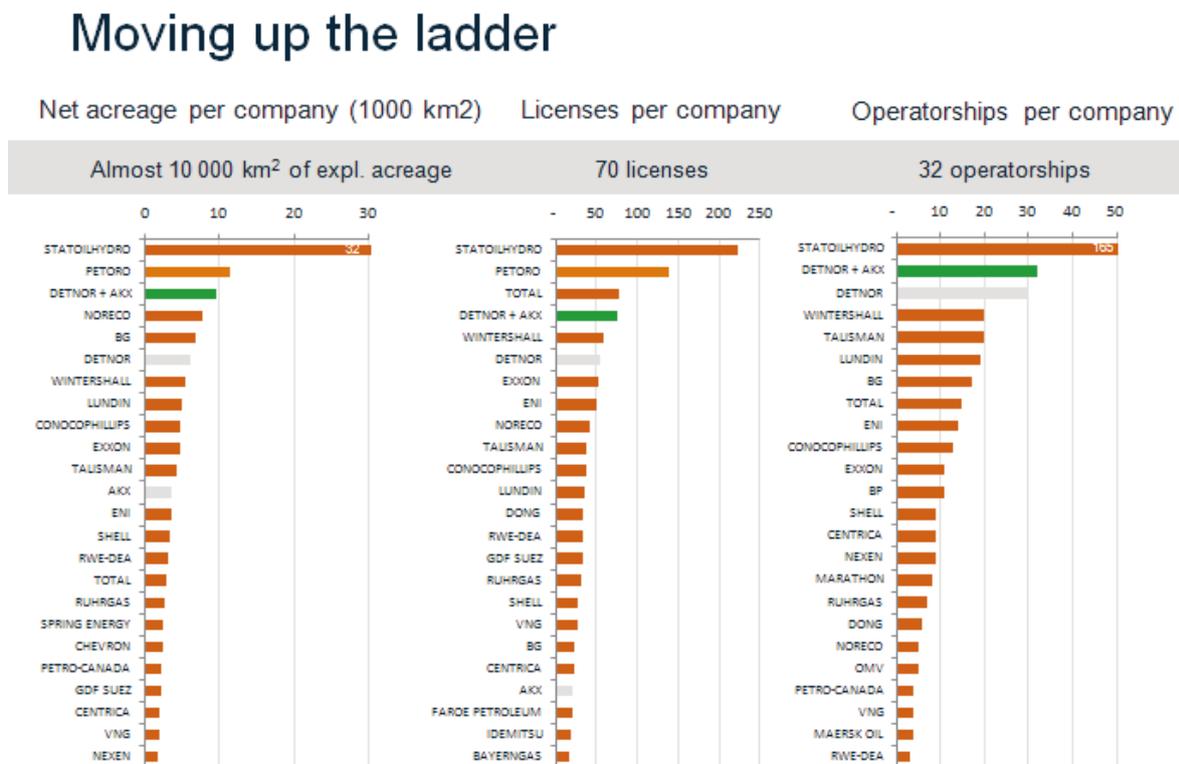
The Merged Company will continuously high-grade a significant portfolio of production licenses in order to maximize value creation. This includes license sale and acquisitions as well as asset swaps. The Merged Company is also open-minded with respect to sale of non-core discoveries when this is beneficial in order to meet its overall goals. Cooperation with the larger and well established oil companies on NCS is crucial to maximize the E&P values on the NCS, and the Merged Company will actively pursue such cooperation in all parts of the value chain.

The oil and gas industry is of great importance to the Norwegian society. It will be important to actively participate in the public debate in order to give balanced and fact based information. Local activity should yield local benefits. As the company's activities move northwards, it is a goal that this also over time will benefit the counties involved.

### 7.3 BUSINESS OVERVIEW

The Merged Company's license portfolio will consist of 70 licenses, making it the fourth largest license holder on the Norwegian continental shelf. The Merged Company will be the third largest acreage holder and rank as number two in terms of operatorships. This is a unique position for a relatively new company. The large acreage gives an indication of the Merged Company's exploration and value creation potential. Total risked resources in the exploration portfolio are estimated at 743 million boe. The Merged Company also holds ownership interest in four producing fields and seven discoveries that may be developed in the years to come.

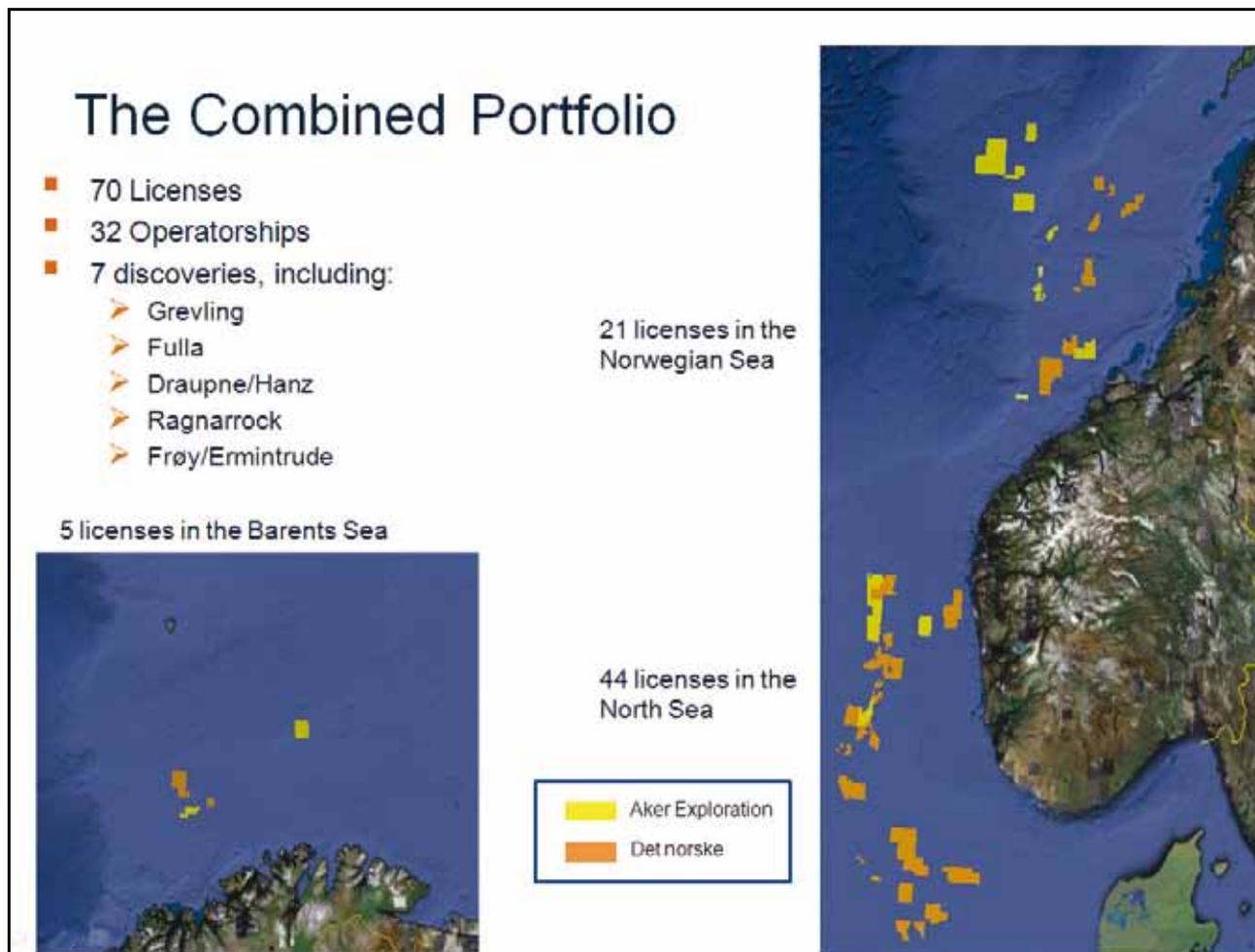
Figure 7.3-1 – Moving up the ladder



The license portfolio is well diversified with five licenses in the Barents Sea, 21 licenses in the Norwegian Sea and 44 licenses in the North Sea. The Merged Company is better positioned for future growth than the individual companies on a stand-alone basis, as the merged portfolio will give rise to growth opportunities both in mature areas of the North Sea as well as in frontier areas of the Norwegian and Barents Seas.

The map below outlines the portfolio, with Aker Exploration's licenses in yellow and Det norske's licenses in orange.

Figure 7.3-2 – The combined portfolio



As illustrated in the figure above, the portfolios of the two merging companies complement each other. Aker Exploration's portfolio is mainly in frontier areas, while Det norske's portfolio is more concentrated in mature areas, near existing infrastructure. The Merged Company will still have an exploration portfolio with a clear focus on mature areas and low risk – moderate reward exploration. However, the combined portfolio gives the Merged Company the opportunity to selectively increase its share of high risk – high potential frontier exploration by high grading the portfolio.

The Merged Company's frontier exploration activities will be strengthened by the activities of its fully owned subsidiary, Aker Exploration AS, and implies exploration in the more underexplored areas of the NCS. There are still several areas where few wells have been drilled and consequently play concepts have not been tested. Exploration activities in these areas are therefore often associated with high risk and high reward.

Parts of the Norwegian Sea and parts of the Barents Sea are such underexplored frontier basins where the Merged Company will have a strong focus in the years to come. So far, only a few wells have been drilled in these areas in order to test the hydrocarbon potential. The Merged Company will have a strong position in the Vøring Basin and will participate in exploration wells which have the main objective to prove the upside potential of the "Gro-play" trend.

It is also important to note that frontier areas also exist in areas usually perceived as mature, such as in the North Sea.

### 7.3.1 Fields in production

The Merged Company has interests in four fields in production:

- Varg – operated by Talisman, 5 percent interest
- Glitne – operated by StatoilHydro, 10 percent interest
- Enoch – operated by Talisman, 2 percent interest
- Jotun – operated by ExxonMobil, 7 percent interest

#### **PL 038 Varg**

Varg is an oil field to the south of Sleipner East in the southern part of the North Sea. The sea depth in the area is 84 meters. The field has been developed with the floating production, storage and offloading vessel Petrojarl Varg, in combination with the wellhead facility, Varg A. The decommissioning plan for the field was approved in 2001, and the plan was to produce until the summer of 2002. However, Pertra, and later Talisman, have managed to keep production at a high level. Today the field has produced more in the period since it was planned closed by the previous owners than it did in its “original” life. The reservoir is in Upper Jurassic sandstones at a depth of approximately 2 700 meters. The structure is segmented by faults and includes several isolated substructures. Recovery takes place by means of water and gas injection. The smaller structures are produced by pressure depletion. All wells are producing by gas lift. Oil is offloaded from the production vessel onto tankers. The operator is continuously evaluating means to increase the resources at Varg. Several prospects in the area are being evaluated. The successful Grevling prospect, approximately 18 kilometers north of Varg was drilled in 2009, but current estimates indicate that this discovery is too big for a tie-back to Varg. Measures to optimize the recovery are being considered, among others water alternating gas injection (WAG). Several wells are planned to be drilled in the coming years, including two or three this autumn.

#### **PL 048B and 029B Glitne**

Glitne is an oil field in the southern part of the North Sea, 40 kilometers north of the Sleipner area. The sea depth in the area is about 110 meters. The development consists of six production wells and a water injection well tied back to the floating production, storage and offloading vessel, Petrojarl 1. The reservoir consists of several separate sand sheets of deep marine fan deposits in the upper part of the Heimdal Formation of Paleocene age. The reservoir lies at a depth of approximately 2,150 meters. Glitne is recovered by pressure support partly from reinjection of produced water in one well and partly from a large aquifer. In addition associated gas is used for gas lift in the horizontal wells. Oil from Glitne is processed and stored on board the production vessel. The oil is exported by shuttle tankers. The last well was drilled and came on stream in 2007. It is expected that the production from the field will cease in 2010, but various measures to increase the lifetime of the field are still being considered. Seismic data acquired in 2008, will be interpreted in order to find possible remaining resources which may be produced with a new well. A decision on this is expected in the fourth quarter this year.

#### **PL 048B Enoch**

Enoch is located in the southern part of the North Sea on the border to the British sector, northwest of Sleipner. About 80 percent of recoverable volumes are estimated to be on the UK side of the borderline, while 20% is situated on the Norwegian shelf. The field has been developed with a subsea facility on the UK continental shelf and is tied to the British field Brae. The reservoir is of varying quality. It is in sandstones in a submarine fan system of Paleocene age at a depth of approximately 2,100 meters. The field is recovered by pressure depletion. Water injection may be implemented at a later stage. The well stream from Enoch is transported to the Brae A facility for processing and further transport in pipeline to Cruden Bay. The gas is sold to Brae.

#### **PL 103B/027B Jotun**

Jotun is an oil field located 25 kilometers north of Balder in the northern part of the North Sea. The sea depth in the area is 126 meters. The field has been developed with a combined accommodation, production and storage vessel (FPSO), Jotun A, and a wellhead facility, Jotun B. Jotun is integrated with Balder and processes gas from Balder and oil from the Jurassic reservoir in the Ringhorne field.

The Jotun field comprises three structures and the eastern structure has a gas cap. The reservoirs consist of sandstones of the Heimdal Formation of Paleocene age. The reservoirs are deposited in a submarine fan system and lie at a depth of about 2,000 meters. To the west the sand has good reservoir quality, while the shale content increases towards the east. The field is recovered by pressure support from the aquifer, combined with reinjection of produced water. Gas lift is used in all wells. The oil is exported via loading buoys to tankers. The processed rich gas is exported via Statpipe to Kårstø. The field is in the decline phase and is now producing

more than 90 percent water. There are no plans for measures to improve recovery, but exploration drilling will be carried out near Jotun, which may prove new resources to the field. The Merged Company will be actively pursuing these exploration options and has taken large stakes in prospects in the surrounding area.

### **7.3.2 Important discoveries**

#### **PL038D Grevling**

The exploration well 15/12-21 and appraisal well 15/12-21A proved light oil with very low gas content in moderate quality reservoir rocks of Middle Jurassic to Upper Triassic age. Estimated recoverable resources span between 40 and 130 million barrels of oil. The discovery is regarded to be commercial. The operator Talisman is evaluating alternative development solutions.

#### **PL 337 Storskrynten**

The indicated resources at Storskrynten (well 15/12-18) are no longer assessed as having commercial potential and the exploration well cost was expensed in the fourth quarter 2008. However, a number of other prospects have been upgraded in PL 337 following the Grevling success (see above), and the partnership is planning a new exploration well to be drilled in March 2010 on the promising Storkollen prospect located 5 km from Grevling.

#### **PL 035B and PL362 Fulla**

The exploration well 30/11-7 and appraisal well 30/11-7A proved gas and condensate at high pressure in good reservoir rocks of Middle Jurassic age. Estimated recoverable resources span between 60 and 105 million barrels of oil equivalents. The Fulla discovery is now being evaluated by operator StatoilHydro. Located only approximately 40 km from the Heimdal gas processing center, Fulla is regarded to have a promising commercial potential.

#### **PL 001B/028B/242 Draupne and Hanz**

The Draupne and Hanz discoveries have a promising potential for commercial development. The evaluation of the Draupne discovery in well 16/1-9 was completed in December 2008. Base case recoverable resources of the two fields combined have been assessed to be 115 million barrels of oil equivalents (88 million barrels of oil and 4.2 GSm<sup>3</sup> gas). The Merged Company is planning a Draupne appraisal well early in 2010 in order to obtain further data that may reduce uncertainty concerning recoverable volumes. Several development options for the Draupne and Hanz discoveries have been documented to be technically and commercially attractive. The future time schedule will depend on the selected development solution. The earliest start of production at Draupne and Hanz will be in 2013.

#### **PL 265 Ragnarrock**

The exploration well 16/2-5 on the Graben-Fill prospect proved dry gas. A production test flowed 120,000 Sm<sup>3</sup>/day (750 barrels of oil equivalents pr day), demonstrating limited reservoir properties. The gas seems to be related to the gas previously found in weathered basement rocks in well 16/2-4 (Basement Nord) and increases the probability for also finding gas in the undrilled Basement Sør segment of the major Ragnarrock Basement High. The operator StatoilHydro has scheduled an appraisal well in 2010 with main objective to production test the Basement High gas accumulation. The overall recoverable gas resource potential of the Basement High is regarded to be between 6 and 20 GSm<sup>3</sup>.

#### **PL 364 Frøy**

In the middle of September 2008, the partnership for Frøy issued a Plan for Development and Operation to the authorities. The plan is based on a jack-up production platform with drilling equipment and storage tanks for oil.

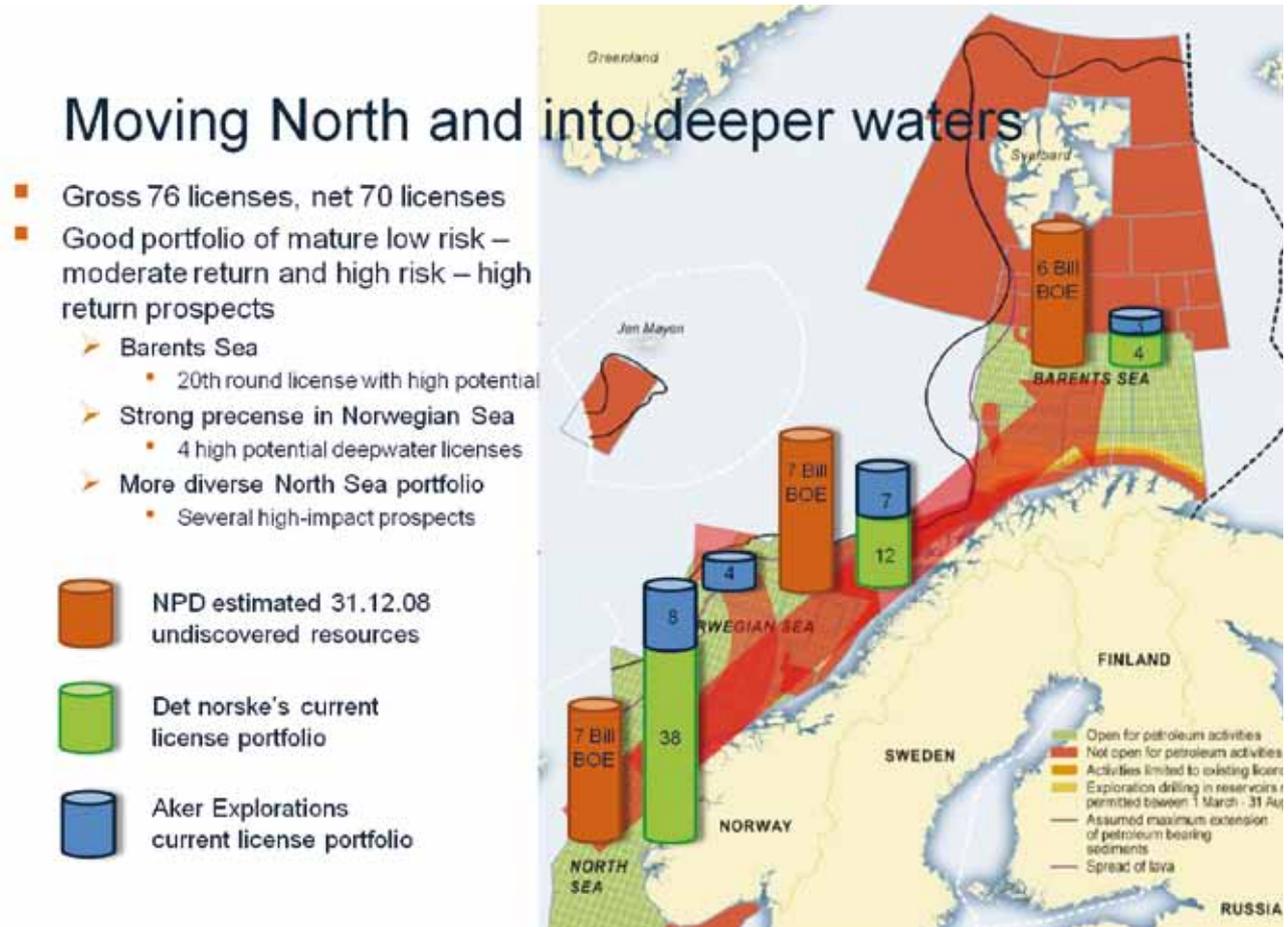
The platform will be leased for a period of ten years, from a production contractor that will also be responsible for manning and operation of the installation. The Ministry has granted a ten year extension of the license, with the possibility of a further extension if production conditions allow. An important milestone in the Frøy project has therefore been passed. Changes in market conditions provide an opportunity for improved economy in the Frøy project, and may ensure a larger resource base for Frøy as a field centre. The license partners, in cooperation with the main supplier, have initiated the process of reducing development and operation costs. The progress of the project is dependent on the main supplier's ability to secure financing for the project. Due to the current difficult situation in the financial markets, there is uncertainty as to when the development will commence. The approval of the Plan for Development and Operations cannot take place before financing and a complete definition of the progress plan has been confirmed to the authorities. An agreement has been signed between the license group and the main supplier, to continue working on a cost reduction program. Simultaneously the license pursues options for tie in of third-party production, in order to improve project

economics. A decision to drill two exploration wells in nearby licenses to the Frøy field in 2009, where the Merged Company will hold 100 percent and 20 percent, has already been taken. These drilling operations are expected to take place over the next six months. This drilling may indicate new reserves that can be produced from the Frøy installation. A commercial discovery will contribute considerably to better profitability.

**PL 029B – Freke-Ermitrude**

ExxonMobil is the operator and is currently evaluating well data from Freke (15/6-10), where gas/condensate was discovered in March. A unitization project has also been initiated for the Dagny and Ermitrude discoveries which extends into PL 029B.

**Figure 7.3.2-1 – Moving north and into deeper waters**



The technical complexity and financial requirements for field developments typically increase in deeper waters and the farther north operations are taking place. Thus, the Merged Company will gradually move from mature areas in the North Sea and into the Barents Sea and deepwater areas of the Norwegian Sea. This also matches the expected future exploration trend on the NCS. Going forward, exploration on the NCS will move north into deeper waters and environmentally sensitive areas. These areas are operationally challenging and the Merged Company is well positioned to take a leading role in the exploration of these frontier areas due to, among other things, the Aker Barents rig.

**7.3.3 Competitive strengths for the Merged Company**

The key competitive strengths for the Merged Company are as follows:

- Quality of the management team
  - Both operator experience and exploration/development track record

- A large and geologically diversified exploration portfolio consisting of 70 licenses with high-grading opportunities and several potential “Company Makers”
- The company is operator for 32 licenses
  - Gives financial and operational control of activities
  - Flexibility to change exploration programs and to fast-track the most interesting plays
- Competitive advantage in frontier areas
  - Access to rig capacity into 2012 with Songa Delta and Aker Barents enabling the company to implement an aggressive exploration program. There are a limited number of rigs that both meets the requirements for operations on the Norwegian Shelf and has the technical capacity to operate in the deepwater areas of the Norwegian Sea and in the Barents Sea. That makes the Aker Barents rig an important asset for the company
  - Strong portfolio in the Norwegian Sea and the Barents Sea, where the advanced rig capacity is best utilized
- Focus on core competence and clear value proposition
  - Secured drilling capacity for aggressive drilling program
  - Well positioned for future acreage awards and frontier exploration
- Short term measurable assets to cash conversion
  - 79 million boe of reserves and contingent resources in fields/discoveries/field development projects (as of year end 2008)

## 7.4 LICENSE PORTFOLIO, RESERVES AND RESOURCES

### 7.4.1 The Merged Company’s license portfolio

The table below illustrates the Merged Company’s combined license portfolio. The company will have a total of 70 licenses after the completion of the Merger, of which 44 are situated in the North Sea, 21 in the Norwegian Sea and the remaining 5 in the Barents Sea.

Table 7.4.1-1 – Overview of the Merged Company’s license portfolio

License	Operator	Det norske oljeselskap share	Aker Exploration share	Combined share
<b>The North Sea</b>				
PL 001 B	Det norske oljeselskap	35.0 %		35.0%
PL 027 D	ExxonMobil	47.0 %		47.0%
PL 028 B	Det norske oljeselskap	35.0 %		35.0%
PL 028 S	ExxonMobil		40.0%	40.0%
PL 029 B	ExxonMobil	20.0 %		20.0 %
PL 035	StatoilHydro	25.0 %		25.0 %
PL 035 B	StatoilHydro	15.0 %		15.0 %
PL 038	Talisman Energy	5.0 %		5.0 %
PL 038 D	Talisman Energy	30.0 %		30.0 %
PL 048 B	StatoilHydro	10.0 %		10.0 %
PL 048 D	StatoilHydro	10.0 %		10.0 %
PL 102 C	Total	10.0%		10.0%
PL 103 B	Det norske oljeselskap	70.0 %		70.0 %
PL 169 C	Det norske oljeselskap	57.0 %		57.0 %
PL 242	Det norske oljeselskap	35.0 %		35.0 %
PL 265	StatoilHydro	20.0 %		20.0 %
PL 272	StatoilHydro	25.0 %		25.0 %
PL 304	Lundin		30.0%	30.0%
PL 332	Talisman Energy	40.0 %		40.0 %
PL 337	Det norske oljeselskap	45.0 %		45.0 %
PL 341	Det norske oljeselskap	30.0 %		30.0 %

PL 343	Marathon		35.0 %	35.0 %
PL 356	Det norske oljeselskap	100.0 %		100.0 %
PL 362	StatoilHydro	15.0 %		15.0 %
PL 364	Det norske oljeselskap	100.0 %		100.0 %
PL 380	Det norske oljeselskap	50.0 %		50.0 %
PL 408	Det norske oljeselskap	100.0 %		100.0 %
PL 414	Det norske oljeselskap	40.0 %		40.0 %
PL 416	E.ON Ruhrgas		15.0%	15.0%
PL 440 S	Det norske oljeselskap	30.0 %		30.0 %
PL 442	StatoilHydro	20.0 %		20.0 %
PL 450	Det norske oljeselskap	75.0 %		75.0 %
PL 451	Noreco	40.0 %		40.0 %
PL 453 S	Lundin	25.0 %		25.0 %
PL 458	E.ON Ruhrgas	30.0 %		30.0 %
PL 460	Det norske oljeselskap	52.5 %	47.5%	100.0%
PL 462 S	Nexen		30.0%	30.0%
PL 463 S	Det norske oljeselskap	70.0 %	30.0%	100.0%
PL 494	Dana Petroleum	30.0 %		30.0 %
PL 497	Det norske oljeselskap	35.0 %		35.0 %
PL 500	Det norske oljeselskap	35.0 %		35.0 %
PL 502	StatoilHydro	22.22 %		22.22 %
PL 504	Det norske oljeselskap	58.5 %		58.5 %
PL 508 S	Nexen		40.0%	40.0%
<b>The Norwegian Sea</b>				
PL 256	Aker Exploration		55.0%	55.0%
PL 259	Eni		30.0%	30.0%
PL 283	StatoilHydro		25.0%	25.0%
PL 321	Det norske oljeselskap	25.0%	35.0%	60.0%
PL 321 B	Det norske oljeselskap	25.0%	35.0%	60.0%
PL 369	Talisman Energy	60.0 %		60.0 %
PL 383	Det norske oljeselskap	55.0%		55.0%
PL 432	Det norske oljeselskap	100.0%		100.0%
PL 432 B	Det norske oljeselskap	100.0%		100.0%
PL 447	Det norske oljeselskap	30.0 %		30.0%
PL 468	Aker Exploration	-	100.0%	100.0%
PL 469	GDF Suez		25.0%	25.0%
PL 474	Wintershall		30.0%	30.0%
PL 476	Det norske oljeselskap	40.0 %		40.0%
PL 482	Det norske oljeselskap	65.0 %		65.0 %
PL 483 S	Det norske oljeselskap	40.0 %		40.0 %
PL 485	Wintershall	15.0%		15.0%
PL 512	Det norske oljeselskap	30.0%		30.0%
PL 522	BG Norge AS		20.0%	20.0%
PL 523	E.ON Ruhrgas		20.0%	20.0%
PL 538	Norske Shell		30.0%	30.0%
<b>The Barents Sea</b>				
PL 490	Lundin	10.0%	20.0%	30.0%
PL 491	Det norske oljeselskap	20.0%	30.0%	50.0%
PL 492	Lundin	30.0%		30.0%
PL 533	Eni	20.0%		20.0%
PL 535	Total E&P Norge		20.0%	20.0%

#### 7.4.2 Reserves

The reserve and contingent resource volumes have been classified in accordance with the NPD classification system ([http://www.npd.no/regelverk/r2002/Ressursklassifisering\\_n.htm](http://www.npd.no/regelverk/r2002/Ressursklassifisering_n.htm)) and are consistent with Oslo Stock Exchange's guidelines for the disclosure of hydrocarbon reserves and contingent resources.

The Merged Company has interest in four producing fields as described above. Assessments of the remaining reserves in these fields are based on the operator's evaluation. For more information about the fields in production, see section 7.3.1 "Fields in production" above. The tables below sets out the reserves per field as of year end 2008.

Table 7.4.2-1 – Reserves per field

IN PRODUCTION (CATEGORY 1)										
As of 31.12.2008	1P / P90 (low estimate)					2P / P50 (best estimate)				
	Oil (Mbbl)	Gas (bcm)	Mboe	Share %	Net Mboe	Oil (Mbbl)	Gas (bcm)	Mboe	Share %	Net Mboe
PL 038 - Varg	5,81	0,0	5,81	5%	0,29	9,43	0,0	9,43	5%	0,47
PL 048B - Glitne	0,73	0,0	0,73	10%	0,07	2,13	0,0	2,13	10%	0,21
Enoch-unit (Norge)	0,43	0,0	0,43	10%	0,04	1,97	0,01	2,04	10%	0,20
Jotun-unit	10,24	0,0	10,24	7%	0,72	11,41	0,0	11,41	7%	0,80
<b>Total</b>					<b>1,12</b>					<b>1,69</b>

UNDER DEVELOPMENT (CATEGORY 2)										
As of 31.12.2008	1P / P90 (low estimate)					2P / P50 (best estimate)				
	Oil (Mbbl)	Gas (bcm)	Mboe	Share %	Net Mboe	Oil (Mbbl)	Gas (bcm)	Mboe	Share %	Net Mboe
PL 038 - Varg	3,59	0,0	3,59	5%	0,18	7,02	0,0	7,02	5%	0,35
<b>Total</b>					<b>0,18</b>					<b>0,35</b>

DEVELOPMENT APPROVED (CATEGORY 3)										
As of 31.12.2008	1P / P90 (low estimate)					2P / P50 (best estimate)				
	Oil (Mbbl)	Gas (bcm)	Mboe	Share %	Net Mboe	Oil (Mbbl)	Gas (bcm)	Mboe	Share %	Net Mboe
PL 364 - Frøy	34,17	0,0	34,17	50%	17,09	55,82	0,0	55,82	50%	27,91
<b>Total</b>					<b>17,09</b>					<b>27,91</b>

Explanation:  $1 \times 10^9 \text{ Sm}^3 \text{ gas} = 1 \times 10^6 \text{ Sm}^3 \text{ oil equivalents} = 6.29 \text{ million barrels oil equivalents.}$

### 7.4.3 Expected drilling campaign 2009 - 2010

The Merged Company has an extensive NCS drilling program for the rest of the year 2009 and 2010. The table below gives an overview of prospects that is expected to be drilled during this period and the prospects' net risked resources. The Merged Company has a total of approximately 229 mmboe in net risked prospective resources.

Table 7.4.3-1 – Expected drilling campaign 2009-2010

License	Operator	Merged Company share	Net risked prospective resources (mill. boe)	Rig
<b>2009 (rest of the year)</b>				
PL 442 Frigg GD	StatoilHydro	20.00 %	4.3	Partner well
PL 321 Geitfjellet	Det norske oljeselskap	60.00 %	16.1	Aker Barents
PL 027 D Jetta	ExxonMobil/Det norske	35.00 %	7.4	Bredford Dolphin
PL 408 Skardkollen	Det norske oljeselskap	100.00 %	9.3	Bredford Dolphin
PL 469 Pumbaa	GDF Suez	25.00 %	4.2	Aker Barents
PL 460 Storklakken	Det norske oljeselskap	100.00 %	18.1	Aker Barents
<b>2010</b>				
PL 028 Balder Triassic	ExxonMobil	40.00 %	4.4	Aker Barents
PL 476 Frusalen	Det norske oljeselskap	40.00 %	6.2	Songa Delta
PL 304 Buhund	Lundin	30.00 %	3.4	Aker Barents
PL 001 B Draupne	Det norske oljeselskap	35.00 %	Appraisal	Songa Delta

PL 035 Krafla	StatoilHydro	25.00 %	5.6	Partner well
PL 265 Skårdasalen	StatoilHydro	20.00 %	5.5	Partner well
PL 337 Storkollen	Det norske oljeselskap	45.00 %	6.6	Bredford Dolphin
PL 102c David	Total	10.00 %	2.4	Partner well
PL 341 Stirby	Det norske oljeselskap	30.00 %	37	Songa Delta
PL 321 Hoåsen	Det norske oljeselskap	60.00 %	17.3	Aker Barents
PL 356 Ulvetanna (Ryvingen)	Det norske oljeselskap	100.00 %	15.9	JU tbn
PL 468 Dovregubben	Aker Exploration	100.00 %	35.3	Aker Barents
PL 256 Aldebaran	ENI	55.00 %	6.0	Aker Barents
PL 432 Nebba	Det norske oljeselskap	100.00 %	18.1	Songa Delta
PL 482 Røy	Det norske oljeselskap	65.00 %	5.7	Songa Delta
<b>Total net risked prospective resources</b>			<b>228.8</b>	

#### 7.4.4 Future license acquisition activity

The Merged Company has built its portfolio through farm-ins, license rounds as well as license swaps (SPA) with other companies. This activity will continue aggressively.

The dominant strategy to Det norske so far has been to acquire acreage with hydrocarbon potential close to producing infrastructure with shortest possible lead time to production. This strategy has been executed to enable Det norske to build production with minimum investments. Based on Det norske's good understanding of the NCS geology and hydrocarbon potential, 4 core areas in the North Sea have been selected to facilitate this strategy:

- Varg area with Grevling discovery and prospects
- Draupne/Hanz discoveries, close to the Luno development (Southern Vikinggraben area)
- Jotun Field with prospects
- Frøy Field with prospects

Det norske has actively taken positions in these areas and has now started to drill the acquired prospects. The first phase of production build-up (at least 15,000 bbls/d) will probably come from one of these areas. This will be the first phase of several phases to build a significant production from NCS. The Merged Company will continue to focus on strengthening acreage positions in these core areas.

In the longer term the Merged Company aims to build a significantly larger production level. In order to achieve this, the company will balance the low risk – moderate reward exploration drilling activity with selected high risk – high reward exploration wells. Potential large discoveries will require a lead time to production in the order of 10 years. Due to the long lead time, it is necessary to participate in this part of the NCS exploration activity in parallel with the mature area exploration. The Merged Company will carefully balance its effort between these opportunities and utilize its competent organization to prioritize between the opportunities arising.

The high reward hydrocarbon potential on the NCS is distributed in different geographical areas with different characteristics and will demand several types of technologies to be commercialized. The high reward resources will be located in such different settings as:

- HPHT (High Pressure and High Temperature) settings in the North Sea and Haltenbanken
- Frontier plays in the Norwegian Sea and the Barents Sea
- New play models not yet identified

The Merged Company has an extensive high graded NCS exploration drilling program in 2009 and will seek to keep up the level of exploration drilling in the future to secure a good portfolio of discoveries to be developed within the next 15-20 years. In order to achieve this, it will be of importance to continuously mature the prospect portfolio as well as high-grading the portfolio through active portfolio optimization.

The future license acquisition will be accessed by:

- Ordinary licensing rounds in frontier areas (typically biennial)
- APA "Area of Pre defined Acreage" annual licensing rounds in mature areas

- License purchases or swaps
- M&A activities

The Merged Company will through developing technology and efficient workflows identify and secure the best acreage for future drilling candidates. The company will continue to recruit the best staff and build a creative and competent exploration organization that will be leading in generating new plays and prospects. The Merged Company will also seek to be among the first mover in new promising plays and actively support the development of the required technology to enable these plays to be commercialized.

## **7.5 RIG CAPACITY AND ACCESS**

The Merged Company will have two semi submersible drilling rigs under contract: Aker Barents and Songa Delta. This rig capacity is critical to fulfill the existing exploration ambition for the Merged Company.

Aker Barents is on a three-year contract with the Merged Company from Aker Drilling until July 2012. The Merged Company has together with Wintershall entered into a three year contract for Songa Delta, ending in May 2012. The Merged Company holds 2/3 of the Songa Delta contract.

In addition to the above mentioned the Merged Company is part of a consortium of oil companies that has contracted the semi submersible rig Bredford Dolphin from Fred. Olsen Energy. The contract expires in June 2010.

The total number of rig days under contract is ~1900 days, which amounts to 35-40 exploration wells over the next 3 years. The Merged Company will work towards entering into agreements in order to secure the full employment of the drilling rigs. The risks involved in relation with securing such agreements are further addressed in section 3.2.9 above.

Aker Barents is a new 6<sup>th</sup> generation drilling rig capable of deepwater drilling and operations in arctic waters, like the Barents Sea. Songa Delta and Bredford Dolphin are both older units, but have been upgraded and are suitable for drilling exploration and production wells in the North Sea and Norwegian Sea at water depths up to 400 meters.

The rig capacity is sufficient to handle the expected exploration drilling for the Merged Company over the next three years. However, future appraisal and production drilling may require additional drilling capacity.

## **7.6 THE NORWEGIAN E&P TAX ARRANGEMENT**

The business of the Merged Company, as a company involved in exploration and production of petroleum products on the NCS, will be subject to both ordinary income tax imposed by the general rules in the Norwegian General Tax Act of 1999 (the "GTA") and the special petroleum tax on income imposed by the Petroleum Tax Act (the "PTA").

The understanding and considerations of the business, activities and financials, and the risks related thereto, of the Merged Company will as a result benefit from the knowledge of these tax regimes.

In short terms the regimes entail that the total marginal income tax rate for the Merged Company, is 78 per cent, consisting of a 28 per cent general income tax and a 50 per cent special petroleum tax to the State levied on income generated by exploitation, treatment or transportation of petroleum, ref. the PTA section 5. The petroleum tax applies on the Merged Company's net profit level, not on a ring-fenced basis. Losses generated by other activities may not be set off against assessed income for special tax (50 per cent) purposes and there are limitations on the right to set of other losses against the general tax (28 per cent) basis.

Furthermore, if the Merged Company is not in a tax position, it may annually claim a refund from the State of the tax value of direct and indirect costs, except financial charges, incurred in exploration for petroleum resources. The tax value is set to the total of direct and indirect costs multiplied by the tax rate, which as mentioned currently is 78 per cent. The refund will reduce the tax loss carry forward correspondingly. The amount of exploration costs may not exceed the annual net loss from the petroleum activities of the taxpayer, to ensure that the costs are not already set off against taxable income. The financing of the Merged Company is based on the assumption that the Merged Company will be able to claim tax refund for its exploration costs, included costs related to its drilling units, cf. section 3.4.1 above.

The tax regime also has regulations related to the transfer of license interests, as all (direct or indirect) assignments of petroleum production licenses on the NCS are subject to the approval by the Ministry of Finance (“MoF”) under the PTA section 10, as well as by the Ministry of Petroleum and Energy (“MPE”) under the Petroleum Act section 10-12 and of. In Regulations dated 1 July 2009 the MoF has decided that certain, typical, transactions for which the PTA section 10 applies shall be approved as such without any processing of applications, provided that the parties submit certain information to the MoF and the oil taxation authorities.

For transactions not covered by said Regulations, one would still have to apply for an approval from the MoF. The MoF may stipulate specific conditions, which also deviate from the general tax legislation. Practice concerning such transactions has undergone considerable changes over the years, but will now follow the most recent guidelines issued by the MoF on 1 July 2009. According to the guidelines, the existing tax balances (depreciation and uplift) will (as the main rule) be transferred from the seller to the buyer with the assets. Thus, there will be no step up of the tax balances as a result of the transaction.

The Norwegian tax regime addressed in short above is further described in section 10.4.9 “The Petroleum Tax Act” below.

## **7.7 DEBT FUNDING**

Aker Exploration has been partially financed through a NOK 457.5 million Subordinated Unsecured Convertible Bond Issue carried out in December 2006, as well as a NOK 1.8 billion Bridge Credit Facility established in January 2007. Reference is made to section 9.7.14 “Borrowings” for further details on the Subordinated Unsecured Convertible Bond Issue and the Bridge Credit Facility.

Det norske has been financed through a NOK 1.5 billion Revolving Exploration Finance Facility established in November 2007. For further details on the Revolving Exploration Finance Facility, see section 8.7.13 “Borrowings”.

The Aker Exploration Bridge Credit Facility and the Det norske Revolving Exploration Finance Facility, as well as the Aker Exploration Subordinated Convertible Bond Issue will remain in place following completion of the Merger. The Merged Company will, however, work to secure additional financing in order to fully carry out its planned drilling campaign for the years to come. Discussions have been initiated with relevant financial institutions in order to ensure the availability of such financing.

## **7.8 ORGANIZATION**

### **7.8.1 Management of the Merged Company**

The executive management of the Merged Company will comprise of Mr. Erik Haugane as CEO, Mr. Øyvind Bratsberg as Deputy CEO, Finn Øistein Nordam as CFO, and Mr. Lars Thorrud as EVP Business development and CEO of Aker Exploration AS. See sections 8.8.2 “Management” and section 9.8.2 “Management” for further information on these individuals.

### **7.8.2 Board of Directors**

Mr. Kjell Inge Røkke is proposed as chairman of the board of directors of the Merged Company. The board of directors is further proposed to comprise of Mr. Berge Gerdt Larsen, Ms. Maria Moræus Hanssen, Ms. Hege Sjø and Mr. Kaare Gisvold. All of the mentioned individuals are proposed for election at the Extraordinary General Meeting of Aker Exploration scheduled to be held on 19 October 2009. The above have been nominated by the current nomination committee of Det norske in agreement and understanding with the nomination committee of Aker Exploration.

### **7.8.3 Nomination committee**

It is proposed that the articles of association of the Merged Company shall provide for a nomination committee comprising of 3 members, to be elected at the Extraordinary General Meeting in Aker Exploration scheduled to be held on 19 October 2009. The nomination committee of the Merged Company is proposed to have the same composition as the current nomination committee of Det norske, with the exception that Mr. Berge Gerdt Larsen

will resign. The nomination committee of the Merged Company is thus proposed to comprise of Mr. Finn Haugan (Chairman), Mr. Øyvind Eriksen and Mr. Helge Eide.

## 7.9 AUDITORS

It is proposed that the independent auditor for the Merged Company with effect from completion of the Merger shall be Deloitte AS. Deloitte AS is member of The Norwegian Institute of Public Accountants.

## 7.10 SHARE CAPITAL AND SHAREHOLDER MATTERS

### 7.10.1 Shares and share capital

The Merged Company's issued share capital upon completion of the Merger will be NOK 111,111,111, divided into 111,111,111 shares fully paid up each with a par value of NOK 1. The Merged Company will have one class of shares, equal in all respects. Each share will carry one vote. The Merged Company's articles of association will not provide for limitations on the transferability or ownership of shares.

The shares of the Merged Company will be registered with VPS under the International Securities Identification Number (ISIN) NO 001 0345853, and admitted to trading under the symbol "DET NOR". The registrar for the shares will be DnB NOR Bank ASA, Stranden 21, NO-0250 Oslo, Norway.

### 7.10.2 Warrants

Aker Capital AS has been issued 5 million warrants (in Norwegian: *Frittstående tegningsretter*) giving Aker Capital AS the right to subscribe for 5 million new shares in Aker Exploration at certain conditions, see section 9.9.6 "Outstanding warrants" for further details.

Aker Capital has issued an irrevocable statement declaring that they will, dependent on the Merger being completed and with effect from completion, surrender these warrants. A proposal for resolution to renounce the warrants on the same terms and conditions has further been set on the agenda for the upcoming extraordinary general meeting of Aker Exploration.

### 7.10.3 Dividend policy

The Merged Company will implement a major exploration program during the next two years. This is expected to result in discoveries that will require considerable development investments. The payment of dividends to shareholders will therefore not be given preference in the short term. During this period the Merged Company wishes to create value for its shareholders by building the underlying value in the prospect portfolio, with corresponding positive effect on the share price.

Neither Det norske nor Aker Exploration has paid share dividends since incorporation.

### 7.10.4 Corporate governance

The Merged Company will be dedicated to observing high standards of corporate governance built upon principles that follow the system within The Norwegian code of Practice for Corporate Governance of 4 December 2007. The Merged Company aims to achieve a high level of compliance with the Code of Practice.

More detailed information concerning corporate governance will be published in the annual report.

### 7.10.5 Proposed articles of association for the Merged Company

Below is a summary of certain provisions of the proposed articles of association for the Merged Company.

**Company name:** The company's registered name is Det norske oljeselskap ASA. The company is a Norwegian Public Limited Company.

**Registered Office:** The company's registered office is in Trondheim, Norway.

**Scope of business:** The company's scope of business is petroleum exploration and production and activities related to this, as well as independently or in cooperation with other companies and stakeholders subscribe for shares or otherwise participate in such or other related enterprises.

**Share capital:** The share capital is NOK 111,111,111 fully paid up and divided between 111,111,111 shares, each at face value NOK 1.

**Board of directors:** The board of directors shall be composed of 5 to 10 members, with a term of office of up to two years.

**Signature:** The chairman of the board and one board member jointly will hold the power to sign on behalf of the company.

**General meeting:** Shareholders who wish to attend the general meeting must give notice to the company no later than the date stated in the relevant notice. Such notification date must however not expire earlier than three days prior to the date of the general meeting.

**Nomination Committee:** The Merged Company shall have a nomination committee comprising of three members, that all are to be elected by the general meeting. The nomination committee shall make necessary preparations for elections of board members and determination of remuneration to board members.

## **7.11 UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL INFORMATION**

### **7.11.1 Description of the acquisition requiring preparation of pro forma financial information**

Pro forma financial information is required if an acquisition or disposal is considered to be a significant gross change. In this respect, "significant" is defined by the Committee of European Securities Regulators (CESR) as 25% of total assets, revenue or operating profit, cf. the CESR's advice to the European Commission on a possible amendment to Regulation (EC) 809/2004 and Oslo Axess Continuing Obligations regarding the historical financial information which must be included in an Information Memorandum.

On 25 August 2009, Det norske oljeselskap ASA and Aker Exploration ASA announced a proposed combination of Det norske and Aker Exploration with subsidiary. The proposed combination with Aker Exploration represents a significant gross change for Det norske and will be recorded as an acquisition.

Aker Exploration will legally be the acquiring entity in the Merger, and Det norske will upon completion of the Merger be dissolved as a separate legal entity. Det norske is for accounting purposes deemed to be the acquirer based on the guidance in IFRS and the fact that Det norske in reality has taken control over Aker Exploration. The Merger is considered to be a reverse acquisition in the consolidated pro forma figures where Det norske applied the accounting principles described in the section 7.11.9 "Summary of IFRS accounting principles" below.

The Merger Plan must be approved in the Extraordinary General Meetings by a qualified majority of at least two-thirds of the votes cast and share capital present at the respective meetings. The transaction date of the transaction will be at the date when control and risk is transferred and the new shares are issued. This is expected to be on 21 December 2009.

### **7.11.2 Sources of pro forma information**

The unaudited pro forma financial information has been compiled based on Det norske's audited financial statements for the year ended 31 December 2008 (prepared in accordance with IFRS as adopted by EU), the audited financial statements of the Aker Exploration Group for the year ended 31 December, 2008 (prepared in accordance with IFRS as adopted by EU), the unaudited condensed interim financial report of Det norske (IFRS) and the unaudited condensed interim financial information of the Aker Exploration Group (IFRS) for the six months ended 30 June 2009.

### **7.11.3 Basis for preparation of the pro forma figures**

For accounting purposes, the acquisition is considered to be a reverse acquisition with Det norske oljeselskap ASA as the acquirer. The unaudited pro forma financial information has been compiled for illustrative purposes to show how the acquisition of Aker Exploration (“the Transaction”) might have impacted:

- Det norske’s income statement for 2008 and the unaudited condensed income statement for YTD Q2 2009 for Det norske as if the acquisition had occurred on 1 January 2008 and 1 January 2009, respectively.
- Det norske’s unaudited condensed balance sheet as of 30 June 2009 as if the Transaction had occurred on 30 June 2009

The unaudited pro forma financial information has been prepared in accordance with EU Regulation No 809/2004, as included in the Norwegian Securities Trading Act section 7-13 and the CESR’s Level 3 guidance.

Because of its nature, the pro forma financial information addresses a hypothetical situation and therefore does not represent Det norske’s actual financial position or results. The unaudited pro forma income statement and balance sheet information is prepared for illustrative purposes only.

### **7.11.4 Pro forma accounting principles**

The unaudited pro forma financial information has been compiled using accounting principles that are consistent with the accounting principles of Det norske as described in section 7.11.9 “Summary of IFRS accounting principles” in this Information Memorandum.

The notes in section 7.11.8 “Notes to the unaudited pro forma financial information” are an integral part of the unaudited pro forma financial information.

All the unaudited pro forma adjustments will have a continuing impact.

The auditor’s independent report on the pro forma financial information is appended to this Information Memorandum as appendix 8.

### 7.11.5 Unaudited pro forma condensed income statement for 2008

All figures in NOK 1,000		DET NOR	AKX	Pro forma Adj.	Pro forma
	Notes	IFRS Audited Full year 2008	IFRS Audited Full year 2008	Unaudited Full year 2008	Unaudited Full year 2008
<b>Operating revenues and expenses</b>					
Petroleum revenues		326,756			326,756
Other operating revenues		308,314			308,314
<b>Total operating revenues</b>		<b>635,070</b>	<b>-</b>		<b>635,070</b>
Exploration expenses		544,529	405,387		949,916
Change in inventories		-3,037			-3,037
Production costs		125,657			125,657
Payroll and payroll-related expenses		12,634	37,477		50,111
Depreciation and amortization expenses		111,357	1,740		113,097
Write-downs		400,376			400,376
Other operating expenses		15,569	54,016		69,585
<b>Total operating expenses</b>		<b>1,207,084</b>	<b>498,620</b>	<b>-</b>	<b>1,705,704</b>
<b>Operating income (-loss)</b>		<b>-572,014</b>	<b>-498,620</b>		<b>-1,070,634</b>
<b>Financial income and expenses</b>					
Finance income		226,912	298,129		525,041
Finance expenses	3	71,044	60,056	-17,430	113,670
<b>Net financial items</b>		<b>155,869</b>	<b>238,073</b>	<b>17,430</b>	<b>411,371</b>
<b>Income (loss) before taxes</b>		<b>-416,146</b>	<b>-260,547</b>	<b>17,430</b>	<b>-659,262</b>
Taxes (+)/tax income (-) on ordinary income/ (loss)		-641,640	-306,399	4,880	-943,159
<b>Net income (loss)</b>		<b>225,494</b>	<b>45,852</b>	<b>12,550</b>	<b>283,897</b>

## 7.11.6 Unaudited pro forma condensed income statement for the six months ended 30 June 2009

All figures in NOK 1,000		DET NOR	AKX	Pro forma Adj.	Pro forma
	Notes	IFRS Audited Half year 2009	IFRS Audited Half year 2009	Unaudited Half year 2009	Unaudited Half year 2009
<b>Operating revenues and expenses</b>					
Petroleum revenues		120,319			120,319
Other operating revenues		3,567			3,567
<b>Total operating revenues</b>		<b>123,886</b>	<b>-</b>	<b>-</b>	<b>123,886</b>
Exploration expenses		481,219	166,304		647,523
Change in inventories		4,627			4,627
Production costs		72,987			72,987
Payroll and payroll-related expenses		13,610	16,791		30,401
Depreciation and amortization expenses		23,298	999		24,297
Other operating expenses		7,225	31,046		38,271
<b>Total operating expenses</b>		<b>602,966</b>	<b>215,141</b>		<b>818,107</b>
<b>Operating income (-loss)</b>		<b>-479,080</b>	<b>-215,141</b>	<b>-</b>	<b>-694,221</b>
<b>Financial income and expenses</b>					
Finance income		58,278	15,001		73,279
Finance expenses	3	21,983	140,811	-9,763	153,031
<b>Net financial items</b>		<b>36,295</b>	<b>-125,810</b>	<b>-9,763</b>	<b>-79,752</b>
<b>Income (loss) before taxes</b>		<b>-442,785</b>	<b>-340,951</b>	<b>9,763</b>	<b>-773,973</b>
Taxes (+)/tax income (-) on ordinary income/ (loss)		-372,980	-201,246	2,734	-571,492
<b>Net income (loss)</b>		<b>-69,805</b>	<b>-139,706</b>	<b>7,029</b>	<b>-202,481</b>

7.11.7 Unaudited pro forma condensed balance sheet as of 30 June 2009

Amounts in NOK 1,000		DET NOR IFRS Unaudited 30.06.09	AKX IFRS Unaudited 30.06.09	IFRS Adj. Unaudited	Pro forma adj. Unaudited	Pro forma Unaudited 30.06.09
ASSETS	Notes					
<b>Fixed assets</b>						
<b>Intangible assets</b>						
Goodwill		864,339			-	864,339
Capitalized exploration expenditures		493,321	17,427			510,748
Other intangible assets	2	1,319,486	39,900		348,171	1,707,557
<b>Tangible fixed assets</b>						
Fixed assets		302,354	2,803			305,157
<b>Financial assets</b>						
Shares		6,000				6,000
Financial derivatives			35,676			35,676
Calculated tax receivable	1	596,473		166,700		763,173
Long term receivable	2	56,035	15,148		-15,148	56,035
Prepayment mobilization drilling rig	1,2		609,728	-157,000	-181,000	271,728
<b>Total non-current assets</b>		<b>3,638,008</b>	<b>720,683</b>	<b>9,700</b>	<b>152,023</b>	<b>4,502,414</b>
<b>Current assets</b>						
<b>Inventories</b>						
Inventories	1	14,225	74,324	3,200		91,748
<b>Receivables</b>						
Other short term receivables	1		39,901	49,504		89,405
Trade receivables		96,652				96,652
Tax receivables	1	211,674	552,812	-166,700		597,786
Other receivables		165,483				165,483
<b>Financial assets</b>						
Other financial assets		18,300				18,300
<b>Cash and cash equivalents</b>						
Cash and cash equivalents		1,348,332	199,180			1,547,512
<b>Total current assets</b>		<b>1,854,665</b>	<b>866,217</b>	<b>-113,996</b>	<b>-</b>	<b>2,606,886</b>
<b>Total assets</b>		<b>5,492,673</b>	<b>1,586,900</b>	<b>-104,296</b>	<b>152,023</b>	<b>7,127,300</b>

Amounts in NOK 1,000		DET NOR	AKX	IFRS	Pro forma	Pro forma
EQUITY AND LIABILITIES	Notes	IFRS	IFRS	Adj.	adj.	Unaudited
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
		30.06.09	30.06.09			30.06.09
<b>Equity</b>						
<b>Paid in capital</b>						
Share capital	2	12,985	20,000		78,126	111,111
Share premium reserve	1,2	3,519,597	863,412	-34,540	-236,998	4,111,471
Other paid in capital			80,511		-80,511	
<b>Total paid in capital</b>		<b>3,532,581</b>	<b>963,923</b>	<b>-34,540</b>	<b>-239,383</b>	<b>4,222,582</b>
<b>Other equity</b>						
Other equity		88,832	-211,973		211,973	88,832
<b>Total other equity</b>		<b>88,832</b>	<b>-211,973</b>	<b>-</b>	<b>211,973</b>	<b>88,832</b>
Minority interest						
<b>Total equity</b>		<b>3,621,414</b>	<b>751,949</b>	<b>-34,540</b>	<b>-27,409</b>	<b>4,311,414</b>
<b>Liabilities</b>						
<b>Provisions</b>						
Deferred taxes	1,2	1,130,786	34,072	-122,460	105,432	1,356,037
Asset retirement obligation		139,893				139,893
Deferred income		52,388				52,388
Pension obligations		15,926				15,926
<b>Total provisions</b>		<b>1,338,993</b>	<b>34,072</b>	<b>-122,460</b>	<b>105,432</b>	<b>1,356,037</b>
<b>Other long-term liabilities</b>						
Convertible loan	1,2		401,260		24,000	425,260
Long term loan			99,138			99,138
<b>Total other long term liabilities</b>			<b>500,398</b>		<b>24,000</b>	<b>524,398</b>
<b>Current liabilities</b>						
Short term liabilities to credit institution						
Other short term liabilities	1,2	394,748	280,581	52,704	50,000	778,033
Trade creditors		116,770	19,900			136,670
Taxes withheld and public duties payable		20,748				20,748
<b>Total current liabilities</b>		<b>532,266</b>	<b>300,481</b>	<b>52,704</b>	<b>50,000</b>	<b>935,451</b>
<b>Total liabilities</b>		<b>1,871,259</b>	<b>834,951</b>	<b>-69,756</b>	<b>179,432</b>	<b>2,815,886</b>
<b>Total equity and liabilities</b>		<b>5,492,673</b>	<b>1,586,900</b>	<b>-104,296</b>	<b>152,023</b>	<b>7,127,300</b>

### 7.11.8 Notes to the unaudited pro forma financial information

#### IFRS adjustments

##### Note 1

Working capital balances of NOK 52.7 million related to exploration licenses have been presented net in the financial for Aker Exploration, whereas Det norske has classified this gross. The method applied by Det norske is used in the pro forma financial information. Other short term liabilities is increased with NOK 52.7 million, inventory is increased with NOK 3.2 million and other short term receivable is increased with NOK 49.5 million.

Aker Exploration has presented all tax receivable refund related exploration cost as a short term receivable, whereas Det norske has classified tax refundable in 2010 as a long term receivable. The method applied by Det norske is used in the pro forma financial information. Short term tax receivable is reduced with NOK 166.7 million and calculated tax receivable (long term) is increased with NOK 166.7 million.

Aker Exploration and Det norske have different accounting policies for rig-intake costs. Aker Exploration has capitalized more cost related to rig-intake costs than Det norske. The principle applied by Det norske is used in the pro forma financial statement. Prepaid drilling cost is reduced with NOK 157 million and deferred tax is reduced with NOK 122.5 million. The net effect on equity is a reduction with NOK 34.5 million.

**Unaudited pro forma adjustments - allocation of excess values related to purchases of Aker Exploration  
Note 2**

Aker Exploration has provisionally performed an allocation of the cost of the business combination to the assets acquired and liabilities and contingent liabilities assumed in accordance with IFRS 3. Aker Exploration has provisionally determined that the net excess values based on the total cost of the business combination compared to book values as of 30 June 2009 primarily relating to non-producing discoveries, prepaid rig mobilization cost, convertible bond and deferred tax. The transaction date of the transaction will be at the date when control and risk is transferred and the new shares are issued. This is expected to be on 21 December 2009.

The direct costs related to the transaction comprise corporate advisors fee, legal fees, due diligence and accounting services amounting estimated to NOK 50 million.

The shareholders of Det norske will receive 1.403328 shares in Aker Exploration for one share in Det norske. The total cost of the business combination excluding transaction cost is NOK 690 million. The cost of the business combination is based on a market value of Aker Exploration.

**Provisional allocation of excess value (NOK 1,000)**

Other intangible assets – Non-producing discoveries	348,171
Prepayment mobilization rig and rig commitment	-181,000
Long term loan – Long term receivable	-15,148
Convertible bond (net) – adjusted equity part	-56,241
Convertible bond – Favorable convertible bond loan	32,241
Deferred tax assets	-105,432
Transaction fee	-50,000

According to IFRS, non-producing properties shall not be amortized until they become producing properties. Until then such properties will be evaluated for impairment. No amortization of non-producing properties is therefore included in the unaudited pro forma income statements. The oil and gas properties of Aker Exploration are located on the Norwegian continental shelf within a tax regime with a marginal tax rate of 78%. Consequently, deferred taxes have been recorded based on the tax rate applicable to the relevant locations (78%).

*Other intangibles assets*

Aker Exploration is participating in 22 exploration licenses on the NCS. The exploration licenses have been allocated an excess value over the book value at Aker Exploration. The excess value is based on independent valuation of the license portfolio and also considering the market value of Aker Exploration. The total excess value related to exploration licenses is calculated to NOK 348.2 million.

*Prepayment mobilization drilling rig and rig commitment*

Aker Exploration has entered into a drilling contract with Aker Drilling Operations AS for the lease of the drilling unit “Aker Barents”. The contract term is three years, with options for extension for 1+1 years. The rig was delivered on July 26, 2009, and commenced drilling operations on 9 August 2009. Aker Exploration has made some modification to the rig delivered by Aker Drilling Operations AS. Based on a fair value calculation in accordance with IFRS 3 the book value is reduced with NOK 79 million and NOK 102 million is rig commitment.

#### *Long term loan – long term receivable*

Aker Exploration has presented transaction cost related to long term loan as a long term receivable. In the pro forma financial information, the long term loan is calculated at fair value, thus the long term receivable is eliminated.

#### *Convertible bond (net)*

Aker Exploration has entered into a subordinated unsecured convertible bond loan. The loan is due 16 December 2011. The bond is convertible into shares at NOK 79.30/share at any time during this period. At the initial recognition the equity component of the convertible was calculated. Based on a fair value calculation the equity part of the convertible bond is valued to zero, and hence the bond loan is increased with NOK 56.2 million. Based on a fair value calculation of the total bond the value is reduced with NOK 32.2 million. Net effect on the convertible bond is NOK 24 million.

The final purchase price allocation will be based on the purchase price and the book values at the date of acquisition and this may differ from the calculations used above. The split between the various assets may subsequently change after the completion of the purchase price allocation as Aker Exploration obtains improved information about the estimated future cash flows and reserves. If more of the cost of the business combination should be allocated to producing properties this would have increased the amortization expenses in the unaudited pro forma income statements.

#### *Deferred tax*

Deferred taxes (assets) with NOK 37 million relates to excess value in the purchase price allocation. Deferred tax on identified excess value varies between 28% and 78%. NOK 105.4 million is allocated to deferred taxes.

#### *Equity*

Total excess value identified after tax is negative with NOK 27.4 million.

Retained earnings are Det norske's retained earnings immediately before the merger. An adjustment of NOK 212 million is performed in retained earnings.

Share capital is increased with NOK 78.1 million ending at a share capital of NOK 111.1 million. The ending share capital is based on expected share capital increase in Aker Exploration.

Share premium fund is the residual of the equity effect related to the purchase price allocation.

### **Note 3**

Aker Exploration has entered into a subordinated unsecured convertible bond loan. At initial recognition the equity part was recognized as equity and amortized using the effective interest method. In the purchase price allocation the value of the equity part is valued to zero. The adjustment in finance expense is related to amortized equity part of the convertible bond in Aker Exploration financial statement. The adjustment in finance expense for 2008 is NOK 17.4 million and the six month period ending 30 June 2009 is NOK 9.8 million.

## **7.11.9 Summary of IFRS accounting principles**

### **Group financial statement**

The Group's financial statements comprise Det norske oljeselskap ASA as well as subsidiary in which Det norske has a controlling influence on the business finances and operations in order to gain financial or other benefits.

A controlling interest is normally achieved when the Group controls, directly or indirectly, more than 50% of the votes in the other company or is otherwise able to exercise de facto control of the other company.

The Group's financial statements have been produced by adding together the accounts of the parent company and the subsidiary, which have been drawn up using the same accounting principles. For consolidation purposes, intra-group revenues and cost, shareholdings, outstanding balances, dividends, group contribution, and realized and unrealized gains on transactions between consolidated companies have been eliminated.

**Basis for preparation**

The Group's consolidated financial statements have been prepared in accordance with the Norwegian Accounting Act and International Financial Reporting Standards (IFRS) as adopted by the EU.

The financial statements have been prepared on a historical cost basis with the exception of the following item:

- Financial instruments is accounted for at Fair Value and recognized in the income statement. Loans, payables and other financial obligations are accounted for at amortized cost.

The financial statements have been prepared in accordance with uniform accounting principles for equal transactions made on otherwise equal terms.

**Functional currency and reporting currency**

The Group's functional currency and reporting currency is Norwegian kroner (NOK) and all amounts have been rounded to the nearest thousand, unless otherwise specified.

**Significant accounting judgments, estimates and assumptions**

The preparation of financial statements in accordance with IFRS requires the management to make judgments, estimates, and assumptions that affect the application of policies and reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting periods.

Accounting estimates are employed in the financial statements to determine reported amounts, including the possibility for realization of certain assets, the useful lives of tangible and intangible assets, income taxes and others. Although these estimates are based on the management's best knowledge and historical experience, current events and actions, actual results may differ from these estimates. The estimates and the underlying assumptions are reviewed on an ongoing basis. Changes in estimates will be recognized when new estimates can be determined with certainty.

The key sources of uncertainty for the Group relates to the following:

*Proved and probable oil and gas reserves:* Oil and gas reserves have been estimated by the Group's experts in accordance with industry standards. The estimates are based on both the Group's own assessment and information from operators.

Proven and probable oil and gas reserves are the estimated quantities of crude oil, natural gas, and natural gas liquids which geological and engineering data demonstrate with reasonable certainty are recoverable in future years from known reservoirs under existing economic and operating conditions, i.e., prices and costs as of the date the estimate is made. Price changes only include contractual arrangements, and not price fluctuations due to future conditions.

Proved and probable reserves are used when calculating the unit-of-production rates used for depreciation, depletion, and amortization. Reserve estimates are also used when testing upstream assets for impairment. Future changes in proved and probable oil and gas reserves, for instance as a result of changes in prices, could have a material impact on unit-of-production rates used for depreciation and amortization and for decommissioning and removal provisions, as well as for the impairment testing of upstream assets, which could have a material adverse effect on operating result as a result of increased depreciation and amortization or write-down charges.

*Acquisition costs – exploration:* The Group's accounting policy is to initially capitalize exploratory drilling costs pending determination of whether the wells have found commercial reserves (successful efforts method). If commercial reserves are not found, the capitalized cost of drilling the well, net of salvage value, is expensed. Decisions as to whether these expenditures should remain capitalized or expensed in the period may materially affect the operating result for the period.

Costs associated with acquisition of exploration licenses are capitalized and assessed for impairment each reporting date. See sections named "Business combinations" and "Acquisitions, sales and license exchanges" below for further details.

*Impairment/reversal of impairment:* The Group has significant investments in long-lived assets such as property, plant and equipment, and changes in expectations of future value associated with individual assets may result in some assets being impaired, with the accounted value being written down to estimated recoverable value. Impairments should be reversed if the conditions for impairment are no longer present. Making judgments of whether an asset is impaired or not, and if write-down should be reversed, are complex decisions that rest on a high degree of judgment and to a large extent on key assumptions. Complexity is related to the modeling of relevant future cash flows, to the determination of the extent of the asset for which write-down is to be measured, and to establishing a net market value of the asset in question.

The evaluation of impairment requires long-term assumptions concerning a number of often volatile economic factors such as future oil prices, oil production, currency exchange rates, discount rates among others, in order to determine future cash flows. Such assumptions require an estimation of relevant factors such as forward price curves, production forecasts, and the ultimate residual value of an asset. Likewise, establishing a fair market value of the asset, when required, will require careful assessment in many cases where no active third party market exists.

*Abandonment obligations:* The Group has significant legal obligations to shut down and remove offshore installations at the end of the production period. Legal obligations associated with the retirement of non-current assets are recognized at their fair value at the time the obligations are incurred. Upon initial recognition of a liability, the cost is capitalized as part of the related non-current asset and amortized over the useful life of the asset. It is difficult to estimate the costs of shut down and decommissioning, which are based on current regulations and technology. Most of the decommissioning activities are years into the future and the technology and costs are constantly changing. The estimates include, among others, cost assumptions relating to complexity, rigs, marine operations, and heavy lift vessels. As a result, the initial recognition of the liability and the capitalized cost associated with decommissioning and removal obligations, and the subsequent adjustment of these Balance Sheet items, involve the application of significant judgment.

*Employee retirement plans:* When estimating the present value of defined pension benefit obligations that represent a gross long term liability in the balance sheet and, indirectly, the period's net pension expense in the income statement, the management makes a number of critical assumptions affecting these estimates. Most notably, assumptions made on the discount rate to be applied to future benefit payments, the expected returns on plan assets, and the annual rate of compensation increase have a direct and material impact on the amounts presented. Significant changes in these assumptions between periods may have a material effect on the accounts.

*Income tax:* The Group annually incurs significant amounts of income taxes payable/receivable, and also recognizes significant changes to deferred tax assets and deferred tax liabilities, all of which are based on management's interpretations of applicable laws, regulations and relevant court decisions. The quality of these estimates is highly dependent upon management's ability to properly apply, at times, very complex sets of rules, to recognize changes in applicable rules and, in the case of deferred tax assets, management's ability to project future earnings from activities that may apply loss carry forward positions against future income taxes.

### **Foreign currencies and transactions**

Transactions in foreign currency are translated at transaction exchange rates at the time of the transaction. Monetary items in foreign currency are reported at the exchange rate of the balance sheet date. Realized and unrealized foreign exchange gains and losses are recognized on an ongoing basis during the accounting period.

### **Revenue recognition**

The revenue from petroleum products is recognized on the basis of the Group's share of production in the period, regardless of actual sales (entitlement method). Other revenue is recognized when the delivery of goods and services has taken place and most of the risk and returns has been transferred. Dividends are recognized when the shareholder's right to receive dividends is approved by the annual general meeting.

### **Interest in joint ventures**

A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control. The Group accounts for joint ventures, including jointly controlled assets (oil and gas licenses), by recording its share of the assets, liabilities, and cash flows. The Group combines its share of the joint ventures' individual income and expenses, assets and liabilities, and cash flows on a line-by-line basis with similar items in the Group's financial statements.

**Balance sheet classification**

Current asset and short term liabilities include items due less than a year from the balance sheet date, and items related to the operating cycle, if longer. The current portion of long term debt is included as current liabilities. Financially motivated investments in shares are classified as current assets, while strategic investments are classified as a non-current asset. Other assets are classified as non-current assets.

**Business combinations**

In order to consider an acquisition as a business combination, the acquired asset or group of assets must constitute a business (an integrated set of activities and assets conducted and managed for the purpose of providing a return to investors), which generally consists of inputs, processes and outputs. Acquired incorporated businesses are included in the consolidated financial statements from the transaction date. The transaction date is defined as the date on which a company achieves control over the target company's financial and operational assets. This date may differ from the actual date on which the assets are transferred. Sold businesses are included in the accounts until time of the sale.

Comparable figures are not corrected for acquisitions, sold or discontinued businesses.

For accounting purposes, the acquisition method is used in connection with the purchase of businesses. Acquisition cost equals the actual value of the assets used as consideration, equity instruments issued, liabilities assumed in connection with the transfer of control, as well as direct costs associated with the actual acquisition. Acquisition cost is measured against the actual value of the newly acquired assets and liabilities. Identifiable intangible assets are included at the time of the acquisition, if they are separable from other assets and their value can be reliably measured. When calculating actual value, the tax implications of the reassessments made are taken into consideration. If the acquisition cost at the time of the acquisition exceeds the actual value of the net assets acquired, goodwill arises. Goodwill is calculated using the same functional currency which is used in the parent companies. If the actual value of the net identifiable assets acquired exceeds the acquisition cost, the excess amount is taken to income on the transaction date.

When acquiring minority interest (successive acquisitions), goodwill is calculated as the difference between fair value and book value of net assets at the time of each acquisition.

The allocation of excess value and goodwill may be adjusted up to 12 months after the takeover date, if it should prove that the asset or liability was incorrectly valued at that time. The valuation of licenses in production or licenses under development is based on cash flows after tax, as this type of license may only be traded in the market after tax, based on a resolution passed by the Ministry of Finance, in keeping with § 10 of the Petroleum Taxation Act. The purchaser cannot therefore request a deduction for the payment affecting taxation through depreciations. An allocation for deferred tax is made for the difference between the acquisition cost and the assumed tax related depreciation, in accordance to IAS number 15 and 19. The opposite entry for this deferred tax is goodwill. The goodwill is thereby a technical effect of deferred tax.

**Acquisitions, sales and license exchanges**

An acquisition of a license which involves the right to explore and produce petroleum is assessed for each individual assessment whether the acquisition is to be considered as a business acquisition or if it is an asset purchase. Usually, acquisitions of licenses in a development or a production phase will be regarded as business combinations and accounted for using the purchase method. Other license acquisitions will usually be regarded as an asset purchase.

*Oil and gas production licenses*

For oil and gas production licenses and licenses in a development phase, the purchase price is allocated between exploration rights, license rights, production plants, wells, deferred tax and goodwill.

When entering an agreement regarding license exchange, the parties agree on an effective date (usually 1 January in the calendar year). During the period between effective date and completion, the seller will include his proportional share of the license interest in the financial statements. Income and expenses between effective date and completion date is settled through a separate Pro & Contra settlement. This settlement is considered as part of the total consideration and is included in the calculation of gain/loss. From the completion date, the buyer will include income and expenses in the income statement.

In regard to taxation, the purchaser will include the net cash flow (Pro & Contra) and any other income and costs from and including the effective date.

### *Farm-in agreements*

Farm-ins generally occurs in the exploration or development phase and is characterized by the transfer or giving up future economic benefits, in the form of reserves, in exchange for reduced future funding obligations. In the exploration phase the Group accounts for farm-ins on a historical cost basis. As such no gain or loss is recognized. In the development phase, the Group accounts for farm-ins as acquisition at fair value when the Group is the transferee and a disposal at fair value when the Group is the transferor of a part of an oil and gas assets. The fair value is determined by the costs that have been agreed as being borne by the transferee.

### *Exchanges*

Exchanges of assets are measured at the fair value of the asset given up unless the exchange transaction lacks commercial substance or the fair value of neither the asset received nor the asset given up is reliably measurable. If the exchanges only comprise of assets in the exploration and evaluation phase, the exchanges are accounted for on a historical cost basis.

## **Property, plant and equipment**

### *General*

Property, plant and equipment acquired by the Group are stated at historical cost. Depreciation of other assets than oil and gas properties are calculated on a straight-line basis at rates varying from 3-5 years and adjusted for write-down charges and residual value, if any.

The carrying value of the property, plant and equipment on the balance sheet represents the cost less accumulated depreciation and any write-down charges. Expenses on leased premises are capitalized and depreciated over the leasing period.

Expected useful lives of long-lived assets are reviewed at each balance sheet date and, where they differ significantly from previous estimates, depreciation periods are changed accordingly. Any change is accounted for prospectively.

The residual value of an asset is the estimated amount that the Group would currently obtain from disposal of the asset, after deducting the estimated costs of disposal, if the assets were already of the age and in the condition expected at the end of its useful life.

Ordinary repairs and maintenance costs, defined as day-to-day servicing costs, are charged to the income statement during the financial period in which they are incurred. The cost of major repair and maintenance is included in the asset's carrying amount.

Gains and losses on disposals are determined by comparing the disposal proceeds with the carrying amount and are included in other operating expenses. Assets to be disposed of are reported at the lower of the carrying amount and the fair value less selling costs.

### *Exploration and development costs associated with oil and gas fields*

Exploration costs added to the balance sheet are classified as intangible assets and are reclassified as tangible assets at the start of development. In relation to accounting, the field is considered to enter into the development phase when the license partners have made the decision that the field is economically viable or when the field has matured to a corresponding level. All costs incurred in connection with the development of commercial oil and/or gas fields are added to the balance sheet as intangible assets. Pre-operational costs are added to expenses as incurred.

### *Depreciation of oil and gas fields*

Expenditures for drilling and equipping exploratory wells where proved and probable reserves are discovered are capitalized and depreciated using the unit of production method based on proved and probable developed reserves expected to be recovered from the well. Development expenditure for the construction, installation or completion of infrastructure facilities such as platforms, pipelines and the drilling of development wells are capitalized as producing oil and gas properties and depreciated using the unit-of-production method based on proved and probable developed reserves expected to be recovered from the area during the concession or contract period. Capitalized acquisition cost of proved and probable properties is depreciated using the unit-of-production method based on proved and probable reserves. Any changes in the reserves affecting unit-of-production calculations are reflected prospectively.

### *Component cost accounting*

When purchasing of an oil or gas field, the value of the field is split in license rights (future reserves and resources), production plant and wells. These are depreciated using the unit of production method as described above.

### **Intangible assets**

Depreciation of intangible assets is based on the following expected service lifetime:

- Software 3-5 years

### *Exploration and development cost for oil and gas fields*

The Group employs the “successful efforts” method to account for exploration and development costs. All exploration costs (including seismic acquisitions, seismic studies, and ‘own time’), with the exception of acquisition costs of licenses and drilling costs for exploration wells, are charged to expense as incurred.

Drilling costs for exploration wells are temporarily capitalized pending the evaluation of potential discovery of oil and gas reserves. If commercial reserves are not found, the costs are expensed. These costs can remain capitalized for more than one year. The main criterion is that there shall be definite plans for future drilling in the license, or that the development decision is expected to be made in the immediate future.

### *Goodwill on acquisition of enterprises and licenses*

In a case of the acquisition of an enterprise, the difference between acquisition costs and the fair value of the net tangible asset or debt at the time of acquisition will be classified as goodwill. For purchases of companies and purchases of interests in production licenses and licenses under development, an allocation for deferred taxes must be made and for associated goodwill as described in section “Balance sheet classification” above.

Goodwill is allocated to cash generating units or groups of cash generating units that are expected to receive the benefit of synergy effects of the enterprise merger. For internal management purposes, goodwill is evaluated for each field/license and these are regarded as individual cash generating units.

### **Impairment**

#### *Property, plant and equipment and intangible assets*

Property, plant and equipment and intangible assets (inclusive license rights, exclusive of goodwill) with a finite useful life will be assessed for potential loss in value annually and when incidents or changes indicate that the accounted value of property is considerably higher than the recoverable amount.

Assessment when evaluating the loss in value is determined by the lowest level at which it is possible to identify independent cash flows for an asset. For oil and gas assets this is carried out at the field or license level. For capitalized exploration costs the loss in value is assessed for each well. Impairment has occurred and a write-down takes place when the carrying value of an asset or cash generating business unit exceeds the recoverable value. The recoverable value is the highest of the assets net sale value and value in use. In the assessment of the value in use, the anticipated future cash flow is discounted to a current value by applying a discount rate before tax that reflects the current market valuation of the time value and a specific risk of the asset.

An impairment previously recognized and written down may only be reversed if changes have occurred in the estimates used for the calculation of the recoverable value; however, this may not be a higher amount than carrying value prior to write down. This type of reversion is recognized in the profit/loss statement. After a reversion the depreciation amount is adjusted in future periods in order to distribute the asset’s revised accounted value, minus any residual value, on a systematic basis of the asset’s future economic lifetime.

#### *Goodwill*

Goodwill is tested for impairment, annually or more frequently if events or changes in circumstances indicate that the value may be impaired.

Impairment of goodwill is determined by assessing the recoverable amount of the cash-generating unit, to which the goodwill relates. The Group has chosen to assess goodwill for each license. Where the recoverable amount of the license, inclusive corresponding goodwill and deferred tax as described in sections “Balance sheet classification” and “Business combinations” above, is less than the carrying amount of the cash-generating unit to which goodwill has been allocated, and an impairment loss is recognized. Impairment losses relating to goodwill cannot be reversed in future periods. The Group performs its annual impairment test of goodwill during fourth quarter.

**Fixed assets held for sale**

Fixed assets and groups of fixed assets and debt are classified as held for disposal if their accounting will be recovered via a sales transaction instead of continued use. This is regarded as valid only if a sale is highly likely and the fixed asset (or group of fixed assets or debt) is available for immediate sale in its current form. The management must have committed themselves to a sale and the sale must be expected to be completed within one year of the date of classification.

Fixed assets and groups of fixed assets and debt classified as held for disposal are estimated at the lowest value of a previous accounting and the actual value minus sales costs.

**Financial instruments**

The Group has the following financial assets and obligations:

- financial assets measured at fair value and recognized in income statement
- loans and receivables due
- other obligations

Financial assets with a fixed or determinable cash flow that are not traded in an active market are classified as loans and receivables, with the exception of instruments that the Group has selected as having a fair value with gains and losses recognized in the profit/loss statement.

Loans and receivables and other obligations are accounted for at an amortized cost; financial assets valued at fair values are recognized in profit/loss and accounted for at fair value.

Changes in the fair value of financial instruments classified as being held at fair value gains and losses are recognized and accounted for as a financial income/expense.

*Impairment of financial assets*

Financial assets that are assessed at an amortized cost are written down when, seen from an objective aspect, it is probable that the instrument's cash flows have been negatively influenced by one or more events that have occurred after the first time the instrument was included in accounts. The write-down value is recognized in the income statement. A previously recognized impairment loss for Financial Assets is reversed only if there has been a change in the estimates used to determine the recoverable amount, however, not to a higher amount than if no impairment loss had been recognized. Such reversal is recognized in income statement.

**Research and development**

Research is carried out in order to attain new scientific or technical knowledge or understanding. Development is the utilization of information gained through research or other knowledge in improving design or production of materials, devices, products, processes, systems or services before commercial production or use commences.

The agreements concerning petroleum activities on the Norwegian continental shelf gives operators incentives to initiate research and development projects since the costs involved can be charged to the operator license within certain terms and conditions. The Group is only involved in research and development via projects financed by participants in the license. It is the Group's own share of the license financed research and development that is assessed relative to accounting. Costs incurred in connection with R&D that are expected to generate future economic benefits are added to the balance sheet when the following criteria are met:

- The Group can demonstrate that the technical premises exist for the completion of the intangible asset with the aim of making it available for use or sale – demo version.
- The Group has the aim of completing the intangible asset and then to use or sell it;
- The Group has the ability to use or to sell it;
- To the intangible asset will generate future economic benefits;
- The Group has available and adequate technical, financial and other resources needed to complete the development to and to bring into use or sell the intangible asset, and
- The Group is able, in a reliable manner, to measure the costs incurred in connection with the intangible asset.

All other research and development costs are expensed as incurred.

Costs that are added to the balance sheet include material costs, direct wages costs and a share of directly related joint expenses. Capitalized development costs are added to the balance at acquisition cost minus accumulated depreciation. Capitalized development costs are amortized linearly over the asset's estimated service lifetime.

#### **Reclassification of salary and administration costs**

The Group carries out ongoing reclassification of salary and operative costs for development, operational and research activities based on allocation of hourly costs. As a basis, the Group uses gross salary and operational costs reduced by the already invoiced amount to operator licenses.

#### **Lease agreements - the Merged Company as Lessee**

##### *Financial Lease Agreements*

Lease agreements in which the Group accepts the main risk and returns in connection with ownership of the asset, are financial lease agreements. At the start of the lease period, financial lease agreements are calculated at an amount corresponding to the lowest of the actual value and the minimum lease current value, minus accumulated depreciation. When calculating the lease agreements current value the implicit interest cost in the lease agreement is utilized, if it is possible to calculate; if not then the Group's incremental borrowing rate is used. Direct costs in connection with the establishment of the lease contract are included in the assets' cost price.

Financial lease agreements are regarded as 'property, plant and equipment' in the balance sheet, and have the same write-down period as the Group's other depreciable assets. If there is no reasonable certainty that the Group will take over ownership of the asset after the expiration of the lease, the asset is written down over the shortest of the periods for the lease agreements and for the asset's economic lifetime.

##### *Operational Lease Agreements*

Lease agreements in which the main risk and returns associated with ownership of the asset are not transferred, are classified as operational lease agreements. Lease payments are classified as operational costs and are expensed during the contract period.

#### **Accounts receivable**

Accounts receivable are accounted for at their actual value after deductions of provisions for expected losses. Provisions for losses are estimated on the basis of individual valuation of the individual accounts receivable. Known losses on receivables are expensed as incurred.

#### **Borrowing costs**

Borrowing costs are expensed as incurred.

#### **Inventory**

##### *Spare Parts*

Spare parts are assessed at the lowest of purchase price and net sale value, according to the first in/first out (FIFO) principle. Costs include raw materials, freight and direct production costs in addition to some indirect costs. The net sales value is equal to the estimated sale price minus the estimated sales cost.

##### *Stock of Petroleum*

Produced petroleum that is not sold, represents the stock of petroleum. The stock of petroleum is valued at the lowest of full production cost and net realizable value.

#### **Over/under lifting of petroleum**

Over lifting of petroleum is presented as short term debt, under lifting of petroleum is presented as a short term receivable. The value of over/under lifting is set at the estimated sales value, minus estimated sales costs (entitlement method).

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash, deposits held with banks, other short term highly liquid investments with original maturities of three months or less. Bank overdrafts are included within borrowings in current liabilities on the balance sheet. Interest revenue is recognized based on the effective interest method as these are earned.

### **Interest bearing debt**

All loans are initially accounted for at the cost of acquisition, which is the actual value of that received minus issuing costs associated with the loan. Subsequently, interest bearing loans are then measured at amortized cost, using the effective interest method; the difference between the acquisition cost (after transaction costs) and the face value is amortized over the period up to maturity. Amortized costs are calculated by considering all issue costs and any discount or premium on the settlement date.

### **Convertible bonds**

Convertible loans that can be converted to share capital at the option of the holder, where the number of shares issued does not vary with the changes in their fair value, are accounted for as compound financial instruments. Transaction costs that relate to the issue of a compound financial instrument are allocated to the liability and the equity component in proportion to the allocation of proceeds. The equity component of the convertible is calculated as the excess of the issue proceeds over the present value of the future interest and principal payments, discounted at the market rate of interest applicable to similar liabilities that do not have a conversion option. The interest expense recognized in the income statement is calculated using the effective interest rate method.

### **Tax**

#### *General*

Taxes payable/tax refund for the current and previous periods are based on the amount that is expected to be received from or paid to the tax authorities.

Taxes are comprised of payable tax and changes in deferred tax. Deferred tax/tax benefits are calculated on all differences between financial and tax related values of assets and debt, with the exception of temporary differences associated with goodwill that is not deductible against tax.

The book value of deferred tax benefits is assessed on an annual basis, and is reduced insofar that it is no longer probable that future earnings will make it possible to utilize the benefit. Deferred tax benefits that are not accounted for are re-evaluated on each balance sheet day, and are accounted for insofar as it is probable that future earnings or applicable tax regulations will make it possible to utilize the benefit. Deferred tax and tax benefits are measured using the tax rates that are anticipated will apply at the point in time that the tax benefit is realized or the tax obligation is met, based on tax rates and tax regulations in effect, or that is expected to be in effect, on the balance sheet day.

Payable tax and deferred tax are accounted for directly against capital equity insofar as the tax items are directly related to equity transactions. Deferred tax and tax benefits are shown at net value, if allowed, and the deferred tax benefit and obligation are related to the same tax subject and payable to the tax authorities.

#### *Petroleum Taxation*

The Merged Company and its subsidiary Aker Exploration AS, both as production companies, are subject to special provisions in the Petroleum Taxation Act. Revenue from enterprises on the Norwegian continental shelf is subject to a common company tax (28 percent), and in addition a special tax (50 percent).

Depreciation: Pipelines and production installations can be depreciated by up to 16 2/3 percent annually, i.e. linearly over 6 years. Depreciation can be accounted for as expenses are incurred. At end of production the remaining cost price can be included as a deduction in the final year.

Uplift: Uplift is a special income deduction in the basis for calculation of special tax. The uplift is calculated on the basis of investments in pipelines and production installations and can be regarded as an extra depreciation deduction in the special tax basis. The uplift represents 7.5 percent over 4 years, altogether 30 percent of the investment. Uplift is calculated in the year in which it is applied as a deduction in the company's tax returns and thus influences periodic tax as if a permanent difference.

#### *Financial items*

Interest area and associated currency gain/loss (net finance costs on interest bearing debt) is divided between the continental shelf and onshore. The deduction on the continental shelf is calculated as a net finance cost on interest bearing debt multiplied by 50 percent of the ratio between tax related depreciated value as of 31 December in the fiscal year of the asset object in the continental shelf district and the average interest bearing debt throughout the income year.

Remaining financial expenses, currency gains and losses and all interest income is allocated to the onshore area.

Uncovered losses in the onshore area district that are a result of the distribution of net financial items can be allocated to the continental shelf and deducted from regular income (28 percent).

Only 50 percent of the losses in the onshore area are permitted to be reallocated to the continental shelf and applied as deductions in regular income.

#### *Exploration costs*

Companies may demand payment from the state the tax value of exploration costs incurred insofar as these do not exceed the year's tax related deficit allocated to continental shelf activities.

#### *Tax related deficit*

Companies subject to special tax may, without time limitations, carry forward losses with the addition of interest. A corresponding rule also applies to non-utilized uplift. The tax position can be transferred on the realization of the joint enterprise or merger. Alternatively, the tax value can be requested to be paid out by the state.

### **Employee benefits**

#### *Defined benefit plans*

Most employees within the Group have a pension plan that is administered and managed by a Norwegian life insurance company. The calculation of estimated pension payments for defined benefit plan is based on external actuary methods and is compared to the value of the pension assets.

When accounting for pension costs and pension obligations, a linear earning profile is used as a basis. This is based on assumptions related to discount interest, future salary, benefits from the national insurance plan, future returns on pension assets and actuary related premises related to mortality and voluntary sheet retirement etc. Pension assets are assessed at the real value. Pension obligations and pension assets are presented as net in the balance and classified as wages and employee costs. Plan amendments are added to the result at the time the decision is made. The part of the estimate deviation exceeding 10 percent of the pension obligations or the pension assets is amortized over the presumed remaining earning period (corridor solution).

Profits and losses on curtailment or settlement of a defined benefit pension plan are included in the income statement when the scaling down or settlement occurs. A curtailment occurs when the Group makes a considerable reduction in the number of employees encompassed by the plan or changes the terms and conditions for a defined benefit pension plan such that a considerable part of the current employees' future earnings no longer qualify for benefits or only qualify for reduced benefits.

Introduction of a new defined benefit plan or improvements to a current defined benefit plan will lead to changes in the pension obligation. This is expensed linearly until the effect of the changes is allocated for. The introductions of new plans or changes in existing plans that are implemented with retroactive effect are expensed immediately. Profits or losses associated with restrictions or closures of pension plans are accounted for as these occur.

#### *Defined contribution plans*

Some of the employees have currently a defined contribution plan. The contributions are charged to the income statement in the period to which the contributions relate. Once the contributions have been paid, there are no further payment obligations.

#### *Provisions*

Provisions are made when the Group has an actual obligation (legal or self regulated) that as a consequence of a previous occurrence, it is likely that an economic payment will be demanded to meet the obligation and the size of the amount can be reliably estimated. Reserves are evaluated on each balance sheet date and are adjusted to reflect the best estimate.

If the time effect is considerable, the reserves are discounted with a discount rate before tax that reflects the market's pricing of the time value of the amount and the risk specifically associated with the obligation. On discounting, the carrying value of the reserves is increased in each period to reflect the change in time relative to the due date of the obligation. This increase is expensed as an interest cost.

### *Decommissioning and removal costs*

In accordance with the license terms for the licenses in which the Group participates, the Norwegian state, at the end of production or on the expiration of the license period, can require the license owners to remove the installation completely or partly.

At the initial accounting of the decommissioning and removal obligations the Group provides for the current value of future costs related to decommissioning and removal. A corresponding asset is added to the accounts as a depreciable asset, and this is depreciated using the unit of production method. The changes in the time value (current value) of the obligation in connection with decommissioning and removal are charged to expenses as a finance cost and increases the balance added obligation for future costs in connection with decommissioning and removal. Changes in the best estimate of costs associated with decommissioning and removal are added to the accounts prospectively. The discount interest rate utilized in calculating the actual value of the decommissioning and removal obligation is risk free interest with the addition of a risk premium associated with the asset.

### **Related party transactions**

All transactions, agreements, and business activities with related parties are conducted based on ordinary business terms and conditions (arm's-length principles).

### **Segment**

Since the Group's establishment, the business has been carried out within the same segment defined as exploration for and production of petroleum in Norway.

### **Profit/loss per share**

The profit/loss per share is calculated by dividing the profit/loss by the weighted average number of the total outstanding shares. Shares issued during the year are weighted in comparison to the period in which they have been outstanding. The diluted result per share is calculated as the annual result divided by the weighted average number of outstanding shares during the period adjusted for dilution effects related to any share options. All shares that can be redeemed in connection with share options and that are "in the money" are included in the calculation. Any share options are anticipated to be converted at the point in time of transfer.

### **Contingent liabilities and assets**

Contingent liabilities are not accounted for in the annual accounts. Major contingent liabilities have been disclosed with the exception of contingent liabilities where the probability of the liabilities is low.

A contingent asset is not accounted for in the annual accounts; however, disclosure is made if there is a certain probability that it will benefit the Group.

### **Equity**

Transaction costs directly related to an equity transaction are recognized directly in equity after deducting tax. Convertible loans and similar instruments which contain both a liability and an equity element are divided into two components when issued, and these are recognized separately as a liability and equity.

### **Events subsequent to the balance day**

Events after the balance day are incidents – both advantageous and disadvantages - that take place between the balance sheet day and the point in time at which the annual accounts are approved for publication.

Occurrences that provide information concerning issues that existed on the balance day shall be included. Significant occurrences that affect issues that came into existence after the balance sheet day are disclosed in notes.

### **Cash flow**

The cash flow itemization has been prepared according to the indirect method, and the Group's bank balance is shown as a liquid asset.

### **Comparative figures**

When needed, comparative figures have been adjusted in order to correspond to changes in the presentation of the current year.

## **8. PRESENTATION OF DET NORSKE OLJESELSKAP ASA**

### **8.1 COMPANY OVERVIEW**

#### **8.1.1 Introduction**

Det norske is a leading operator on the Norwegian continental shelf. The company's business activity is exploration, development and production of petroleum resources. The company has licenses in the North Sea, the Norwegian Sea and the Barents Sea.

#### **8.1.2 History, incorporation and registered office**

Pertra ASA was established by Petroleum Geo-Services ASA on 2 January 2002. In January 2005 the company was sold to Talisman. The management of Pertra established a new oil company on 11 February 2005 and bought back the Pertra name, including shares in five licenses from Talisman. The company has experienced considerable growth since then.

Det Norske Oljeselskap ASA was founded in 1989, as a wholly owned subsidiary of DNO ASA. In connection with Pertra's acquisition of the vast majority of shares of Det Norske Oljeselskap AS and Pertra, Det Norske Oljeselskap changed its name to NOIL Energy ASA, while Pertra, on 19 November 2007, changed its name to Det norske oljeselskap ASA.

In May 2008, Det norske oljeselskap ASA and NOIL Energy ASA initiated a joint merger plan with Det norske as the acquiring company. The merger became effective from and including 25 July 2008, with accounting and tax effect from 1 January 2008.

Det norske's registered office is in Trondheim, Norway (Nedre Baklandet 58c, 7014 Trondheim), and telephone number +47 90 70 60 00. The company's head office function is split between the offices in Trondheim and Oslo. Det norske has also offices in Oslo, Harstad and Stavanger.

#### **8.1.3 Legal structure**

Det norske oljeselskap ASA is a public limited company, currently with no wholly or partly owned subsidiaries.

### **8.2 BUSINESS OBJECTIVES AND STRATEGY**

Pertra's acquisition of the Norwegian enterprise in DNO, Det Norske Oljeselskap ASA, was carried out in 2008. The merger was, in industrial terms, correct; the result was a strong company, both financially and operationally. Through organic growth and active participation in the restructuring process within the industry, the objective is to become a clear and real supplement to StatoilHydro. In contrast to the state dominated company, Det norske concentrates all its attention on the Norwegian continental shelf. It has a presence in all three petroleum regions and has offices in Trondheim, Oslo, Stavanger and Harstad. Det norske is optimistic on behalf of the Norwegian continental shelf. Det norske believes that considerable resources are yet to be found, that will benefit the Norwegian community, Det norske's shareholders and organization for many years to come. Det norske is today the second largest oil company (after StatoilHydro) with respect to operated exploration drilling activity on the NCS. Det norske intends to develop further to a leading independent oil company with significant oil production and major operated activity through all phases of the oil and gas upstream value chain.

Det norske is an exploration company that focuses on the whole Norwegian continental shelf, except for the Mid Norway deepwater gas province. The exploration prospect portfolio has a good balance. Selected high risk – high potential prospects complement a major portfolio of low risk – moderate potential prospects. Thus far, the company has in particular concentrated its activities in four areas close to existing discoveries and infrastructures in the central North Sea, where Det norske has equity interests; Frøy area, Jotun area, Draupne/Hanz area and Varg area. All these areas have significant remaining exploration potential and a potential for fast track development of highly profitable production by utilizing existing infrastructure. The company works continuously to increase the resource base within these areas and cooperate with other licensees/operators in order to create optimal development solutions.

Det norske is also further building its balanced portfolio of prospects, resources and reserves in the other parts of the Norwegian continental shelf. New areas are being acquired through license rounds, purchases and license swaps and by acquisitions or mergers.

Det norske will also, if and when it proves to be commercially reasonable, sell non core discoveries before the start of production. This will reduce the company’s need for loan financing of core discovery developments.

Det norske has built a great team of employees centered on geology, geophysics, drilling and field development. This creates a sound basis for the company’s development ambitions and makes the company an attractive partner for the Norwegian authorities and other key players on the Norwegian continental shelf.

### 8.3 OVERVIEW OF THE LICENSE PORTFOLIO

#### 8.3.1 Exploration approach

In order to spread the risk, Det norske has a diversified portfolio, both in terms of the size and the probability of discoveries. This means that the exploration portfolio is comprised of several prospects in which the probability of discovering oil or gas is relatively high (typically more than 30 percent) and some prospects in which the probability of discoveries is lower. The first group of prospects will normally be small or medium sized and fall into the category “low risk - moderate rewards“. Due to proximity to existing infrastructure, even small discoveries may have excellent profitability. The larger prospects often carry greater risk and are categorized as “high risk – high rewards “.

Up to this point in time, exploration has mainly been carried out in the North Sea, somewhat less in the Norwegian Sea and least in the Barents Sea. In other words, the North Sea is most mature and, statistically the potential for large new discoveries therefore is more limited than in the Norwegian Sea and Barents Sea. However, in these northern areas, since fewer wells have been drilled and the level of knowledge is less, the overall geological risk is higher.

Up to the present time, most oil and gas discoveries have been made in so-called structural traps. Det norske is now in a phase with greater concentration on what are called “stratigraphic traps“. In these cases it is not enough to map a “knoll” or a fault block in the seismic data. It is necessary to understand for example whether sand goes rapidly or gradually over to clay stone, hence whether oil can be stratigraphically trapped or not. This places greater demands on our geological and geophysical understanding and the methods applied.

The development of an exploration strategy involves both the selection of geological area and the exploration model to be used. The company builds a portfolio of licenses, in which well data and seismic data indicate that there are traps with reservoir characteristics. Then they investigate whether oil and gas has found its way into the area and whether there is enough oil and gas to fill the trap. To a large extent this evaluation involves assessment of geological probability (geological risk). For example, in sediment basins close to the coast, the Upper Jurassic main source rock for oil is buried so shallow that it is normally immature for oil generation. In some cases, however, its source rock characteristics are better than normal and oil can be formed at lower temperatures. Det norske has carried out numerous studies and supported research projects that have indicated that oil has been formed in several of these basins. Based on these studies they have applied for exploration licenses in the Helgeland basin west of Sandnessjøen (PL 483S), and in the Søgne basin in Skagerrak (PL 356).

#### 8.3.2 Exploration program

The following table details the licenses on the Norwegian continental shelf in which Det norske is operator:

**Table 8.3.2-1 – Overview of licenses where Det norske is operator**

License	Det norske’s share of license
PL 001 B	35 %
PL 028 B	35 %
PL 103 B	70 %
PL 169 C*	57 %
PL 242	35 %
PL 321/PL 321 B	25 %
PL 337	45 %
PL 341	30 %
PL 356	100 %
PL 364	50 %
PL 380	70 %
PL 383	55 %

PL 408 **	100 %
PL 414	40 %
PL 432	100 %
PL 432 B	100 %
PL 440 S	30 %
PL 447	30 %
PL 450	75 %
PL 460	52.5 %
PL 463 S	70 %
PL 476	40 %
PL 482	65 %
PL 483 S	40 %
PL 491 ***	20 %
PL 497	35 %
PL 500	35 %
PL 504	58.5 %
PL 512	30 %

\* Det norske acquired a 10% interest in PL 102C and a 57% interest in PL 169C. In exchange for this, StatoilHydro acquired 10% in PL 265.

\*\* NORECO withdrew their 30% interest.

\*\*\* Transaction with Talisman concerning PL 490, PL 491 and a license split-off from PL 038 (PL 038D) that includes the Grevling Discovery. The agreement is a swap whereby Talisman will transferred ownership interests in PL 038D to Det norske in exchange for ownership interests in PL 490 and PL 491 and Det norske carried some of Talisman's well costs in connection with the drilling of the Grevling Discovery during the spring of 2009.

The following table details the investment in licenses on the Norwegian continental shelf in which Det norske is partner:

**Table 8.3.2-2 – Overview of licenses where Det norske is licensee**

License	Det norske's share of license
PL 027 D*	47 %
PL 029 B	20 %
PL 035	25 %
PL 035 B	15 %
PL 038	5 %
PL 038 D	30 %
PL 048 B	10 %
PL 048 D	10 %
PL 102C **	10 %
PL 265 **	20 %
PL 272	25 %
PL 332	40 %
PL 362	15 %
PL 369 ***	20 %
PL 442	20 %
PL 451	40 %
PL 453 S	25 %
PL 458	30 %
PL 485	15 %
PL 490	10 %
PL 492	30 %
PL 494	30 %
PL 502	22.22 %
PL 533	20 %

\* Det norske will increase its license interest in PL 027D to 47% in return for carrying ExxonMobil's 13% share of costs of the Jetta well. The transaction is contingent on approval from the authorities.

\*\* Det norske acquired a 10% interest in PL 102C and a 57% interest in PL 169C. In exchange for this, StatoilHydro acquired 10% in PL 265.

\*\*\* Det norske will contingent on approval from the authorities take over the operatorship and a 40% interest from Talisman (giving a total interest of 60%) of this license in Q3 2009.

### 8.3.3 Overview of producing fields

The following table details Det norske's producing field:

**Table 8.3.3-1 – Overview of Det norske's producing fields**

bbl/d	%	Q2 2009	Q1 2009	Q4 2008	Q3 2008	Q2 2008	2008	2007
PL 038 Varg	5%	619.9	669.6	737.0	621.3	512.9	611.1	694.4
PL 048B Glitne	10%	629.0	694.2	745.3	771.2	952.3	866.0	808.0
PL 048D Enoch Unit	2%	104.3	138.0	142.6	81.5	118.3	124.0	189.0
PL 103B Jotun Unit	7%	433.4	458.7	503.3	481.0		494.3	
<b>Total production</b>		<b>1,786.5</b>	<b>1,960.6</b>	<b>2,128.2</b>	<b>1,792.9</b>	<b>1,583.5</b>	<b>1,808.0</b>	<b>823.7</b>

#### Production licenses

Det norske's production during the second quarter of 2009 amounted to 162,576 barrels of oil equivalents. This works out at an average of 1,787 barrels per day. The oil was sold at an average price of USD 58.8 per barrel. Production from all fields is profitable at current oil prices.

##### *PL 038 Varg*

Production from the floating production vessel on the Varg Field was normal during the second quarter of 2009 and the regularity of production was good. The operator Talisman started drilling of two infill wells in August 2009 targeting in place volumes of 24 mmmboe. Planning of two additional wells to be drilled in 2010 is ongoing.

##### *PL 048B Glitne*

During the first six months in 2009, production from Glitne was better than expected. StatoilHydro is the operator and has initiated an abandonment project for Petrojarl 1, but the preliminary plan for abandonment of the field has been postponed from February until August 2010 (at the earliest). StatoilHydro has identified new relevant production targets based on new 4D seismic data from 2008. The final decision to drill a new well, if any, is expected during the fourth quarter of 2009.

##### *PL 048D Enoch*

During the second quarter of 2009, production from Enoch fell slightly due to gas-lift problems. There will be no gas sales from Enoch until final repairs are made. The repair work is expected to be completed during the third quarter of 2009.

##### *PL 103B and Jotun Unit*

It has been decided to extend the agreement for the Jotun A floating production vessel. The agreement will be extended by 10 years, but can be terminated on a running basis at 12 months notice. An exploration well 25/8-17 is planned drilled in September/October 2009 on the promising Jetta prospect adjacent to Jotun. The exploration potential is 30 to 60 million barrels. Det norske will drill the well on behalf of the operator ExxonMobil. In case of discovery, the reserves probably can be produced through long reach production wells from Jotun B, hence enabling a fast track low capex development with likely production start in 2012. In case of Jetta success, the profitability of Jotun itself will improve significantly through tariff income or cost sharing.

### 8.3.4 Discoveries

#### **PL 364 Frøy**

In the middle of September 2008, the partnership for Frøy issued a Plan for Development and Operation to the authorities. The plan is based on a jack-up production platform with drilling equipment and storage tanks for oil.

The Ministry has granted a ten year extension of the license, with the possibility of a further extension if production conditions allow. An important milestone in the Frøy project has therefore been passed. Changes in market conditions provide an opportunity for improved economy in the Frøy project, and may ensure a larger resource base for Frøy as a field centre. The license partners, in cooperation with the main supplier, have initiated the process of reducing development and operation costs. The progress of the project is dependent on the main supplier's ability to secure financing for the project. Due to the current financial crisis, there is some uncertainty as to when this will take place. The approval of the Plan for Development and Operations cannot

take place before financing and a complete definition of the progress plan has been confirmed to the authorities. An agreement has been signed between the license group and the main supplier, for continuing work with a cost reduction and phasing in of third-party production in order to improve the project finances. The decision has also been taken to drill two exploration wells in nearby licenses to the Frøy field in 2009. This drilling may indicate new reserves that can be produced from the Frøy installation. These resources will contribute considerably to better profitability in the project.

#### **PL 001B/028B/242 Draupne and Hanz**

The Draupne and Hanz discoveries have a promising potential for commercial development. The evaluation of the Draupne discovery in well 16/1-9 was completed in December 2008. Base case recoverable resources of the two fields combined have been assessed to be 115 million barrels of oil equivalents (88 million barrels of oil and 4.2 GSm<sup>3</sup> gas). Det norske is planning a Draupne appraisal well early in 2010 in order to obtain further data that may reduce uncertainty concerning recoverable volumes. The combined Draupne-Hanz commercialization project has issued a BOK-report in April 2009. Several development options for the Draupne and Hanz discoveries have been documented to be technically and commercially attractive. Work to mature the project to a BOV-stage has been initiated. The future time schedule will depend on the selected development solution. The earliest start of production at Draupne and Hanz will be in 2013.

#### **PL 035B and PL362 Fulla**

The exploration well 30/11-7 and appraisal well 30/11-7A proved gas and condensate at high pressure in good reservoir rocks of Middle Jurassic age. Estimated recoverable resources span between 60 and 105 million barrels of oil equivalents. The Fulla discovery is now being evaluated by the Operator StatoilHydro. Located only approximately 40 km from the Heimdal gas processing center, Fulla is regarded to have a promising commercial potential.

#### **PL038D Grevling**

The exploration well 15/12-21 and appraisal well 15/12-21A proved light oil with very low gas content in moderate quality reservoir rocks of Middle Jurassic to Upper Triassic age. Estimated recoverable resources span between 40 and 130 million barrels of oil. The discovery is regarded to be commercial. The operator Talisman is evaluating alternative development solutions.

#### **PL 337 Storskrynten**

The indicated resources at Storskrynten are no longer assessed as having commercial potential and the exploration well cost was expensed in the fourth quarter 2008. However, a number of other prospects have been upgraded in PL337 following the Grevling success (see above), and the partnership is planning a new exploration well to be drilled in March 2010 on the promising Storkollen prospect located 5 km from Grevling.

#### **PL 265 Ragnarrock**

The exploration well 16/2-5 on the Graben-Fill prospect proved dry gas. A production test flowed 120,000 Sm<sup>3</sup>/day (750 barrels of oil equivalents per day), demonstrating limited reservoir properties. The gas seems to be related to the gas previously found in weathered basement rocks in well 16/2-4 (Basement Nord) and increases the probability for also finding gas in the undrilled Basement Sør segment of the major Ragnarrock Basement High. The operator StatoilHydro has forecasted to drill an appraisal well in 2010 with main objective to production test the Basement High gas accumulation. The overall recoverable gas resource potential of the Basement High is regarded to be between 6 and 20 GSm<sup>3</sup>.

#### **PL 029B – Freke-Ermitrude**

ExxonMobil is the operator and is currently evaluating well data from Freke (15/6-10), where gas/condensate was discovered in March. A unitization project has also been initiated for the Dagny and Ermitrude discovery which extends into PL 029B.

## **8.4 RESERVES AND RESOURCES**

### **8.4.1 Reserves**

The reserve and contingent resource volumes have been classified in accordance with the NPD classification system ([http://www.npd.no/regelverk/r2002/Ressursklassifisering\\_n.htm](http://www.npd.no/regelverk/r2002/Ressursklassifisering_n.htm)) and are consistent with Oslo Stock Exchange's guidelines for the disclosure of hydrocarbon reserves and contingent resources. Det norske's annual statements of reserves are incorporated by reference. See section 13.1 "Incorporation by reference".

Det norske has interests in four fields in production:

- Varg – operated by Talisman, Det norske 5 percent
- Glitne – operated by StatoilHydro, Det norske 10 percent
- Enoch – operated by Talisman, Det norske 2 percent
- Jotun – operated by ExxonMobil, Det norske 7 percent

Assessments of the remaining reserves in these fields are based on the operator's evaluation. All input in sections 8.4.1 and 8.4.2 is based on data as of 31 December 2008.

The Varg Field (PL 038) is located south of Sleipner Øst. The field is developed with the production vessel "Petrojarl Varg" with integrated oil storage and connected to a wellhead platform. Oil is exported using shuttle tankers. Two new wells were completed in 2008, proving up new reserves and increasing the total production to around 14,000 bopd. Proved reserves (1P/P90) include reserves with an accumulated probability of 90 percent from existing wells, assuming no new wells are being drilled. Remaining proved plus probable reserves (2P/P50) are based on production cut-off in 2012 and contain the total volumes from the base case production profile provided by the operator, assuming no infill drilling. Total ultimate recoverable reserves are estimated at 95 million barrels of oil, while total remaining proved and probable reserves are estimated at 16.5 million barrels, hereof 9.4 million barrels developed. The 7 million barrels of undeveloped reserves are associated with planned wells in 2010 and onward. The reserves reflect a longer production time than earlier reported due to an extended lease period with the FPSO owner. The license period expires in 2021. The expected lifetime is up to 2012.

The Glitne Field (PL 048B) is located 40 kilometers north of the Sleipner area. The field is produced by sub-sea wells tied to the production vessel "Petrojarl 1", and oil is exported using shuttle tankers. Total reserves are determined by the operator based on decline analysis combined with reservoir simulation and with a production cut-off in 2010. The main uncertainty in future production is the water cut development in individual wells. Remaining reserves are assessed probabilistically considering relevant uncertainties related to the production. A final production well is under consideration pending the analysis of a recently acquired 4D seismic survey. All proved and probable reserves are classified as "Developed assets". Total initial recoverable reserves are estimated at 52 million barrels of oil, while remaining reserves are estimated at 2.1 million barrels of oil. The license period expires in 2013. The expected lifetime is up to 2010.

The Enoch Field (PL 048D) straddles the Norwegian/UK border and is located in the UK block 16/13a and in the Norwegian block 15/5 southwest of the Glitne Field. The field is developed by a single, horizontal sub-sea well and tied back to the UK Brae A platform where the oil is processed and exported via the Forties pipeline network. The gas is sold to Brae. Production started in May 2007. The field has been unitized with the license owners in British sector, and Det norske's overall share is 2 percent (10 percent of the Norwegian license PL 048D). Total initial proved plus probable reserves (Enoch Unit) are estimated by the operator at 15 million barrels of oil equivalents of which 10.2 million barrels remain. Volumes in the table below include only the Norwegian part of the field and are classified as "Developed assets". The license period expires in 2018. The expected lifetime is up to 2017.

The Jotun Field (PL 027B, PL 103B) is developed with an integrated wellhead platform (Jotun B) with 24 well slots and a FPSO (Jotun A) with three stage separation. Oil is shuttled to the Slagen refinery and gas is exported into Statpipe. Proved reserves (2P/P50) include expected volume from existing wells, assuming no new wells are being drilled and abandonment of the field in 2015. Total reserves are determined by the operator based on decline analysis combined with reservoir simulation. The main uncertainty in future production is the water cut development in individual wells. Total initial recoverable reserves are estimated at 148 million barrels of oil. Total remaining proved and probable reserves are estimated at 11.41 million barrels oil and classified as "Developed assets". The license period expires in 2015. The expected lifetime is up to 2015. The Jetta prospect is located next to the producing Jotun field. Det norske is operator for the currently ongoing drilling operations. Det norske's share of production from the Varg, Glitne, Enoch, and Jotun fields during 2008 amounts to 0.66 million barrels of oil equivalents, which equals an average of 1,808 barrels of oil equivalents per day.

The Frøy Field (PL 364) is operated by Det norske (50 percent) with Premier Oil Norge AS as a partner. A PDO was submitted to the authorities in September 2008 and subsequently committed by both Det norske and the partner Premier Oil Norge AS. MPE has granted an extension of the license for 10 years until 2019. The field was in production from 1995 to 2001 and produced 35 million barrels with Elf as operator. Based on a comprehensive evaluation of the reservoir and production history, the best estimate is that the recovery factor

can be increased from the original 18 percent to minimum 40 percent, increasing recovered volumes by 56 million barrels. The reserves are classified as "Development decided". The license period expires in 2019. The expected lifetime is up to 2022.

## 8.4.2 Reserves Portfolio

Table 8.4.2-1– Reserves per field

<b>IN PRODUCTION (CATEGORY 1)</b>										
As of 31.12.2008	1P / P90 (low estimate)					2P / P50 (best estimate)				
	Oil (Mbbbl )	Gas (bcm)	Mboe	Share %	Net Mboe	Oil (Mbbbl )	Gas (bcm)	Mboe	Share %	Net Mboe
PL 038 - Varg	5,81	0,0	5,81	5%	0,29	9,43	0,0	9,43	5%	0,47
PL 048B - Glitne	0,73	0,0	0,73	10%	0,07	2,13	0,0	2,13	10%	0,21
Enoch-unit (Norway)	0,43	0,0	0,43	10%	0,04	1,97	0,01	2,04	10%	0,20
Jotun-unit	10,24	0,0	10,24	7%	0,72	11,41	0,0	11,41	7%	0,80
<b>Total</b>					<b>1,12</b>					<b>1,69</b>

<b>UNDER DEVELOPMENT (CATEGORY 2)</b>										
As of 31.12.2008	1P / P90 (low estimate)					2P / P50 (best estimate)				
	Oil (Mbbbl )	Gas (bcm)	Mboe	Share %	Net Mboe	Oil (Mbbbl )	Gas (bcm)	Mboe	Share %	Net Mboe
PL 038 - Varg	3,59	0,0	3,59	5%	0,18	7,02	0,0	7,02	5%	0,35
<b>Total</b>					<b>0,18</b>					<b>0,35</b>

<b>DEVELOPMENT APPROVED (CATEGORY 3)</b>										
As of 31.12.2008	1P / P90 (low estimate)					2P / P50 (best estimate)				
	Oil (Mbbbl )	Gas (bcm)	Mboe	Share %	Net Mboe	Oil (Mbbbl )	Gas (bcm)	Mboe	Share %	Net Mboe
PL 364 - Frøy	34,17	0,0	34,17	50%	17,09	55,82	0,0	55,82	50%	27,91
<b>Total</b>					<b>17,09</b>					<b>27,91</b>

Explanation:  $1 \times 10^9 \text{ Sm}^3 \text{ gas} = 1 \times 10^6 \text{ Sm}^3 \text{ oil equivalents} = 6.29 \text{ million barrels oil equivalents}$ .

## 8.5 MATERIAL OPERATIONAL AGREEMENTS

### 8.5.1 Rig contracts

Due to the increasing activity in the drilling rig market Det norske, in cooperation with Revus Energy ASA and DNO ASA, initiated work aimed at securing drilling capacity as early as in 2004. In January 2006, a contract with Dolphin AS regarding use of the semi-submersible drilling rig Bredford Dolphin was signed. A total of seven oil companies have joined the consortium, whereof several partners and operators in licenses where Det norske is engaged, thus securing drilling capacity for Det norske. Det norske's share of the 3-year contract consists of 115 fixed + 75 buffer days. The rig was upgraded to comply with Norwegian requirements before it entered into the contractual period with the consortium. The rig will drill 20 exploration wells during the 3-year contract period. AGR Group ASA is engaged as Drilling Manager, including coordinating the consortium, contract holder for all third party service contracts, planning of well, logistics, drilling supervision and emergency preparedness.

Det norske and Revus Energy ASA (now Wintershall Norge AS) entered in August 2007 into an agreement with Odffjell Drilling AS regarding lease of the drilling rig "Songa Delta" (former "Deepsea Delta") for drilling of exploration wells.

"Songa Delta" was ready for operation for Det norske and Wintershall Norge AS after the end of its engagement with Norsk Hydro ASA. The contract commenced in March 2009. The duration of the contract is three years,

and the current rate is set at USD 446,731 per day. The contract value is approximately USD 480 million. The contract also encompasses Casing Running Services. In addition, an agreement has been entered into with Odfjell Well Management AS for the provision of Drilling Management Services, including planning, logistics and procurements of miscellaneous services, drilling supervision and emergency preparedness.

"Songa Delta" was built in 1981 and considerably upgraded in 1996. "Songa Delta" is equipped with a 15,000 psi BOP and is capable of drilling in water depths up to 450 meters.

The rig agreement with Odfjell Drilling was achieved in cooperation with Wintershall Norge AS, who covers one third of the duration of the contract. Wintershall Norge AS and Det norske are coordinating activities to ensure maximum utilization of the rig.

## **8.6 RELATED PARTY TRANSACTIONS**

All transactions, agreements, and business activities with related parties are conducted based on ordinary business terms and conditions (arm's-length principles).

DNO International is the largest owner of Det norske oljeselskap ASA with a 23.46 percent ownership.

Det norske has carried out some minor transactions with DNO International ASA, mainly in connection with hiring/hiring out of personnel. The agreements have been made on regular commercial terms. In addition, DNO International ASA, as a part of an integration agreement contract from 2007 has covered NOK 10 million in connection with the transfer of seismic rights from NOIL to Det norske. The agreements were made on regular commercial terms.

Kjetil Grønskag was a member of the Board of Directors of the company until 16 November 2007. As of 31 December 2008 he was a member of the company's nomination committee. Kjetil Grønskag is also a member of the Board of Directors of Odfjell Drilling Ltd and some of its subsidiaries. Related parties to Grønskag have considerable ownership stakes in Odfjell Drilling Ltd. Det norske has, along with Revus Energy ASA, entered into a three-year contract with Deep Sea Rig AS, a company associated with Odfjell Drilling Ltd. Det norske, Revus Energy and Odfjell Drilling Ltd. have entered into an agreement concerning drilling services that includes project planning, logistics and other related services. This agreement also includes drilling operations related to Frøy (PL 364).

## **8.7 FINANCIAL INFORMATION**

*You should read the following discussion of the financial condition and results of operations in conjunction with the financial statements included in this Information Memorandum. The following discussion contains forward-looking statements that are based on current assumptions and estimates by the Det norske oljeselskap's management regarding future events and circumstances. Det norske oljeselskap's actual results could differ materially from those expressed or implied by the forward-looking statements as a result of many factors, including those described in section 3 "Risk factors".*

### **8.7.1 Introduction**

Annual reports including audited historical financial information and audit reports in respect of 2008, 2007 and 2006 and un-audited interim financial reports for the second quarter 2009 and 2008 is incorporated by reference to this Information Memorandum, see section 13.1 "Incorporation by reference".

### **8.7.2 Basis for preparation**

The financial statements of the company have been prepared in accordance with the Norwegian Accounting Act and International Financial Reporting Standards (IFRS) as adopted by the EU.

The financial statements have been prepared on a historical cost basis with the exception of the following items:

- Financial instruments is accounted for at fair value and recognized in the income statement.
- Loans, payables and other financial obligations are accounted for at amortized cost.

The financial statements have been prepared in accordance with uniform accounting principles for equal transactions made on otherwise equal terms.

The accounting policies applied in preparing these financial statements are presented below.

Det norske presents its half year accounts according to IAS 34 (Interim Financial Reporting).

### **8.7.3 Accounting principles**

Det norske's accounting principles is incorporated by reference to this Information Memorandum, see section 13.1 "Incorporation by reference".

## 8.7.4 Income statement

The table below summarizes the income statements for Det norske for the years ended 31 December 2008, 2007 and 2006, and the six months period ended 30 June 2009 and 2008.

**Table 8.7.4-1 – Income statement**

All figures in NOK 1,000	IFRS Unaudited 6 months ended 30.06.2009	IFRS Unaudited 6 months ended 30.06.2008	IFRS Audited Full year 2008	IFRS Audited Full year 2007	IFRS Audited Full year 2006
Petroleum revenues	120,319	164,218	326,756	127,689	115,869
Other operating revenues	3,567	4,736	308,314	3,335	2,173
<b>Total operating revenues</b>	<b>123,886</b>	<b>168,954</b>	<b>635,070</b>	<b>131,024</b>	<b>118,043</b>
Exploration expenses	481,219	159,479	544,529	282,943	186,178
Change in inventories	4,627	-1,842	-3,037	406	2,582
Production costs	72,987	46,855	125,657	43,238	43,443
Payroll and payroll-related expenses	13,610	8,468	12,634	11,161	2,093
Depreciation and amortization	23,298	49,473	111,357	34,553	20,054
Write-downs			400,376		
Other operating expenses	7,225	8,818	15,569	10,807	1 051
<b>Total operating expenses</b>	<b>602,965</b>	<b>271,250</b>	<b>1 207,084</b>	<b>383,109</b>	<b>255,401</b>
<b>Operating profit/loss</b>	<b>-479,079</b>	<b>-102,296</b>	<b>-572,014</b>	<b>-252,084</b>	<b>-137,358</b>
Interest income	29,852	24,955	144,698	28,463	11,335
Other financial income	28,426	2,466	82,214	2,365	3,326
Interest expenses	8,403	20,185	44,935	3,940	7,749
Other financial expenses	13,580	16,171	26,109	22,288	5,096
<b>Net financial items</b>	<b>36,294</b>	<b>-8,935</b>	<b>155,869</b>	<b>4,600</b>	<b>1,815</b>
<b>Profit/loss before taxes</b>	<b>-442,785</b>	<b>-111,231</b>	<b>-416,145</b>	<b>-247,485</b>	<b>-135,544</b>
Taxes (+)/tax income (-) on ordinary profit/loss	-372,980	-95,532	-641,640	-205,976	-105,628
<b>Net profit/loss</b>	<b>-69,805</b>	<b>-15,699</b>	<b>225,494</b>	<b>-41,509</b>	<b>-29,916</b>

Source: 2Q presentations 2008 and 2009 and Annual Reports 2007 and 2008

### Developments in first half of 2009 compared first half of 2008

During the first six months, the company's operating revenues amounted to NOK 123.9 million (169.0). Total production from the company's interests in Jotun, Varg, Glitne and Enoch amounted to 339,026 (300,987) barrels of oil equivalents with an average price of USD 49.4 (105.3) per barrel.

A high level of exploration activities characterized the first six months, and exploration expenses totaled NOK 481.2 million (159.5). This caused the company to suffer an operating loss of NOK 479.1 million (compared with a loss of NOK 102.3 million during the same period last year), which was in accordance with the company's plans.

During the first six months, two discoveries were made, which are already being regarded as commercial – the appraisal of the Fulla discovery in PL 362 and the Grevling discovery in PL 038D. In addition, a discovery was made in the Freke Prospect in PL 029B, where further work is required to determine whether or not it contains gas was proven in the Ragnarrock Graben basement, and further evaluation of the potential in this license is in progress. Capitalized exploration expenses at the end of the period totaled NOK 493.3 million (538.6).

Non-commercial oil volumes were discovered in the Eitri/Phi Prospects in PL 027D, while a good reservoir was discovered in the Struten exploration prospect in PL 383, but the well was dry.

In accordance with the company's accounting principles, well costs for Eitri/Phi and Struten were charged to the income statement, while the costs of drilling other prospects were capitalized during the first six months, pending a final evaluation of their commercial viability.

In 2008, Det norske signed a swap agreement with StatoilHydro, whereby StatoilHydro acquired 10 percent in production license 265 in return for Det norske acquiring 10 percent in PL 102, with the exception of the producing fields Skirne and Byggve. Det norske acquired 57 percent in a carve-out from PL 169, just south of Jotun. This transaction was formally approved in the second quarter, and a consequence of this was the reclassification of NOK 56.0 million from capitalized exploration expenses to other intangible assets.

The statutory general meeting of the company on 20 April 2009 decided to reduce the premium fund by NOK 3,519,597,000. The amount will be transferred to other equity. This reduction had not been effected by 30 June and is therefore not reflected in the accounts.

## 8.7.5 Balance sheet

Set out below is the balance sheet for Det norske for the periods ending 30 June 2009 and 2008, together with balance sheets for the years ending 31 December, 2008, 2007 and 2006:

**Table 8.7.5-1 – Balance sheet**

All figures in NOK 1,000	IFRS Unaudited 30.06.2009	IFRS Unaudited 30.06.2008	IFRS Audited 2008	IFRS Audited 2007	IFRS Audited 2006
<b>ASSETS</b>					
<b>Intangible assets</b>					
Goodwill	864,339	1,716,774	864,339	1,671,556	43,875
Capitalized exploration expenditures	493,321	538,617	251,544	517,867	2,886
Other intangible assets	1,319,486	2,421,641	1,264,624	2,423,340	23,701
<b>Tangible fixed assets</b>					
Property, plant, and equipment	302,354	413,368	298,054	354,692	86,976
<b>Financial fixed assets</b>					
Shares	6,000				
Long-term receivable (prepayment)	56,035	20,827	48,447	5,160	
Calculated tax receivable	596,473	101,117			
<b>Total fixed assets</b>	<b>3,638,008</b>	<b>5,212,343</b>	<b>2,727,010</b>	<b>4,972,614</b>	<b>157,437</b>
<b>Inventories</b>					
Inventories	14,224	4,461	14,727	2,579	2,208
<b>Receivables</b>					
Trade receivables	96,652	52,782	583,463	128,237	15,262
Other receivables	165,483	128,404	200,447	119,718	87,072
Short-term deposits	18,300		17,400		
Calculated tax receivables	211,674	624,011	206,774	618,044	112,724
<b>Cash and cash equivalents</b>					
Cash and cash equivalents	1,348,332	390,916	1,468,287	585,127	565,889
<b>Total current assets</b>	<b>1,854,665</b>	<b>1,200,574</b>	<b>2,491,098</b>	<b>1,453,705</b>	<b>783,155</b>
<b>Total assets</b>	<b>5,492,673</b>	<b>6,412,916</b>	<b>5,218,108</b>	<b>6,426,319</b>	<b>940,591</b>

Source: 2Q presentations 2008 and 2009 and Annual Reports 2007 and 2008

Table 8.7.5-2 – Balance sheet

All figures in NOK 1,000	IFRS Unaudited 30.06.2009	IFRS Unaudited 30.06.2008	IFRS Audited 2008	IFRS Audited 2007	IFRS Audited 2006
<b>EQUITY AND LIABILITIES</b>					
<b>Paid-in capital</b>					
Share capital	12,985	12,985	12,985	12,985	5,302
Share premium	3,519,597	3,503,919	3,519,597	3,519,597	802,160
<b>Retained earnings</b>					
Other equity	88,832		158,637	30,725	
<b>Total Equity</b>	<b>3,621,414</b>	<b>3,516,904</b>	<b>3,691,219</b>	<b>3,563,307</b>	<b>807,462</b>
<b>Provisions</b>					
Pension obligations	15,926	7,480	16,164	8,125	3,255
Deferred taxes	1,130,786	2,161,055	907,293	2,166,470	18,875
Abandonment provision	139,893	84,377	134,612	81,133	21,928
Deferred income and provisions for commitments	52,388	19,787	45,132	10,402	
<b>Total provisions</b>	<b>1,338,993</b>	<b>2,272,699</b>	<b>1,103,201</b>	<b>2,266,130</b>	<b>44,058</b>
<b>Current liabilities</b>					
Short-term loan		394,477		128,625	
Trade creditors	116,770	32,606	94,287	112,788	26,787
Taxes withheld and public duties payable	20,748	6418	12,160	12,044	3,420
Other current liabilities	394,748	189,813	317,241	343,423	58,864
<b>Total current liabilities</b>	<b>532,266</b>	<b>623,314</b>	<b>423,688</b>	<b>596,880</b>	<b>89,071</b>
<b>Total liabilities</b>	<b>1,871,259</b>	<b>2,896,013</b>	<b>1,526,889</b>	<b>2,863,012</b>	<b>133,129</b>
<b>Total equity and liabilities</b>	<b>5,492,673</b>	<b>6,412,916</b>	<b>5,218,108</b>	<b>6,426,319</b>	<b>940,591</b>

Source: 2Q presentations 2008 and 2009 and Annual Reports 2007 and 2008

#### Developments in first half 2009 compared to first half 2008

Total assets amounted to NOK 5,492.7 million (6,412.9) at 30 June 2009. The company has a credit facility for exploration of NOK 1,500 million with DnB NOR Bank. This facility has not been drawn on in 2009.

#### Developments in the years ended 2007-2008

At the end of 2008, the company had a total equity of NOK 3,758.1 million (NOK 3,563.3 million in 2007), and the equity ratio was 71.9 percent (55.5 percent in 2007). Cash and cash equivalents amounted to NOK 1,468.3 million as of 31 December 2008 (NOK 585.1 million as of 31 December 2007). The company has a NOK 1,500 million exploration loan facility with DnB NOR Bank; however, this was not utilized as of 31 December 2008. The unused exploration facility at the end of the year was NOK 203 million. The maximum amount that can be drawn under the exploration facility is a function of the company's current calculated tax receivable.

The expected tax receivables as a consequence of exploration activity represented at the end of the year NOK 214.0 million (MNOK 618.0 in 2007) and are expected to be paid out in December 2009. The company did not have interest-bearing debt at the end of the year. Short-term debt represented NOK 423.7 million (NOK 596.9 million in 2007).

Abandonment provision at the end of the year was NOK 134.6 million (NOK 81.1 million in 2007) for fields currently in production. Goodwill in the company represents as of 31 December 2008 NOK 864.3 million (NOK 1,671.6 million in 2007). This considerable reduction is mainly the consequence of a disposal of NOK 613 million from the sale of Goliat and a write-down of goodwill of NOK 265 million. The goodwill is mainly associated with the purchase of NOIL Energy ASA. In accordance with the principles in IFRS, the difference between the acquisition costs on purchase and the actual value of identifiable assets at the point in time of acquisition is classified as goodwill. Goodwill is tested annually for write-down, or more frequent if events or changes in other circumstances indicate that there has been a major fall in actual value. Such indicators may be, for example, amendments to the company's plans, changes in oil prices, changes in reserves and/or resources or changes in cost levels.

#### **Developments in the years ended 2006-2007**

By 31 December 2007, Det norske had equity of NOK 3,563.3 million. The equity ratio was 55.4%.

Cash and cash equivalents amounted to NOK 585.1 million as of 31 December. Det norske has a drawing facility with DnB NOR Bank of a total of MNOK 1,500. As of 31 December, NOK 130 million has been drawn out of an effective limit of MNOK 587. The effective limit is a function of the company's applicable recognized tax liabilities.

Det norske's interest-bearing debt by year's end amounted to NOK 130 million. The short-term liabilities were NOK 596.9 million.

Provisions of NOK 81.1 million had been made by year's end for plug and abandonment liabilities for fields in production.

As of 31 December, 2007, goodwill on the consolidated balance sheet amounted to NOK 1,672 million. This is mainly related to the acquisition of NOIL Energy ASA. In accordance with the principles defined by IFRS, the difference between the purchase price through acquisition and the actual value of identifiable assets at the time of the acquisition is classified as goodwill. Goodwill is tested annually for impairment or more frequently if events or changes to other circumstances indicate that there has been a decrease in the value. Such indicators could, for example, be changes in the Company's plans, changes in the price of oil, changes to the reserves and/or resources or changes in cost level. The Company has assessed that after the acquisition of NOIL no events have occurred that indicate that there is a need for impairment testing of goodwill related to the acquisition of NOIL.

## 8.7.6 Condensed cash flow statement

Set out below is the condensed cash flow statement for Det norske oljeselskap for the six months period ending 30 June 2009 and 2008, together with statements for the years ending 31 December 2008, 2007 and 2006.

**Table 8.7.6-1 – Condensed cash flow statement**

All figures in NOK 1,000	IFRS Unaudited 6 months ended 30.06.2009	IFRS Unaudited 6 months ended 30.06.2008	IFRS Audited Full year 2008 *)	IFRS Audited Full year 2007 *)	IFRS Audited Full year 2006 *)
Net cash flow from operating activities	221,731	-235,469	228,909	304,607	-84,763
Net cash flow from investing activities	-335,685	-224,593	782,875	-365,267	-69,649
Net cash flow from financing activities	-6,000	265,852	128,625	-172,369	613,667
Net change in cash and cash equivalents	-119,955	-194,211	883,160	-233,030	459,255
<b>Cash and cash equivalents at beginning of period</b>	<b>1,468,287</b>	<b>585,127</b>	<b>585,127</b>	<b>565,890</b>	<b>106,634</b>
Cash and cash equivalents in acquired companies at time of acquisition				252,267	
<b>Cash and cash equivalents at period end</b>	<b>1,348,332</b>	<b>390,916</b>	<b>1,468,287</b>	<b>585,127</b>	<b>565,889</b>

Source: 2Q presentations 2008 and 2009 and Annual Reports 2007 and 2008

## 8.7.7 Statutory auditor

Deloitte has been the auditor for Det norske for all accounting periods. Deloitte has its registered address at Karenslyst allé 20, PO. box 347 Skøyen, 0213 Oslo, Norway.

See the company's annual reports 2008, 2007 and 2006 for the respective auditor's reports.

Deloitte AS is a member of The Norwegian Institute of Public Accountants.

## 8.7.8 Segment reporting

Det norske's only segment is exploration for and production of oil and gas in Norway.

### 8.7.9 Statement of changes in equity

Set out below is the consolidated statement of changes in equity for Det norske for the periods ending 30 June 2009 and 2008, together with the years ending 31 December 2008, 2007 and 2006.

**Table 8.7.9-1 – Statement of changes in equity**

	<b>IFRS Un-audited 2. quarter 30.06.09</b>	<b>IFRS Un-audited 2. quarter 30.06.08</b>	<b>IFRS Audited Full year 2008</b>	<b>IFRS Audited Full year 2007</b>	<b>IFRS Audited Full year 2006</b>
<b>Equity period start</b>	3,758,098	3,563,307	3,563,307	807,462	186,512
Profit (loss) for the period	-69,805	-15,699	225,494	-40,701	-29916
Issue of share capital				2,376,000	656,219
Private placement				389,931	481
Transaction cost (net after tax)				-110	-5,834
Minority interest				30,725	
Compulsory acquisition minority shareholders		-30,704	-30,704		
Correction of previous year	-66,879				
<b>Equity at period end</b>	<b>3,621,414</b>	<b>3,516,904</b>	<b>3,758,098</b>	<b>3,563,307</b>	<b>807,462</b>

Source: 2Q presentations 2008 and 2009 and Annual Reports 2007 and 2008

### 8.7.10 Changes since 30 June 2009

Det norske increased its interest in the Grevling Prospect from 5 percent to 30 percent before start of drilling. Only the original 5 percent interest is included in the accounts for the second quarter, since the transaction has not yet been formally approved by the authorities. The company will operate an exploration well in the Jetta Prospect in PL 027D, south of Jotun, with planned drilling start in mid-August. Through an agreement with ExxonMobil, Det norske has increased its interest in PL 027D from 35 percent to 47 percent, in return for carrying the expenses pertaining to ExxonMobil's 13 percent interest in the well.

The drilling of the Fongen prospect in PL 380 and the Trolla prospect in PL 483S was completed in the third quarter. Both wells were dry.

There have been no other changes to Det norske's financial or trading position since the quarterly figures dated 30 June 2009 other than the proposed Merger described in section 6 "The Merger".

### 8.7.11 Capital resources

As of 30 June 2009, Det norske had cash and cash equivalents of NOK 1,348.3 million.

#### **The primary short and long term sources of cash flow**

Det norske will require capital to fund its planned drilling program and potential acquisitions. The company anticipates that by taking into account generally expected market conditions, borrowings under the bank facilities, tax paybacks on eligible exploration costs from the Norwegian Government, income from sale of petroleum and the current cash balance, the funds will be sufficient to finance the company's existing exploration plans throughout most of 2012.

It is Det norske's intention to fund its future capital requirements initially through borrowings under the company's bank facility and to repay those borrowings when required with the tax paybacks on eligible exploration costs from the Norwegian Government. The adequacy of available funds in the future will depend on many factors, including the further growth of the business, capital expenditures, market development, competition and potential acquisitions. Accordingly, Det norske may require additional funds and seek to raise such funds through issuing new equity and debt in the future.

The funding of Det norske is described in detail in section 8.7.12 “Capitalization and indebtedness”, section 8.7.10 “Changes since 30 June 2009” and section 8.7.13 “Borrowings”.

Det norske carried out a private placement of NOK 600 million in October 2006. Furthermore, the company signed a loan agreement for a NOK 1,500 million exploration loan facility with DnB NOR ASA in November 2007. The loan facility will function as bridge financing for the delays in the tax paybacks, which will take place in December in the year following when such eligible costs incur. Det norske has not drawn on the loan facility as of 30 June 2009.

For changes in cash flow, see section 8.7.6 “Condensed cash flow statement”.

#### **Funding structure and restrictions on use of capital resources**

The long term funding of Det norske consists of both equity and interest bearing debt, which is further described in section 8.7.13 “Borrowings”. Section 8.7.12 of this Information Memorandum also shows the statement of the company’s capitalization and indebtedness.

Book value of equity per 30 June 2009 was NOK 3,621.4 million and net cash balance per 30 June 2009 was NOK 1,348.3 million. The equity ratio per 30 June 2009 was 65.9%.

There are no restrictions on the use of capital in Det norske.

#### **8.7.12 Capitalization and indebtedness**

The table below sets forth Det norske’s unaudited cash and equivalents and capitalization as at respectively 31 December 2008 and 30 June 2009 on an actual basis. The table should be read together with the financial statements and the related notes thereto.

The table below also shows a statement of capitalization and indebtedness as of 31 December 2008 and 30 June 2009. Indebtedness is computed on the basis of the balance sheet of Det norske.

**Table 8.7.12-1 – Capitalization and indebtedness**

All figures in NOK 1,000	<b>31.06.2009</b>	<b>31.12.2008</b>
	<b>Un-audited</b>	<b>Un-audited</b>
<b>Shareholder’s equity</b>		
Paid in capital	12,985	12,985
Retained earnings and other reserves	3,608,429	3,678,234
<b>Total shareholders equity (A)</b>	<b>3,621,414</b>	<b>3,691,219</b>
<b>Current debt</b>		
Guaranteed		
Secured		
Unguaranteed/unsecured	532,266	423,688
<b>Total current debt</b>	<b>532,266</b>	<b>423,688</b>
<b>Non-current debt (excluding current portion of long-term debt)</b>		
Guaranteed		
Secured		
Unguaranteed/Unsecured	1,338,993	1,103,201
<b>Total non-current debt</b>	<b>1,338,993</b>	<b>1,103,201</b>
<b>Total indebtedness (B)</b>	<b>1,871,259</b>	<b>1,526,889</b>
<b>Total capitalization (A + B)</b>	<b>5,492,673</b>	<b>5,218,108</b>
Cash and cash equivalents	1,348,332	1,468,287
Trading securities		

<b>Liquidity (C)</b>	<b>1,348,332</b>	<b>1,468,287</b>
<b>Current financial receivables (D)</b>	<b>492,109</b>	<b>1,008,084</b>
Current bank debt Current portion of non-current debt Other current financial debt <b>Current financial debt (E)</b>	-	-
<b>Net current financial indebtedness (E-C-D) (F)</b>	<b>-1,840,441</b>	<b>-2,476,371</b>
<b>Non-current financial receivables (G)</b>	<b>672,732</b>	<b>63,174</b>
Non-current bank loans Other non-current loans <b>Non-current financial indebtedness (H)</b>	-	-
<b>Net non-current financial indebtedness (H-G) (I)</b>	<b>-672,732</b>	<b>-63,174</b>
<b>Net financial indebtedness (F+I)</b>	<b>-2,513,173</b>	<b>-2,539,545</b>

### 8.7.13 Borrowings

Det norske had no gross borrowings as of 30 June 2009.

#### Revolving Exploration Finance Facility

##### *Description of the facility*

On 21 November 2007 Det norske and NOIL Energy ASA (as borrowers) entered into a NOK 1,500 million Revolving Exploration Finance Facility Agreement (the "**Loan Agreement**") with DnB NOR Bank ASA (as original lender and agent), whereby the lender has granted a loan to the borrowers in an amount of NOK 1,500 million (the "Facility") for the purpose of financing costs incurred by the borrowers, which are eligible for the annual tax refund in accordance with the Norwegian Petroleum Tax Act.

As a consequence of the subsequent merger between Det norske and NOIL Energy ASA, the Loan Agreement has been amended by an Amendment and Restatement Agreement (the "**Amendment**") dated 23 July 2008 between Det norske (as borrower) and DnB NOR Bank ASA (as original lender and agent). The Loan Agreement, as amended by the Amendment, is hereinafter referred to as the "Amended and Restated Facility Agreement".

As of 30 June 2009 Det norske had no gross borrowings under the Facility.

##### *Conditions Precedent to Utilization*

Det norske may utilize the Facility subject to the following conditions:

- delivery to the Agent of a duly completed utilization request not later than on each utilization request date;
- the security documents (documents entered into by Det norske for the purpose of creating the security as described in section 3 below), duly signed, and the security created thereby being in full force and effect;
- a legal opinion of Wiersholm, Mellbye & Bech, advokatfirma AS, legal advisers to the agent in Norway, in respect of the security documents;
- evidence that the insurances (as described in Schedule 5 to the Amended and Restated Facility Agreement) have been taken out and are in full force and effect;
- a confirmation from Det norske that (1) no default is subsisting and (2) it is in compliance with representations made under the Amended and Restated Facility Agreement;
- the most recent information described in Clause 20.3 (Information: miscellaneous) of the Amended and Restated Facility Agreement (financial statements, budgets etc.);

- in respect of the first utilization in each calendar year after 31 December, 2008, evidence that the aggregate of:
  - (a) the funds of the Det norske and its subsidiaries on a consolidated basis; and
  - (b) the available amount (an amount equal to 95 % of the Tax Value (78 %) of eligible costs (costs eligible for the annual tax refund in accordance with section 3 of the Norwegian Petroleum Tax Act, which have not already been refunded by the tax authorities)), during the period from such utilization to 31 December of such calendar year, is sufficient to undertake the business plan for Det norske and its subsidiaries for such calendar year.

#### *Security*

Det norske's obligations under the Facility shall be secured by:

- a first priority charge over the pledge account (to be funded with (1) any refunds from the relevant tax authorities of the tax value of the eligible costs, cf. above, (2) any insurance proceeds in respect of the insurances which have been assigned to the agent, (3) the net proceeds derived from any sale of participations in licenses which are subject to a security interest pursuant to the Amended and Restated Facility Agreement and (4) any cash serving as security for Det norske's obligations under the finance documents);
- a first priority assignment of the Refunds (e.g. any refunds from the relevant tax authorities of the tax value of the eligible costs, cf. above);
- a first priority pledge over Det norske's participation interests in any licenses for the exploration and production (in Norwegian: "*utvinnings-tillatelse*") granted by the relevant Norwegian authorities in respect of oil and gas resources on the Norwegian continental shelf; and
- a first priority assignment of the insurances listed in Schedule 5 to the Amended and Restated Facility Agreement, as such schedule may be amended from time to time.

#### *Repayment, maturity and interest periods*

Det norske shall repay each loan under the Facility on the last day of an interest period. Each interest period for a loan shall start on the relevant utilization date, and shall be 1 or 3 months or such other periods as Det norske and the agent may agree. After the expiry of the availability period (meaning the period from financial close up to and including 31 December 2010), Det norske may select an interest period of 1, 3 or 6 months. If Det norske fails to select an interest period, the length of that interest period shall be 1 month. An interest period for a Loan shall not extend beyond the termination date – 31 December 2011.

No amount shall be outstanding under the Amended and Restated Facility Agreement after 31 December 2011.

#### *Interest*

The rate of interest on each loan drawn under the Facility, for each interest period, is the percentage rate per annum which is the aggregate of the applicable (i) margin (being 0.70 per cent p.a.) and (ii) the Norwegian Interbank Offered Rate (NIBOR).

Det norske shall pay accrued interest on each loan on the last day of each interest period, cf. above. Payment of interest will, subject to the amount of the proposed loan being a minimum of NOK 10,000,000 or, if less, the net available facility, be made by the agent debiting the loan with the relevant interest amount on the last day of each interest period, after which such interest amount will be part of the loan and carry interest as such. If this should result in the loan exceeding the net available amount, any such excess amount shall be paid by Det norske in cash on the last day of the relevant interest period(s).

#### *Commitment fee*

In addition the borrower shall pay a commitment fee, calculated on lender's available commitment equal to 0.28 per cent.

#### *Administration fee*

The borrower shall pay annual in advance an administration fee of NOK 50,000.

#### *Financial Covenants*

Det norske shall annually as of 1 January each year, on a consolidated basis, have in its possession funds which together with the available amount (an amount equal to 95 % of the tax value (78 %) of eligible costs (costs eligible for the annual tax refund in accordance with section 3 of the Norwegian Petroleum Tax Act, which have

not already been refunded by the tax authorities)) are sufficient to perform the business plan for Det norske and its subsidiaries for the next 12 months.

## 8.8 ORGANIZATION

### 8.8.1 Board of Directors

The business address of Det norske oljeselskap ASA, Nedre Bakklundet 58 C, N-7014 Trondheim, Norway, serves as c/o address for the members of the board of directors of Det norske.

**Table 8.8.1-1: Current board of the Det norske Group**

Name	Position	Member since
Svein Sivertsen	Chairman	2005
Kaare Moursund Gisvold	Board member	2009*
Marianne Elisabeth Johnsen	Board member	2009
Lone Fønss Gjørup Schrøder	Board member	2009
Hege Sjø	Board member	2009
Tore Lilloe-Olsen	Board member	2007
Jan Gunnar Opsal	Board member	2007
Bjarne Kristoffersen	Board member	2009
Kristin Aubert	Board member	2007

#### **Svein Sivertsen (born 1951) – Chairman**

Mr. Sivertsen is Partner in Borgersen & Partners as and Board member. He holds a Master of Science from NTNU. He has previously held CEO positions in Nidar and Fokus Bank, and EVP in SINTEF. Several board memberships in listed and private corporations. Mr. Sivertsen is a Norwegian citizen with residence in Trondheim, Norway. He has been on the Board of Det norske since 2005.

#### **Kaare Moursund Gisvold (born 1943) – Board member**

Dr. Gisvold is an independent investor and advisor. He holds a MSc and PhD in naval architecture/marine technology from NTNU (NTH), Trondheim. Responsible for establishing and commissioning the MARINTEK laboratories in 1978-81. Later CEO/President of Golar-Nor Offshore/PGS Production (now Teekay Petrojarl) from 1986 to 2003, building the largest FPSO fleet in the North Sea. First Chairman of Det norske (then Pertra) from 2001-2003, later Chairman from 2005 to 2009. Current directorships include Chairman of Polaris Media, director of Meraker Brug, Det norske, Access Miid-Norway and Midvestfondene. Dr. Gisvold is a Norwegian citizen with residence in Trondheim, Norway. Dr. Gisvold has been on the Board of Det norske since 2009.

#### **Marianne Elisabeth Johnsen (born 1963) – Board member**

Johnsen has several years' experience both in the private and public sectors, among them as a member of the senior management of Ullevål University Hospital and as a Director of Elkem ASA. She is currently a partner and owner of a consultancy company that is involved in restructuring processes for leading Norwegian industrial companies. Johnsen has experience as a board member for several companies during the last 10 years in areas such as finance, shipping, technology, offshore and aquaculture (Grieg Logistics AS, Odin Fond AS, Fjord Seafoods ASA, Petroleum Geo Services ASA, Pharmaq AS, Codfarmers ASA and Ementor ASA). She holds a degree in law from University of Oslo and an MBA from Solvay Business School in Brussels.

#### **Lone Fønss Gjørup Schrøder (born 1960) – Board member**

Schrøder has a M.Sc. in law from the University of Copenhagen and an M.Sc. in economics from the Copenhagen Business School. During the years 1982 – 2003 she held various executive positions in A.P. Møller-Maersk A/S and since 2003, she is the president of Wallenius Lines AB. She is also a board member of DSB NKT A/S and Yara ASA, chairman of the board of Bioneer A/S, WWL A/S and vice chairman of the board of Aker ASA. She is independent in relation to the Company and the Executive Group Management. Lone Fønss Schrøder is a Danish citizen.

#### **Hege Sjø (born 1968) – Board member**

Sjø is senior advisor with Hermes Investment Management Ltd, one of UK's largest pension fund managers where she has been employed since 2006. From 1995 to 2003 she worked at the Oslo Stock Exchange, first as a researcher and Project Manager for Strategy Development, later as Director of Finance and Marketing Director. In the period 2004-2005 she was an advisor within financial communication, stock exchange listing processes and corporate governance. Sjø was previously a deputy member of StatoilHydro's corporate assembly and is

currently a board member of Polarcus Ltd. Sjo holds a Bachelor with honors in business from Stirling University, Scotland, and a Master in Finance from the Norwegian School of Economics and Business Administration (NHH).

**Tore Lilloe-Olsen (born 1956) – Board member**

Lilloe-Olsen is Corporate Head of Exploration in DNO International ASA. He holds a Master of Science, Geology and Geophysics, from the University of Oslo, 1982. Mr. Lilloe-Olsen has more than 25 years of experience from the petroleum industry. He has previously held positions as Geophysicist in Elf and Hydro and as Department Manager Geophysics, Hydro O&E. Mr. Lilloe-Olsen was also North Sea Exploration Manager in Hydro O&E and seconded into Sonangol P&P as Asset Manager in BL 34 Angola. He has also held positions as Human Resources Manager in Development Norway, and NCS Exploration Manager/Vice President, Hydro O&E. He has been on the Board of Det norske since 2007. Mr. Lilloe-Olsen's term expires at the Annual General Meeting in 2010.

**Jan Gunnar Opsal (born 1967) – Board member**

Opsal is Project manager in Det norske, in charge of exploration projects in the Norwegian Sea. He has 10 years experience in exploration at Norsk Hydro and Statoil. Opsal is a cand. scient. (marine geophysics) from University of Tromsø. He has been a member of the Board of Directors since 2007.

**Bjarne Kristoffersen (born 1950) – Board member**

Bjarne has a degree in civil and constructional engineering. Prior to joining Det norske he was employed as Construction Manager, working on quays and with larger industrial buildings. He was employed in StatoilHydro for 25 years, where he participated in several development projects, among others Troll Kollsnes, Snøhvit, Haltenpipe, Kårstø, etc. For the last 10 - 12 years he has held the position as Manager Early-Phase Field Development in Harstad, and he has also been Project Manager for several projects up to "BoK" and DoC. In Det norske, he will be working with a.o. field development in connection with licensing round applications, and also participate within strategy and project development.

**Kristin Aubert (born 1960) – Board member**

Aubert is an Advisor Geophysicist in Det norske since 1 September 2007, and is currently working with licenses in the North Sea. She has previously worked as an Exploration Geophysicist in Saga Petroleum / Hydro O&E (1995-2007), and Nopec / PGS (1988-1995). She holds a Master of Applied Geophysics from the University of Oslo in 1988. She has been on the Board of Det norske since 2007.

**Table 8.8.1-2: Current and previous directorships of the board**

<b>Board member</b>	<b>Current directorships</b>	<b>Previous directorships</b>
Svein Sivertsen	Det norske, AS Aalesundfisk, Axess Holding AS, Bakehuset Nord-Norge AS Tromsø, Borgersen & Partners AS, Chr. Salvesen & Chr. Thamsæs Communications Aktieselskab, Heidenreich Holding A/S, Iew Holding AS, Investinor AS, Klp Eiendom AS, Midvest I AS, Midvest II AS, Oxsea Vision AS, Proventure Management AS, Radin Invest AS, Radin Invest AS Trondheim, Scanwind Group AS, Stiftelsen Sparebank 1 Næringsutvikling Møre- og Romsdal, Stiftelsen Sparebank 1 Næringsutvikling Nord-Trøndelag, Stiftelsen Sparebank 1 Næringsutvikling Sør-Trøndelag, Stiklestad Hotell Eiendom AS, Teneo Data AS, Teneo Holding AS, Terra Gruppen AS, Villa Organic,	Aker Yards ASA, Bjørge ASA
Kaare Moursund Gisvold	Det norske, Polaris Media, Roxar ASA, Taubåtkompaniet and Boa Offshore	Aker Marine Contractors, Petro Midt-Norge A/S, Numerical Roxks AS, Adresseavisen ASA
Marianne Elisabeth Johnsen	Det norske, Codfarmers ASA, Grieg Logistics AS, The Grieg Group, Odin Fund AS, Liv Arnesen Foundation,	Lighthouse Caledonia AS, Pharmaq AS, Norwegian Refugee Council, Csam AS, Fjord Seafood AS,

	Copeinca ASA	Handicare ASA, Petroleum Geo Services ASA, Ementor (ATEA) ASA
Lone Fønss Gjørup Schrøder	Aker ASA, Aker Solutions ASA, Yara ASA, DSB, Elite Miljø A/S, Bioneer A/S, Danske Invest Management A/S, CAT-Group, Wallenius Wilhelmsen Logistics AS, Svenska Handelsbanken AB, EUKOR Car Carriers Inc., Vattenfall AB	
Hege Sjo	Det norske, Polarcus Ltd	
Tore Lilloe-Olsen	Det norske	
Jan Gunnar Opsal	Det norske, BergArt AS, Nygard Lodge	Bergul AS
Bjarne Kristoffersen	Det norske	
Kristin Aubert	Det norske	

## 8.8.2 Management

### **Erik Haugane (born 1953) – Chief Executive Officer**

Haugane founded Det norske (then Pertra) in 2001. He holds a cand. real. degree in Exogene Geology from the University of Tromsø. He has 25 years of experience in the oil industry and has been employed as Exploration Geologist with Esso, Research Scientist with SINTEF, Advisor in Energy Matters with the County Governor of Sør-Trøndelag, and Secretary of the Mid-Norwegian Oil Council. He joined PGS in 1992, where he worked internationally and was stationed in Singapore for two years, and became Corporate Advisor for PGS before founding Pertra in 2001. He was awarded the title “Oilman of the Year” in 2004 by SPE, Norway.

### **Øyvind Bratsberg (born 1959) – Chief Operating Officer**

Bratsberg joined the company in 2008. He holds a M.Sc. degree in Engineering from The Norwegian University of Science and Technology (NTNU) in Trondheim. He has 24 years of experience from various companies (mainly Statoil) within marketing, business development and operations. His experience and core expertise is within commercial negotiations and management. In addition, Bratsberg has comprehensive experience in operations of offshore installations and project development. Before joining Det norske in 2008, he was responsible for early-phase field development on the Norwegian continental shelf at StatoilHydro. He has previously been in charge of Statoil’s activities in the Halten-Nordland area and prior to that the Troll Sleipner area.

### **Finn Øistein Nordam (born 1961) – Chief Financial Officer**

Nordam holds an MBA in international business from Bodø University College and the University of Mannheim. Nordam has 20 years of financial experience from ABB (Norway and abroad), Kværner (London, U.K.), Samlerhuset Group BV (Netherlands) and the stock exchange listed IT company Q-Free ASA. He has also been Chief Executive Officer of ABB Credit AS. Nordam joined Det norske on 1 July 2008.

### **Odd Ragnar Heum (born 1955) – Vice President Reserve and Area Development**

Heum joined Det norske 1 February 2008. He holds a M.Sc. Degree in Petroleum Geosciences from the Norwegian University of Science and Technology (NTNU) in Trondheim. He has more than 30 years experience from the Norwegian and international oil business (Statoil, Saga, Hydro and StatoilHydro, primary within exploration and business development.

### **Anita Utseth (born 1966) – Vice President Health and Safety Environment**

Utseth joined Det norske in March 2008. Ms. Utseth was previously employed as State Secretary at the Ministry of Petroleum and Energy, for a period of two years. Utseth has previously worked for Pertra, the Directorate for Nature Management and the Norwegian Petroleum Directorate. Anita Utseth has a M.Sc. in Mechanical Engineering from NTNU and a M.A. in Energy Economics and Environmental Management from Scuola Superiore Enrico Mattei, Milano. Utseth’s assignments are associated with management and follow-up issues related to health, safety and the environment.

### **Stein Fines (born 1951) – Vice President Technology and Development**

Fines joined Det norske in 2002. He holds a M.Sc. degree in Engineering from the Norwegian University of Science and Technology (NTNU) in Trondheim. Mr. Fines has 30 years of experience in the offshore oil and gas industry, including design, engineering, construction and operation of offshore oil and gas installations for various companies. He has held several managerial positions in the Snorre and Varg Field development projects

for Saga Petroleum, and has been responsible for several development projects related to development of deep water technology.

**Anton Tronstad (born 1957) – Vice President Drilling and Well Operations**

Tronstad joined Det norske in 2003. He holds a M.Sc. degree in Engineering from the Norwegian University of Science and Technology (NTNU) in Trondheim. He has more than 24 years of varied experience from different oil companies, primarily within drilling and well operations. His experience and core expertise is within planning and managing of offshore drilling & well activities. Mr. Tronstad also has extensive experience from subsea project developments. In recent years he has held several managerial positions, including Drilling Superintendent for Statoil on Åsgard, and the Kristin project.

**Tom Bugge (born 1948) – Vice President Exploration**

Bugge joined Det norske in 2004. He holds a Ph.D. in Geology from the Norwegian University of Science and Technology (NTNU) in Trondheim. He has more than 30 years of working experience in companies such as Norsk Hydro, Saga Petroleum, IKU, and NTNF.

**Sigmund Hanslien (born 1950) – Vice President Geology**

Hanslien joined Det norske in early 2006. He holds a M.Sc. in Petroleum Geology from the Norwegian University of Science and Technology (NTNU) in Trondheim. He has more than 30 years of experience in exploration and production activities from major oil companies. He has held a number of both technical and managerial positions, primarily in ExxonMobil and Statoil, where his latest position was Chief Geologist. Mr. Hanslien is the Director of Geosciences and a member of Det norske's management team.

**Vidar Bergo Larsen (born 1949) – Vice President Business Development**

Larsen joined Det norske in October 2007. He holds a cand. real. in Petroleum Geology from the University of Bergen. Mr. Larsen has 30 years of experience from Statoil, where he has held several managerial positions within exploration on the NCS as well as internationally. He was also Manager of Statoil's research activities within the field of exploration at Statoil Research Centre in Trondheim. Mr. Larsen was Exploration Manager for Russia at Statoil prior to joining Det norske, where he is responsible for the company's business development activities.

**Torgeir Anda (born 1955) – Head of Corporate Communication**

Anda joined Det norske in February 2008. His previous position was at Dagens Næringsliv, where he was employed for 22 years, 18 years at the Trondheim office and four years as a correspondent in Brussels. He also has experience from the newspapers Sør-Trøndelag, Nidaros and Dagbladet, and NRK (The Norwegian Broadcasting Company). Anda holds a Bachelor of Commerce from BI and a cand. mag. (history, geography and sociology) from the Norwegian University of Science and Technology (NTNU) in Trondheim.

**Table 8.8.2-1: Current and previous directorships and/or partnerships of the management**

	<b>Current directorships</b>	<b>Previous directorships</b>
Erik Haugane	Kørven AS, Sintef Petroleumsforskning, Trondheim Symfoniorkester	Markland AS, Petra Management AS, Artrep AS
Øyvind Bratsberg	-	-
Finn Øistein Nordam	-	Q-Free Malaysia, Q-Free Brazil, Q- Free Sverige AB, Q-Free Australia, Several subsidiaries in the Samlerhuset Group
Odd Ragnar Heum	-	-
Anita Utseth	Hjortefot AS, Ilen menighets sykehjems stiftelse, Sjøbygda kunstnarhus AS, Midt-Norsk Filmsenter	Stiftelsen teaterhuset Avantgarden, Høyskolen I Sør-Trøndelag
Stein Fines	Vinn Invest AS	Petra Management AS
Anton Tronstad	Bomveien 3 AS, Inntre Eiendom AS, Inntre Energi AS, Inntre Holding AS, Inntre AS, Ligna AS, Faanes & Gjølga AS, Sjøkerhatten AS, Gipling AS, Byggsenteret AS, Brubakka Eiendom	Inderøy Brønnboring AS, Petra AS, Petra ASA

	AS	
Tom Bugge	Vilje2m AS, Vaadan Vann og Avløp	-
Sigmund Hanslien	Kvikju AS	AkerKværner Geo
Vidar Bergo Larsen	-	-
Torgeir Anda	Anda Kommunikasjon, Hommelvik Sjøside, Kjeldstad Hommelvik, Røros Hotell, Sandvika Fjellstue	-

### 8.8.3 Board of Directors and Management shareholdings

The management of Det norske and some members of the board have shares in the company. The summary below shows the number of shares and ownership in Det norske oljeselskap ASA that are owned both directly and indirectly through related parties. Indirect ownership through other companies is included in its entirety if the share is 50 percent or higher.

The table below gives an overview of the board of directors and the management's shareholdings in Det norske as per the date of this Information Memorandum.

**Table 8.8.3-1: Current shareholdings of the board of directors and management**

	Shares held
Svein Sivertsen	17,200
Kaare Moursund Gisvold	223,635
Marianne Elisabeth Johnsen	5,000
Lone Fønss Gjølrup Schrøder	0
Hege Sjø	0
Tore Lilloe-Olsen	0
Jan Gunnar Opsal	5,575
Bjarne Kristoffersen	4,575
Kristin Aubert	3,846
Erik Haugane	767,475
Øyvind Bratsberg	12,369
Finn Øistein Nordam	42,877
Odd Ragnar Heum	23,889
Anita Utseth	23,905
Stein Fines	631,609
Anton Tronstad	695,121
Tom Bugge	684,830
Sigmund Hanslien	66,895
Vidar Bergo Larsen	20,779
Torgeir Anda	13,026

### 8.8.4 Employees

As of 1 July 2009, the company has 140 permanent employees. The table below illustrates the development in number of employees over the last three years, as per the end of each calendar year.

**Table 8.8.4-1 – Development in number of employees**

	2008	2007	2006
Number of employees	127	78	29

### 8.8.5 Severance pay agreements

After the age of 60 years the Chief Executive Officer (CEO) is obliged to resign his position if so required by the Board. As compensation for resignation prior to the age of 67 years, the CEO is entitled to a compensation equivalent to 70 percent salary from 60 to 67 years. A guarantee account has been established for this purpose. Allocations are made on an ongoing basis in the accounts and costs are calculated according to the same actuarial assumptions as the company's other pension liabilities.

None of the members of the administrative, management, other than Erik Haugane, or the supervisory bodies' service contracts with the company provide for benefits upon termination of employment.

## 8.9 SHARE CAPITAL AND SHAREHOLDER MATTERS

### 8.9.1 Share capital

As of the date of the Information Memorandum, Det norske's issued share capital is NOK 12,985,004, divided into 64,925,020 shares fully paid up each with a par value of NOK 0.20.

Det norske's shares are registered with the Norwegian Central Securities Depository (VPS) under the International Securities Identification Number (ISIN) NO 0010295603 and admitted to trading on Oslo Børs under the symbol "DET NOR". The registrar for the shares is Sparebank 1 SMN, Vestre Rosten 77, NO-7075 Tiller, Norway.

### 8.9.2 Share classes and voting rights

All shares of Det norske are of the same class and are equal in all respects. Each share carries the right to one vote in shareholders' meetings and the shares have equal rights with respect to distribution of dividends in the company.

### 8.9.3 Development of share capital

The table below shows the historical development in share capital and number of shares in Det norske.

**Table 8.9.3-1 – Development of Det norske oljeselskap's share capital**

Date	Description	Change in share capital (NOK)	Nominal value (NOK)	Share capital after change (NOK)	Number of shares after the change
2005				3,113,130	15,565,650
June 2006	Employee offering – bonus shares	1,601.40	0.20	3,114,731.40	15,573,657
October 2006	Private Placement	2,000,000	0.20	5,114,731.40	25,573,657
October 2006	Retail offering	166,600	0.20	5,281,331.40	26,406,657
October 2006	Employee offering	20,798.60	0.20	5,302,130	26,510,650
February 2007	Employee offering – bonus shares	5,540	0.20	5,307,670	26,538,350
November 2007	Capital increase*	6,600,000	0.20	11,907,670	59,538,350
December 2007	Capital increase**	1,077,334	0.20	12,985,004	64,925,020

\* An Extraordinary General Meeting was held on 8 November, 2007, and a proposal was adopted to combine Pertra and DNO's Norwegian operations by raising of additional capital directed toward DNO International ASA ("DNO"). The share capital was increased by NOK 6,600,000 by issue of 33,000,000 shares. DNO thus sold its holding in NOIL to Pertra for payment in Pertra shares. The exchange ratio was set at three NOIL shares for one Pertra share.

\*\* The remaining shareholders in NOIL were offered to exchange their share holdings in NOIL to Det norske shares at the ratio 3:1. The offer resulted in the issue of 5,386,670 new shares in Det norske and a capital increase in the amount of NOK 1,077,334 against a contribution of 16,161,032 NOIL shares.

## 8.9.4 Shareholders

The table below sets out the 20 largest shareholders in Det norske as of 28 September 2009.

**Table 8.9.4-1 – Major shareholders in Det norske oljeselskap**

	Shareholder	No. of shares	%
1	DNO International ASA	15,231,255	23.46%
2	Aker ASA	11,797,752	18.17%
3	Odin Norge Nordea Bank Norge ASA Markets Marketmaking	2,143,200	3.30%
4	Innland	2,100,000	3.23%
5	Arctic Securities ASA Meglerkonto	1,380,000	2.13%
6	Holberg Norge	1,116,530	1.72%
7	Sparebanken Midt-Norge Invest AS	969,668	1.49%
8	Odin Norden	864,866	1.33%
9	Morgan Stanley & Co Internat. Plc	859,200	1.32%
10	Kørven AS	767,013	1.18%
11	RBC Dexia Investor Services Bank	726,000	1.12%
12	Oleum AS	698,900	1.08%
13	Sjækerhatten AS	684,040	1.06%
14	Vilje 2M AS	684,830	1.05%
15	Koteng Holding AS	656,868	1.01%
16	Odin Offshore	644,600	0.99%
17	Vinn Invest AS	617,215	0.95%
18	KLP LK Aksjer	559,433	0.86%
19	BNP Paribas Secs Services Paris	484,863	0.75%
20	JP Morgan Chase Bank	481,766	0.74%
	<b>Total 20 largest</b>	<b>43,469,999</b>	<b>66.95%</b>
	Others	21,455,021	35.05%
	<b>Total</b>	<b>64,925,020</b>	<b>100.00%</b>

Source: VPS

To the knowledge of Det norske, the following shareholders each have holdings which are notifiable under the Securities Trading Act:

**Table 8.9.4-2 – Notifiable shareholdings**

	Shareholder	No. of shares	%
1	DNO International ASA	15,231,255	23.46%
2	Aker ASA	11,797,752	18.17%

## 8.9.5 Corporate governance

Management of Det norske is built upon principles that follow the system within The Norwegian code of Practice for Corporate Governance of 4 December 2007, which to a large degree corresponds to the existing international concept of sound corporate governance. Det norske does not deviate substantially from the recommendations. The board of directors view the development of the corporate governance principles and the implementation of these as major factors for obtaining trust in the share markets and the community in general.

More detailed information concerning corporate governance is published in the annual report 2008.

## 8.10 LEGAL AND ARBITRATION PROCEEDINGS

### PL 364 (Frøy) – Dispute with Premier Oil Norge AS

Det norske has as operator in PL 364 (Frøy) issued cash call for costs that Premier Oil Norge AS ("**Premier**") disputes may be charged as joint costs. The disputed costs are in the order of EUR 6.5 million, and are related to projecting, reservation of ship yard lot and advance order of leg steel delivered by Teekay Petrojarl Productions AS ("**Teekay**") in conjunction with the planned, but now postponed until further notice, development of Frøy. Det norske claims that Premier is bound to cover their respective 50 % share of the disputed costs. Premier claims to be without obligation with regards to the disputed costs.

Premier submitted a petition for interim measure to avoid losing their voting rights and the right to information in the production license regardless of Premier paying the issued cash call. Premier succeeded with their claim of interim measure in Trondheim District Court and Frostating Court of Appeal. The facts of the case shall be settled by arbitration if the parties do not reach an agreement. The court of arbitration is designated, and the case is scheduled for March 2010.

#### **PL 364 (Frøy) – Dispute with Teekay Petrojarl Production AS**

There is an existing dispute between Det norske and Teekay for cost overruns in the order of EUR 3.2 million in connection with the work Teekay has carried out in PL 364 (Frøy), please see dispute with Premier Oil Norge AS above. Teekay claims that amendment and alteration work have been carried out, for which Teekay is entitled to additional compensation. Det norske's position is that there is a lump sum in the agreement with Teekay that covers this, and that no other specific agreement regarding this is entered into by the parties.

#### ***Bredford Dolphin – Settlement with Dolphin AS***

Det norske has had a dispute with Dolphin AS related to invoicing with regards to rig intake for July and August 2007. The dispute has been solved by amicable settlement in May 2009 and is reflected in the accounts as per 30.06.2009.

Except for the above, Det norske is not or has during the previous 12 months been engaged in any governmental, legal or arbitration proceedings, including pending or threatened proceedings, which have had in the recent past or may have significant effects on the company's financial position or profitability.

### **8.11 TREND INFORMATION**

On 28 July 2009 Det norske entered into an agreement to lift its stake in the PL 027D Jetta prospect from 35 percent to 47 percent by taking on a 12 percent stake from ExxonMobil, prior to drilling operations. In return Det norske will carry Exxon Mobil's 13 percent stake in the drilling operation. The Jetta prospect is located next to the producing Jotun field, and semi submersible drilling rig Bredford Dolphin is scheduled to spud the well in mid-August. Det norske is operator for the drilling operations.

The drilling of the Fongen prospect in PL 380 and the Trolla prospect in PL 483S was completed in the third quarter. Both wells were dry.

Except for the above, Det norske has not experienced any changes or trends outside the course of business since 30 June 2009, which are significant to Det norske, and the management of Det norske. Please see section 10 "The Market", section 8.7 "Financial Information" and section 8.9 "Share Capital and Shareholder Matters" for more information about significant recent trends in the company's business and relevant markets.

## 9. PRESENTATION OF AKER EXPLORATION ASA

### 9.1 COMPANY OVERVIEW

#### 9.1.1 Introduction

Aker Exploration is a pure oil and gas exploration company focusing on the northern part of the North Sea, the Norwegian Sea and the Barents Sea on the Norwegian Continental Shelf (“NCS”).

The business model is currently based upon the company swapping rig capacity for license shares and then exit the license prior to a plan for development and operations (“PDO”) being in place in order to reinvest in ongoing exploration activity. Aker Exploration also applies for direct awards of shares in production licenses in the regular Licensing Rounds and APA rounds on the NCS.

#### 9.1.2 History, incorporation and registered office

Aker Exploration was formally established as a Norwegian public limited company (ASA) by Aker Capital AS on 2 May 2006. The business address of Aker Capital AS is at Fjordalléen 16, 0250 Oslo, Norway. Prior to incorporation, the company started as an in-house project within Aker ASA in late 2005. The wholly owned subsidiary Aker Exploration AS was established on 6 March 2006.

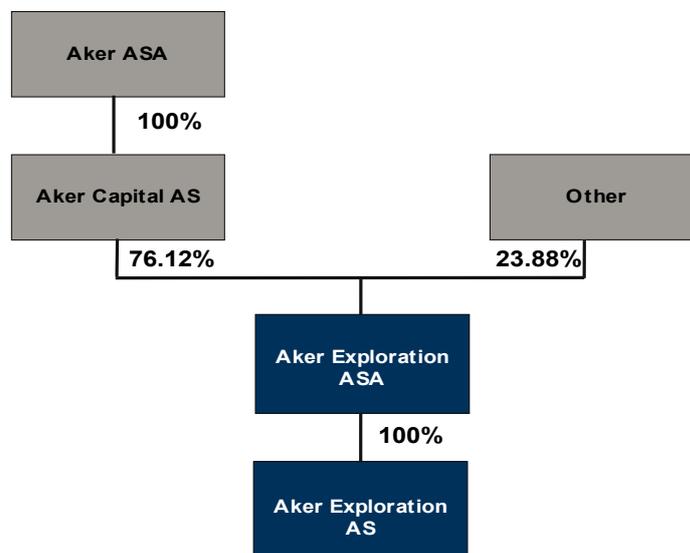
Aker Exploration was pre-qualified as licensee on the NCS in November 2006 and as an operator one year later. The company was listed on Oslo Axess in December 2007.

Aker Exploration ASA’s registered office is Haakon VII’s gt. 9, P.O. Box 508 Sentrum, NO-4003 Stavanger, Norway, with telephone number +47 51 21 48 00.

#### 9.1.3 Legal structure

The figure below illustrates the legal structure of Aker Exploration prior to the Merger:

Figure 9.1.3-1 – Legal structure of Aker Exploration



#### The Aker Group

Aker ASA is the parent company in a Norwegian based international industrial group with approximately 26,500 employees worldwide and with 2008 revenues of approximately NOK 65 billion. Aker ASA’s core businesses are leaders in their industries and the Aker Group is a world wide supplier of technology based products and advanced integrated solutions for customers in the oil, gas, energy, and process industries. The Aker Group is also a major player within fishery.

Aker ASA is a major shareholder in Aker Solutions ASA, Aker Floating Production ASA, Aker Drilling ASA, Aker Seafoods ASA, Aker BioMarine ASA, Aker Clean Carbon ASA, Aker Philadelphia Shipyard ASA, Aker

Asset Management AS, Aker Drilling ASA and Aker Ocean Harvest ASA. Furthermore, Aker ASA owns 100% of Aker Capital AS, which is the largest shareholder of the Company with a 76.12% stake. Registered address is Fjordalléen 16, 0250 Oslo, Norway.

### **Aker Exploration ASA**

Aker Exploration ASA is a public limited company (ASA) organized under the laws of Norway. The company was incorporated on 2 May 2006, with a share capital of NOK 1 million, all shares held by Aker Capital AS.

Aker Exploration's registration number in the Register of Business Enterprises is 989 795 848. The head office is located at Haakon VII's gt. 9, P.O. Box 508 Sentrum, 4003 Stavanger, Norway, with telephone number +47 51 21 48 00.

### **Aker Exploration AS**

Aker Exploration AS is a private limited liability company (AS) organized under the laws of Norway. The company was incorporated on 6 March 2006 under the name Norinvest-L AS, a company with no business activities until all of the shares of the company were purchased by Aker Capital AS on 21 March 2006. The company name was changed to Aker Exploration AS in May 2006. On the 16 December 2006 all shares of Aker Exploration AS were transferred to Aker Exploration ASA as contribution in kind by Aker Capital AS against the issuance of 4 million Shares in Aker Exploration ASA to Aker Capital AS at a subscription price of NOK 76 per share.

Aker Exploration ASA holds all of the issued shares of Aker Exploration AS. The registration number of Aker Exploration AS in the Register of Business Enterprises is 989 563 343. The head office is located at Haakon VII's gt. 9, P.O. Box 508 Sentrum, 4003 Stavanger, Norway, with telephone number +47 51 21 48 00.

Aker Exploration's business is dependent on Aker Exploration AS since the production licenses pertain to Aker Exploration AS, and as Aker Exploration AS is pre-qualified as a licensee and operator on the NCS.

Aker Exploration ASA has furnished a parent company guarantee dated 12 February 2007, to ensure fulfillment of obligations undertaken by Aker Exploration AS towards the State or Norwegian public institutions, and for Aker Exploration AS' possible liability towards the same in connection with its petroleum activities.

## **9.2 BUSINESS OBJECTIVES AND STRATEGY**

### **9.2.1 Business Goals**

Aker Exploration's business objectives are;

- **Access to key assets required to turn acreage into discoveries**
  - Apply new technology to focus exploration efforts
  - Utilize state of the art rig to explore the most harsh and environmentally sensitive areas of the Norwegian Continental Shelf
  - Combine taking ownership in existing licenses with awards from application rounds to achieve a balanced portfolio
- **Strong financial base**
  - Maintain significant financial strength
  - Maintain muscle to invest and deliver quickly on license work programs
- **A competent in-house team ready to explore the NCS**
  - Keep investing in a competent and open-minded organization
  - Make a difference by innovative use of new technology
  - Make a difference in the northern regions of the NCS
- **Drill 15-20 exploration wells by the end of 2012**
  - Be an attractive drilling services provider by offering a complete "package" including rig and 3<sup>rd</sup> party services to licenses where Aker Exploration is a license holder
  - Exploration drilling for three years commencing at the delivery of the Aker Barents drilling rig

- Drill safer and more efficiently by having a cross functional drilling team working together throughout the drilling campaign

## 9.2.2 Strategy

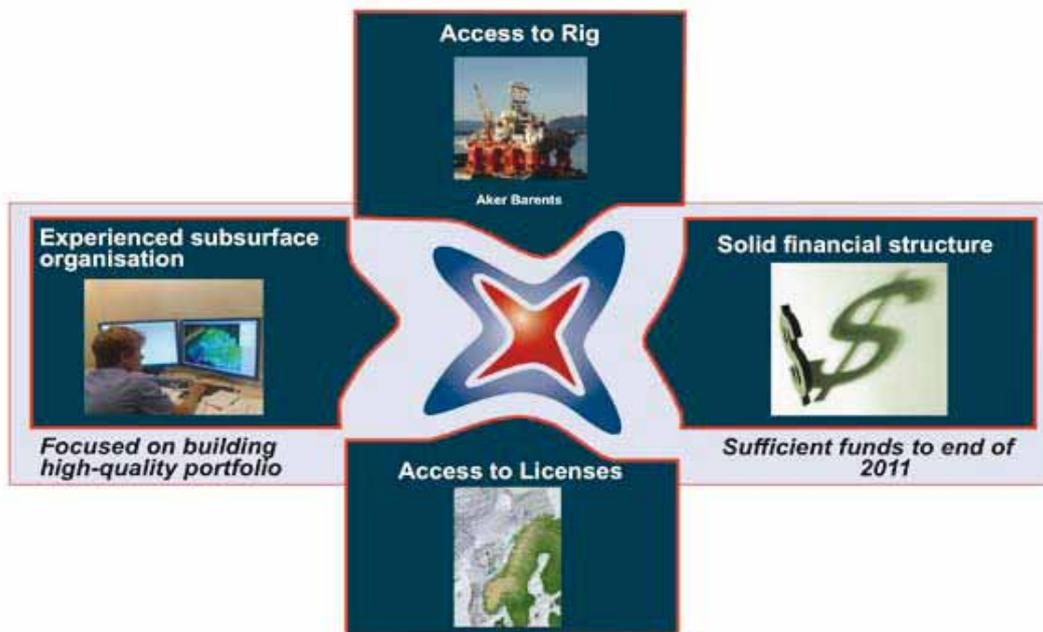
### The “Rig for Oil” Business model

The company’s “Rig for Oil” business model is to use its available rig capacity as a negotiation tool for acquiring license shares. The financing of the company’s activities is facilitated by recent amendments to the Norwegian tax legislation, whereby oil companies with no taxable income may annually claim a cash refund from the State of the tax value of its exploration costs, currently 78 per cent.

The company also participates directly in the licensing rounds on the NCS, and it believes that its access to rig capacity will be a competitive advantage.

Aker Exploration’s focus areas are the northern parts of the North Sea, the Norwegian Sea and the Barents Sea.

Figure 9.2.2-1 – Overview of business objectives and strategy



Source: Aker Exploration Annual Report 2008

## 9.3 OVERVIEW OF THE LICENSE PORTFOLIO

### 9.3.1 Exploration approach

The original strategy behind Aker Exploration is based on the ‘Rig for Oil’ concept. The concept has a twofold exploration focus, access acreage in proven hydrocarbon provinces in order to reduce risks, in combination with acquiring acreage in frontier areas especially suitable for the rig Aker Barents. Access to acreage involves both farm-in deals to existing acreage and awards through license rounds. Focus in the annual (APA) rounds in proven areas has been a combination of slightly deeper prospective plays in the North Sea and the Norwegian Sea and acreage in areas close to infrastructure at shallower depths with higher probability of discovery. The latter prospects have lower volumes, but a shorter turn over time from discovery to commercialization. In order to balance the exploration portfolio by including large volume prospect and utilize the high spec rig, Aker Exploration has been aggressive in the 20th licensing round on the NCS. As a result, the company was awarded significant exploration acreage in the Vøring Basin and in the Barents Sea.

Aker Exploration’s strategy involves exploring in all the three major proven hydrocarbon provinces of the Norwegian Continental Shelf. One of the company’s main focus areas is the Norwegian Sea - Vøring Basin frontier area, where the company is well positioned with large license holdings close to the recent Gro gas discovery.

The largest fields on the NCS have been discovered in classical structural traps, which statistically are the most successful prospect types as of today. In the frontier areas these are still the main target, but in the proven areas less of the large structural traps remain undrilled. Therefore, Aker Exploration also carries acreage with the less proven stratigraphic traps, as this type of trap might be a significant contributor in the future. The company holds a balanced proportion of the two main trap types in its portfolio.

The development of an exploration portfolio is a dynamic process and involves selection of geological models and play concepts, combined with technical and economical assessments. The company builds a portfolio of licenses that are dynamic in the sense that a continuous evaluation based on new information through wells and seismic will form the basis for further optimization. Given existing focus areas, the ambition is to continue expansion in these areas. One key element for Aker Exploration is to lead on the petroleum system analyses to improve the prediction of hydrocarbon presence in defined traps.

Aker Exploration combine state of the art technology, such as significant investments in large 3D seismic- and EM grids, and advanced drilling capability to reduce risk and lead times to discovery. The objective is fast and innovative commercialization based upon the fundamental setting of high quality explorers.

### 9.3.2 Exploration program

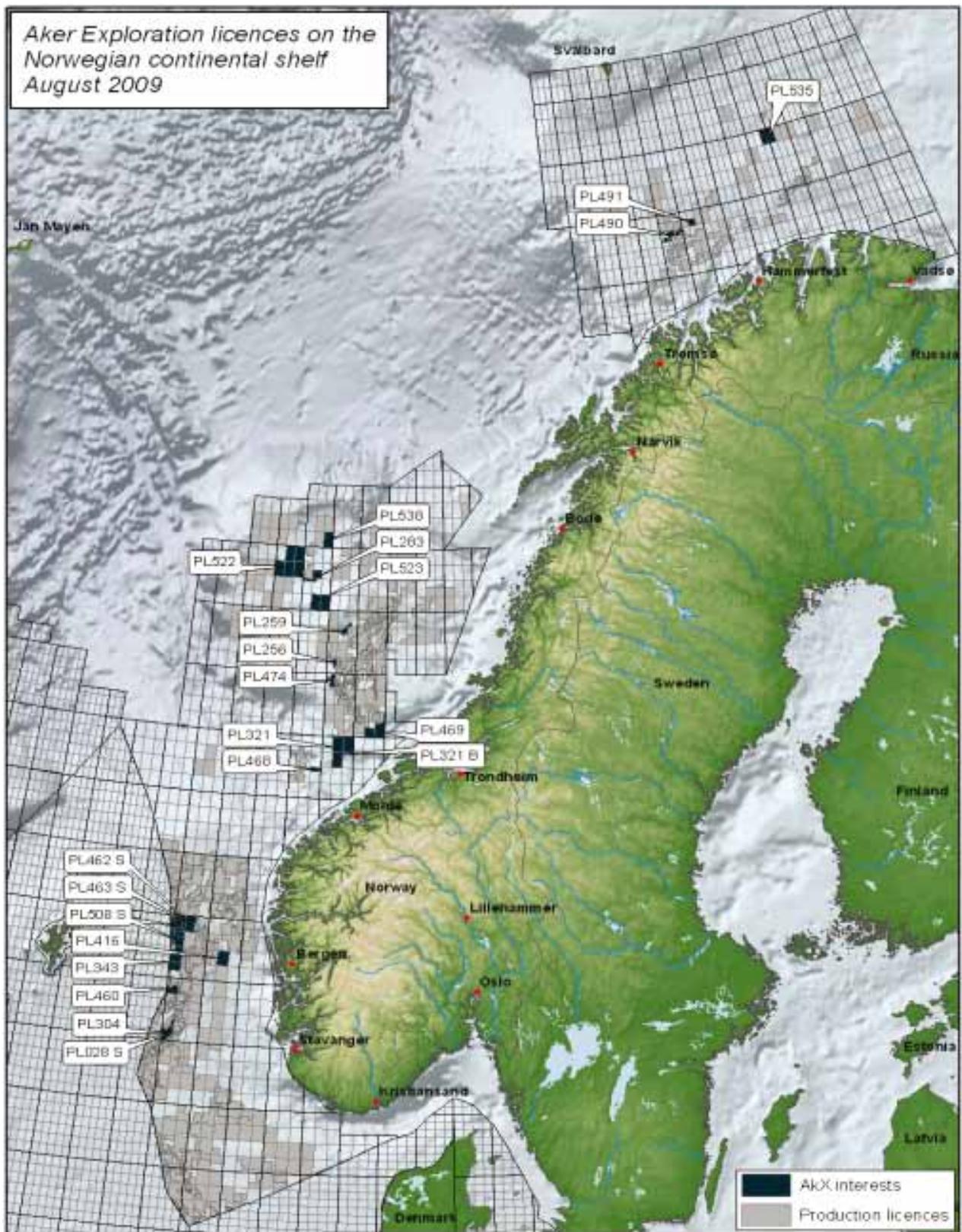
Aker Exploration currently has 22 licenses of which the company is operator on two; PL256 and PL468.

**Table 9.3.2-1: 22 licenses in Aker Exploration's portfolio**

License	Aker Exploration share	Operator
PL 256	55%	Aker Exploration
PL 259	30%	Eni
PL 283	25%	StatoilHydro
PL 304	30%	Lundin
PL 321	35%	Det norske oljeselskap
PL 321 B	35%	Det norske oljeselskap
PL 343*	35%	Marathon
PL 416	15%	E-On Ruhrgas
PL 460	47,50%	Det norske oljeselskap
PL 462 S	30%	Nexen
PL 463 S	30%	Det norske oljeselskap
PL 468	100%	Aker Exploration
PL 469	25%	GDF Suez E&P Norge
PL 474	30%	Wintershall
PL 490	20%	Lundin
PL 491	30%	Det norske oljeselskap
PL 508 S	40%	Nexen
PL 522	20%	BG Norge AS
PL 523	20%	E.ON Ruhrgas Norge AS
PL 535	20%	Total E&P Norge
PL 538	30%	Norske Shell
PL 028 S**	40%	ExxonMobil

\* The management committee of the license has decided to relinquish the license to the authorities.

\*\*Subject to government approval. Aker Exploration will receive the 40% interest subsequent to drilling one successful exploration well.



Aker Exploration increased its portfolio of exploration acreage from nine to 18 licenses in 2008. The company was awarded interests in six licenses in connection with the APA 2007 licensing round: two in the northern North Sea, two in the Norwegian Sea and two in the Barents Sea. In one of these licenses, PL 468, Aker Exploration was appointed the license operator. Aker Exploration was awarded a 40 per cent share in PL 508 S in APA 2008. The license is operated by Nexen.

Aker Exploration acquired an additional 30% interest in PL 460 from StatoilHydro and thereafter exchanged 12.5% for a 30% interest in PL 463S with Det norske oljeselskap.

During the first half of 2009, Aker Exploration was awarded four licenses in the 20th Licensing Round. Additionally, the company increased its share in PL 283 from 12.5 to 25% and conditionally acquired a 40% share in the PL 028S which is operated by ExxonMobil.

Aker Exploration has, per the date of this Information Memorandum; participating interests in 22 licenses on the NCS. The drilling schedule of Aker Barents is nearly fully booked until mid 2010 with several additional identified opportunities in the period thereafter.

#### **9.4 RESERVES AND RESOURCES**

Aker Exploration has no reserves as per the date of this Information Memorandum. The company has net risked prospective resources of approximately 200 million barrels of oil equivalents. The licenses awarded in the 20<sup>th</sup> round contributed significantly to the prospective resources of the company.

#### **9.5 MATERIAL OPERATIONAL AGREEMENTS**

##### **9.5.1 Drilling contract**

The company and Aker Drilling Operations AS, a subsidiary of Aker Drilling ASA, have entered into a drilling contract as of 8 February 2007 under which Aker Drilling Operations AS undertakes to provide Aker Barents and related services.

The contract term is three years, with options for extension for 1+1 years. The option for the first additional year must be exercised within 365 days after the contract commencement date, whereas the option for the second additional year must be exercised within 720 days after the Contract Commencement Date. The contract commenced on 26 July 2009.

The daily operating rate for the lease of Aker Barents as agreed in 2007 is USD 520,000 where the operating cost element is inflated annually.. The contract also includes a total of USD 41 million in reservation payments and mobilization costs.

Further, the company has requested upgrades and modifications on the rig to optimize its utilization and efficiency. The main adjustments are linked to the Remote Operating Vehicles (ROV) and providing cabling and pipelines for specialized 3<sup>rd</sup> party equipment and the installment of the 3<sup>rd</sup> party equipment. The company has made all necessary preparations to enable safe and efficient drilling operations to take place prior to the commencement of the drilling contract. The company has entered into contracts with more than 40 3<sup>rd</sup> party suppliers, closely monitored the building process of the rig at the yard, and established robust management processes and highly competent drilling organization to run drilling operations. By the end of 2<sup>nd</sup> quarter 2009 the company had capitalized costs in the amount of NOK 610 million. These costs together with the mobilization costs specified above will be allocated to the licenses using the rig by operational rig days according to the OLF standard and industry practice.

According to the structure of the drilling contract, the company shall issue service orders for each individual drilling assignment, which will constitute the detailed work description relating to each separate well. The service orders shall be within the scope of work as defined in the drilling contract, and shall be confined to the three years' period (or a longer period if extended).

In the event that the contract commencement date was delayed by more than 180 days, the company was entitled to terminate the contract. The drilling contract does not entitle Aker Drilling Operations AS to terminate the contract. Aker Drilling Operations AS may, however, cancel the drilling contract if the company has not utilized the contract over a period of 365 days.

The drilling contract does not entitle the company to any compensation for delays in the operational period; however, mechanisms for rate reductions apply in the event of Aker Drilling Operation's default.

Aker Exploration is entitled to assign its rights and obligations under the drilling contract.

The contract provisions regarding liability and insurance are in accordance with industry standards, thus “knock for knock” provisions apply with regard to liability and indemnity.

### **9.5.2 Sale and purchase agreements**

Aker Exploration AS has entered into 13 sale and purchase agreements to acquire ownership interests in 9 different production licenses (PL) on the NCS.

Aker Exploration AS entered into its first SPA in December 2006 with Pertra ASA. Pursuant to this agreement Aker Exploration acquired a 15% license share in PL 321, in return for committing a rig to the field and carrying Pertra’s share of the exploration costs for two wells limited upward to USD 12.4 million per well. In June 2007, the company increased its stake in PL 321 to 35% through a similar agreement with Talisman Energy Norway. The first well commenced on August 14<sup>th</sup> 2009 and is drilled with Aker Barents.

In October 2007, Aker Exploration signed two SPA’s with Eni Norge AS. The first agreement was an outright purchase of Eni’s 55% interest in PL 256 for a compensation of USD 600,000, with effective date 1 January 2007. The second agreement was for a 30% interest in PL 259 where Aker Exploration has committed to one rig slot with Aker Barents and to carry a portion of Eni’s remaining exploration costs, limited upwards to 30% of the well cost or a maximum cost of USD 28.5 million. This is subject to a positive drilling decision in the license.

In November 2007, Aker Exploration entered into an SPA with Chevron Norge AS, whereby Aker Exploration acquired a 12.5% interest in PL 283, in return for carrying Chevron’s remaining 12.5 % share of all exploration costs relating to the residual PL 283 obligatory work commitment. The work commitment included drilling exploration well 6605/8-2 which was declared dry in July 2008 and plugged and abandoned. The obligatory work commitment has been fulfilled. In June 2009 the company agreed with Chevron Norge AS to acquire Chevron’s remaining 12.5% interest in the license. The transaction has now received the necessary regulatory approvals and has been completed.

In December 2007, Aker Exploration entered into a SPA with Lundin Norway AS and Endeavour Energy Norge AS whereby Aker Exploration acquired 30% interest in PL304. The company undertook to provide the drilling unit Aker Barents in time to drill an exploration well in the 2nd quarter of 2009. Due to the delayed delivery of Aker Barents the exploration well was drilled by Songa Dee on contract with Lundin Norway AS. Aker Exploration has based on this paid some additional drilling costs. The well was declared dry on 27 July 2009 and was plugged and abandoned. The license contains additional prospectivity and the partners are discussing how to best explore this.

On 30 June 2008, Aker Exploration entered into a SPA with Gaz de France Norge AS and Discover Petroleum AS where Aker Exploration acquired a 25% interest in the license PL469 in exchange for providing a slot with Aker Barents. The exploration well 6407/12-2 is anticipated to commence mid-October 2009.

On 22 August 2008, Aker Exploration entered into an agreement with Det norske oljeselskap ASA to exchange a 12,5% interest in PL460 for a 30% interest in PL463S. The Company had previously been awarded a 30% interest in PL460 in the APA 2007 licensing round and had acquired an additional 30% interest from StatoilHydro. The agreement with Det norske oljeselskap ASA contained a clause where Aker Exploration agreed to reserve a slot with Aker Barents to drill an exploration well in PL460. The exploration well 25/1-11 is expected to be drilled in November/December 2009.

On 15 July 2009 Aker Exploration agreed with ExxonMobil Norway AS to acquire a 40 percent share of a prospect in license 028S in exchange of carrying the drilling cost. The agreement is conditional upon Aker Exploration operating an exploration well on behalf of ExxonMobil. The semi-submersible drilling rig Aker Barents will be used for the well which is expected to commence towards the end of 2009.

## **9.6 RELATED PARTY TRANSACTIONS**

The company has chartered the drilling rig Aker Barents from Aker Drilling Operations AS, a subsidiary of Aker Drilling ASA. Aker ASA, the ultimate parent company of Aker Exploration ASA owns through Aker Capital AS 100% of Aker Drilling ASA. The drilling contract is described in section 9.5.1 “Drilling Contract”.

The company is renting offices at Fjordalléen 16 for employees based in Oslo from Aker ASA. In addition, Aker Exploration has an agreement with Intellectual Property Holding, a wholly-owned subsidiary of Aker ASA, providing the right to the use of the “Aker” trademarks and domain names.

## **9.7 FINANCIAL INFORMATION**

*You should read the following discussion of the financial condition and results of operations in conjunction with the financial statements included in this Information Memorandum. The following discussion contains forward-looking statements that are based on current assumptions and estimates by the Aker Exploration’s management regarding future events and circumstances. Aker Exploration’s actual results could differ materially from those expressed or implied by the forward-looking statements as a result of many factors, including those described in section 3 “Risk factors”.*

### **9.7.1 Introduction**

Annual reports including audited historical financial information and audit reports in respect of 2008, 2007 and 2006 and un-audited interim financial reports for the second quarter 2009 and 2008 is incorporated by reference to this Information Memorandum, see section 13.1 “Incorporation by reference”.

### **9.7.2 Basis for preparation**

Aker Exploration is a Norwegian Group and presents its accounts in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS). All Group reporting is made in compliance with these accounting standards.

The consolidated financial statements have been prepared on a historical cost basis, except for derivative financial instruments that have been measured at fair value. The carrying values of recognized assets and liabilities that are hedged for accounting purposes are adjusted to recorded changes in the fair values attributable to the risks that are being hedged.

The preparation of the financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are considered to be reasonable under the circumstances. Actual results may differ from these assumptions. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision affects that period or in the period of revision and future periods if the revision affects both current and future periods.

The accounting policies applied in preparing these financial statements are presented below.

The Aker Exploration Group presents its half year accounts according to IAS 34 (Interim Financial Reporting).

### **9.7.3 Accounting principles**

Aker Exploration’s accounting principles is incorporated by reference to this Information Memorandum, see section 13.1 “Incorporation by reference”.

### **9.7.4 Consolidated income statement**

The table below summarizes the consolidated income statements for the Aker Exploration Group for the years ended 31 December 2008, 2007 and 2006, and the three months period ended 30 June 2009 and 2008.

**Table 9.7.4-1 – Consolidated income statement**

All figures in NOK 1,000	<b>IFRS Unaudited 6 months ended 30.06.09</b>	<b>IFRS Unaudited 6 months ended 30.06.08</b>	<b>IFRS Audited Full year 2008</b>	<b>IFRS Audited Full year 2007</b>	<b>IFRS Audited Full year 2006</b>
Operating revenues	-	-	-	-	-
Payroll and related cost	-16,791	-35,702	-37,477	-21,690	-6,206
Depreciation and amortization	-999	-787	-1,740	-657	-
Drilling costs	-91,389	-	-98,217	-	-
Exploration expenses	-74,915	-109,521	-307,170	-167,299	-
Other operating expenses	-31,046	-95,777	-54,016	-42,958	-30,627
<b>Operating profit</b>	<b>-215,141</b>	<b>-241,787</b>	<b>-498,620</b>	<b>-232,604</b>	<b>-36,833</b>
Finance income	15,001	20,890	298,129	46,844	2,029
Finance costs	-41,034	-24,390	-60,056	-114,471	-1,863
Income/expense derivatives	-99,777	-47,469	-	-	-
<b>Net financial items</b>	<b>-125,810</b>	<b>-50,969</b>	<b>238,073</b>	<b>-67,627</b>	<b>166</b>
<b>Profit (loss) before tax</b>	<b>-340,951</b>	<b>-292,756</b>	<b>-260,547</b>	<b>-300,321</b>	<b>-36,667</b>
Income tax credit	201,246	199,387	306,399	190,242	28,536
<b>Profit (loss) for the year</b>	<b>-139,706</b>	<b>-93,369</b>	<b>45,852</b>	<b>-109,989</b>	<b>-8,131</b>
Profit to minority interest	-	-	-	-	-
<b>Profit attributable to equity holders of the parent company</b>	<b>-139,706</b>	<b>-93,369</b>	<b>45,852</b>	<b>-109,989</b>	<b>-8,131</b>

Source: 2Q presentations 2008 and 2009 and Annual Reports 2007 and 2008

### **Developments in first half 2009 compared to first half 2008**

The group's after tax loss for the six months period ending 30 June 2009 was NOK 139.7 million. This result includes pre-tax drilling costs of NOK 91 million on PL304 which have been expensed.

The loss for the six months includes an unrealized exchange loss on the value of hedging instruments as of 30 June 2009 totaling NOK 141.7 million caused by a weakening of the US dollar against the Norwegian kroner, which is partly offset by a realized gain on sold instruments of NOK 41 million.

The group's loss at 30 June 2008 was NOK 93.4 million and includes pre-tax drilling costs on Stetind in the amount of NOK 67 million which have been expensed during the quarter. In addition, the result for the period includes costs relating to the building and maturing of a license portfolio including seismic and EM data acquisition costs.

Financial items had a negative pre-tax contribution of NOK 51 million, where mark-to market valuations of foreign exchange instruments represent an unrealized exchange loss of NOK 47.5 million.

### **Developments in the year ended 31 December 2008**

The group generated a consolidated profit of NOK 45.9 million in 2008, which can mainly be ascribed to unrealized income on foreign exchange instruments, offset by the costs of building a license portfolio, including seismic acquisition costs as well as the cost of establishing a strong and competent organization. All expenditures relating to the exploration well on PL283 Stetind was expensed.

A large part of the exploration costs were incurred to acquire seismic data necessary to be able to identify and evaluate new leads and prospects, both in relation to farm-in opportunities and licensing rounds.

Net financial items before tax totaled NOK 238.1 million, with mark-to-market valuations of foreign exchange instruments representing a profit of NOK 231.5 million. These instruments were entered into to reduce currency risk on US dollar exchange rate fluctuations. Other financial items include interest earned on the company's cash deposits and interest expenses on the convertible bond issued in December 2006.

**Developments in the year ended 31 December 2007**

The group's loss in 2007 was NOK 110 million which primarily relates to the costs of building a license portfolio including seismic acquisition costs as well as costs of establishing a strong and competent organization. Seismic data acquisitions include seabed logging data purchases. Aker Exploration used this technology actively in 2007.

Financial items had a negative pre-tax contribution of NOK 67.6 million, where mark-to-market valuations of foreign exchange instruments represent a cost of NOK 69.4 million.

The group loss at the 2006 year-end was NOK 8 million which primarily relates to start-up costs. This equals a basic loss of NOK 40 per share and a diluted loss of NOK 27 per share.

## 9.7.5 Consolidated balance sheet

Set out below is the consolidated balance sheet for the Aker Exploration Group for the periods ending 30 June 2009 and 2008, together with balance sheets for the years ending 31 December, 2008, 2007 and 2006:

**Table 9.7.5-1 – Consolidated balance sheet**

All figures in NOK 1,000	IFRS Unaudited 30.06.09	IFRS Unaudited 30.06.08	IFRS Audited 31.12.08	IFRS Audited 31.12.07	IFRS Audited 31.12.06
<b>ASSETS</b>					
Property, plant and equipment	2,803	3,544	3,479	3,081	-
Intangible assets	57,327	32,929	50,481	32,088	-
Prepaid rig mobilization costs and rig intake costs	609,728	252,475	302,929	252,475	62,799
Derivative financial instruments	35,676	-	177,341	-	-
Other prepayments	15,148	13,840	13,840	13,840	-
Deferred tax asset	-	20,764	-	8,657	12,524
<b>Total non-current assets</b>	<b>720,683</b>	<b>323,551</b>	<b>548,070</b>	<b>310,141</b>	<b>75,323</b>
Tax receivable from refund	552,812	403,913	386,109	216,939	28,723
Inventory	74,324	-	42,306	-	-
Prepayments and other receivables	39,901	27,477	56,224	23,407	5,970
Cash and cash equivalents	199,180	602,644	376,618	802,398	1,346,021
<b>Total current assets</b>	<b>866,217</b>	<b>1,034,033</b>	<b>861,257</b>	<b>1,042,743</b>	<b>1,380,714</b>
<b>Total assets</b>	<b>1,586,900</b>	<b>1,357,583</b>	<b>1,409,327</b>	<b>1,352,884</b>	<b>1,456,037</b>
<b>EQUITY AND LIABILITIES</b>					
Paid-in capital	963,923	982,403	963,922	982,403	982,403
Retained earnings	-211,974	-211,491	-72,268	-118,121	-8,131
Minority interests	-	-	-	-	-
<b>Total equity</b>	<b>751,949</b>	<b>770,912</b>	<b>891,654</b>	<b>864,283</b>	<b>974,271</b>
Convertible loan	401,260	382,783	391,497	374,068	359,011
Deferred tax	34,072	-	66,186	306	-
Long term loans	99,138	-	-	-	-
Derivative financial instruments	-	101,580	-	54,111	-
<b>Total non-current liabilities</b>	<b>534,471</b>	<b>484,362</b>	<b>457,683</b>	<b>428,484</b>	<b>359,011</b>
Trade and other payables	300,480	102,308	59,990	60,117	122,755
<b>Total current liabilities</b>	<b>300,480</b>	<b>102,308</b>	<b>59,990</b>	<b>60,117</b>	<b>122,755</b>
<b>Total liabilities</b>	<b>834,951</b>	<b>586,671</b>	<b>517,673</b>	<b>488,602</b>	<b>481,766</b>
<b>Total equity and liabilities</b>	<b>1,586,900</b>	<b>1,357,583</b>	<b>1,409,327</b>	<b>1,352,884</b>	<b>1,456,037</b>

Source: 2Q presentations 2008 and 2009 and Annual Reports 2007 and 2008

### Developments in first half of 2009 compared to first half of 2008

The group had total assets of NOK 1,586.9 million at 30 June 2009 compared to NOK 1,409.3 million at year end 2008. The increase is mainly from an increase in prepaid rig mobilization costs and rig intake costs of NOK 306,799.

Intangible assets of NOK 57.3 million comprise acquisitions of interests in exploration licenses and capitalized exploration costs.

As at 30 June 2009, the group held financial instruments consisting of forward contracts at a net estimated fair value of NOK 35.7 million, a change of NOK 141.7 million from 31 December 2008. This change is reflected in finance costs during the quarter. The financial instruments do not qualify as hedges under IAS 39 and changes in fair value are accordingly recorded through the income statement rather than directly to equity. The group has sold financial instruments during the period which has resulted in a gain of NOK 41 million.

As at 30 June 2008, the group had total assets of NOK 1,357.6 million compared to NOK 1,352.9 million at year end 2007. The increase is mainly from an increase in tax receivable from refund of NOK 187 million.

Total additions to intangible assets are related to acquisitions of interests in exploration licenses and capitalized exploration costs.

As at 30 June 2008, the group held financial instruments consisting of forward contracts and options at a net estimated fair value of NOK -101.6 million. This negative value was caused by the decrease in the relative value of the USD compared to NOK. A fair value adjustment of NOK -47.5 million (loss) was recognized in the income statement in first half of 2008, less the deferred tax effects.

#### **Developments in the years ended 2006-2008**

The group had total assets of NOK 1,409.3 million at year end 2008 compared to NOK 1,352.9 million at year end 2007. The increase is mainly from acquisitions of derivative financial instruments totaling NOK 177.3 million, increase in prepaid rig mobilization and rig intake costs of NOK 50 million and increase in the tax receivable from refund of NOK 169 million.

Intangible assets relate to capitalized acquisition costs from acquisitions of interests in exploration licenses and capitalized exploration costs in accordance with the successful efforts method. Additions to capitalized acquisition costs relate to acquisitions and disposals of shares in licenses PL 304 (30% share), PL 343 (35% share), PL 460 (acquisition of a 30% share and a disposal of a 12.5% share) and PL 463 S (30% share).

The group had total assets of NOK 1,352.9 million at year end 2007 compared to NOK 1,456.0 million at year end 2006.

Additions in intangible assets of NOK 32.1 million relates to acquisitions of shares in licenses PL 321 (35% share), PL 428 (30% share), PL 259 (30% share) and PL 256 (55% share).

### 9.7.6 Condensed consolidated cash flow statement

Set out below is the condensed consolidated cash flow statement for the Aker Exploration Group for the six months period ending 30 June 2009 and 2008, together with statements for the years ending 31 December, 2008, 2007 and 2006.

**Table 9.7.6-1 – Condensed consolidated cash flow statement**

All figures in NOK 1,000	<b>IFRS Unaudited 6 months ended 30.06.09</b>	<b>IFRS Unaudited 6 months ended 30.06.08</b>	<b>IFRS Audited Full year 2008</b>	<b>IFRS Audited Full year 2007</b>	<b>IFRS Audited Full year 2006</b>
Net cash flow from operating activities	95,996	-218,040	-331,083	-495,017	-29,061
Net cash flow from investing activities	-409,417	-1,303	-64,420	10,326	1,974
Net cash flow from financing activities	137,172	19,783	30,275	58,931	1,373,107
Net change in cash and cash equivalents	-177,437	-199,754	-425,780	-543,623	1,346,021
<b>Cash and cash equivalents at beginning of period</b>	<b>376,618</b>	<b>802,398</b>	<b>802,398</b>	<b>1,346,021</b>	-
<b>Cash and cash equivalents at period end</b>	<b>199,180</b>	<b>602,644</b>	<b>376,618</b>	<b>802,398</b>	<b>1,346,021</b>

Source: 2Q presentations 2008 and 2009 and Annual Reports 2007 and 2008

### 9.7.7 Statutory auditor

KPMG has been the auditor for the company for all accounting periods. KPMG has its registered address at Sørkedalsveien 6, 0369 Oslo.

See the annual reports 2008, 2007 and 2006 for the respective auditor's reports, see section 13.1 "Incorporation by reference".

KPMG AS is a member of The Norwegian Institute of Public Accountants.

### 9.7.8 Segment reporting

The group's only primary segment is exploration of oil and gas on the Norwegian continental shelf (NCS).

### 9.7.9 Statement of changes in equity

Set out below is the consolidated statement of changes in equity for the Aker Exploration Group for the periods ending 30 June 2009 and 2008, together with the years ending 31 December 2008, 2007 and 2006.

**Table 9.7.9-1 – Statement of changes in equity**

	IFRS Unaudited 6 months ended 30.06.09	IFRS Unaudited 6 months ended 30.06.08	IFRS Audited Full year 2008	IFRS Audited Full year 2007	IFRS Audited Full year 2006
<b>Equity period start</b>	<b>891,654</b>	<b>864,283</b>	<b>864,283</b>	<b>974,272</b>	<b>-</b>
Profit (loss) for the period	-139,706	-93,369	45,852	-109,989	-8,131
Deferred tax on equity part of convertible loan	-	-	-18,481	-	-
<b>Total income and expense for the period</b>	<b>-139,706</b>	<b>-93,369</b>	<b>27,371</b>	<b>-109,989</b>	<b>-8,131</b>
Issue of share capital					1,000
Private placement					915,000
Transaction cost (net after tax)					-32,588
Shareholder's equity part of convertible bond loan					98,991
<b>Equity at period end</b>	<b>751,949</b>	<b>770,912</b>	<b>891,654</b>	<b>864,283</b>	<b>974,271</b>

Source: 2Q presentations 2008 and 2009 and Annual Reports 2007 and 2008

### 9.7.10 Changes since 30 June 2009

There have been no changes to the Aker Exploration's financial or trading position since the quarterly figures dated 30 June 2009 other than the proposed Merger described in section 6 "The Merger".

### 9.7.11 Capital resources

As of 30 June 2009, Aker Exploration ASA had cash and cash equivalents of NOK 199.2 million.

#### The primary short and long term sources of cash flow

Aker Exploration will require capital to fund its planned drilling program, debt service and potential acquisition. The company anticipates that by taking into account generally expected market conditions, borrowings under the bank facilities, tax paybacks on eligible exploration costs from the Norwegian Government, and funds raised from the private placement and the subordinated unsecured convertible bond loan, the funds will be sufficient to finance the company's expected drilling program over the initial three year drilling phase and financing of general corporate purposes.

It is Aker Exploration's intention to fund its future capital requirements initially through borrowings under the company's bank facility and to repay those borrowings when required with the tax paybacks on eligible exploration costs from the Norwegian Government. The adequacy of available funds in the future will depend on many factors, including the further growth of the business, capital expenditures, market development, competition and potential acquisitions. Accordingly, the company may require additional funds and seek to raise such funds through issuing new equity and debt in the future.

The funding of the company is described in detail in section 9.7.13 "Capitalization and indebtedness", section 9.7.10 "Changes since 30 June 2009" and section 9.7.14 "Borrowings".

Aker Exploration carried out a private placement of NOK 915 million in December 2006. At the same time the company carried out a NOK 457.5 million subordinated unsecured convertible bond issue. Furthermore, the company signed a loan agreement for a USD 300 million revolving credit facility with DnB NOR ASA, Barclays Bank Plc and HSH Nordbank in January 2007. The loan was later converted to NOK with a total facility of NOK 1.8 billion.

Based on these funding activities, Aker Exploration is expected to be fully financed for its expected drilling program for the initial three year drilling phase and financing of general corporate purposes. The debt is secured with tax paybacks on direct and indirect eligible exploration costs from the Norwegian Government. The debt will function as bridge financing for the delays in the tax paybacks, which will take place in December in the year following when such eligible costs incur.

For changes in cash flow, see section 9.7.6 “Condensed consolidated cash flow statement”.

#### **Funding structure and restrictions on use of capital resources**

The long term funding of Aker Exploration consists of both equity and interest bearing debt, which is further described in section 9.7.14 “Borrowings”. Section 9.7.13 of this Information Memorandum also shows the statement of the group’s capitalization and indebtedness.

Book value of equity per 30 June 2009 was NOK 751,949 and net interest bearing debt per 30 June 2009 was NOK 301,218. The equity ratio per 30 June 2009 was 47.4%. The funding of Aker Exploration is considered sufficient to fund the further development of the company in line

Of the available credit facility of NOK 1.8 billion, NOK 100 million has been used as per 30 June 2009.

Aker Exploration is not aware of any material legal or economic restrictions that influence the ability of the subsidiaries to transfer funds to the company in the Form of cash dividends, repayment of inter-company loans, new loans or advances. Consequently, Aker Exploration expects to meet its future cash obligations.

#### **9.7.12 Working capital statement**

In the opinion of the company, its working capital is sufficient for its present requirements for at least the twelve coming months.

### 9.7.13 Capitalization and indebtedness

The table below sets forth Aker Exploration's unaudited consolidated cash and equivalents and capitalization as at respectively 31 December 2008 and 31 March 2009 on an actual basis. The table should be read together with the consolidated financial statements and the related notes thereto, as well as the information under Section 9 "Financial Information".

The table below also shows a statement of capitalization and indebtedness as of 31 December 2008 and 30 June 2009. Indebtedness is computed on the basis of the consolidated balance sheet of Aker Exploration.

**Table 9.7.13-1 – Capitalization and indebtedness**

All figures in NOK 1,000	31.06.2009 Unaudited	31.12.2008 Unaudited
<b>Shareholder's equity</b>		
Paid in capital	963,923	963,922
Retained earnings and other reserves	-211,974	-72,268
<b>Total shareholders equity (A)</b>	<b>751,949</b>	<b>891,654</b>
<b>Current debt</b>		
Guaranteed	0	0
Secured	0	0
Unguaranteed/unsecured	300,480	59,990
<b>Total current debt</b>	<b>300,480</b>	<b>59,990</b>
<b>Non-current debt (excluding current portion of long-term debt)</b>		
Guaranteed		
Secured		
Unguaranteed/Unsecured	534,471	457,683
<b>Total non-current debt</b>	<b>534,471</b>	<b>457,683</b>
<b>Total indebtedness (B)</b>	<b>834,951</b>	<b>517,673</b>
<b>Total capitalization (A + B)</b>	<b>1,586,900</b>	<b>1,409,327</b>
Cash and cash equivalents	199,180	376,618
Trading securities	0	0
<b>Liquidity (C)</b>	<b>199,180</b>	<b>376,618</b>
<b>Current financial receivables (D)</b>	<b>0</b>	<b>0</b>
Current bank debt	0	0
Current portion of non-current debt	0	0
Other current financial debt	0	0
<b>Current financial debt (E)</b>	<b>0</b>	<b>0</b>
<b>Net current financial indebtedness (E-C-D) (F)</b>	<b>-199,180</b>	<b>-376,618</b>
<b>Non-current financial receivables (G)</b>	<b>0</b>	<b>0</b>
Non-current bank loans	99,138	0
Other non-current loans	401,260	391,497
<b>Non-current financial indebtedness (H)</b>	<b>500,398</b>	<b>391,497</b>
<b>Net non-current financial indebtedness (H-G) (I)</b>	<b>500,398</b>	<b>391,497</b>
<b>Net financial indebtedness (F+I)</b>	<b>301,218</b>	<b>14,879</b>

## 9.7.14 Borrowings

### Total borrowings

The group's total gross borrowings amounted to NOK 557.5 million as of 30 June 2009, of which all is non-current.

The table below sets out the composition of the borrowings as of 30 June 2009.

**Table 9.7.14-1 – Aker Exploration's total borrowings as of 30 June 2009**

Figures in NOK 1,000	Current	Non-current	Total
Borrowings	0	100,000	100,000
Convertible loan	0	457,500	457,500
<b>Sum</b>	<b>0</b>	<b>557,500</b>	<b>557,500</b>

*Note: In the Q2 report 2009 there are different figures due to accounting principles*

### Subordinated unsecured convertible loan

On 16 December 2006 the general meeting of Aker Exploration resolved to raise a loan of a total of NOK 457,500,000 by issuing senior unsecured convertible bonds. On 15 December 2006 the company entered into a loan agreement with Norsk Tillitsmann ASA as loan trustee on behalf of the bondholders regulating the terms and conditions of the bond issue. The purpose of the loan is to finance three years expected drilling program and to be utilized for general corporate purposes.

The bonds gives the bondholders the right to convert the bonds into shares in the company at a price of NOK 79.30 (which may be subject to change pursuant to the loan agreement) per share at any time prior to the maturity date of 16 December 2011. A request to convert the bonds into shares must be put forward to the company at the latest ten business days prior to 16 December 2011.

The coupon rate is 6.00% per annum and interest accrues from and including 18 December 2006 to and including 16 December 2011.

### Revolving Bridge Credit Facility

#### *Description of the facility*

On 31 January 2007 Aker Exploration AS (as borrower) and Aker Exploration ASA (as guarantor) entered into a USD 300 million revolving bridge credit facility agreement with DnB NOR Bank ASA, Barclays Bank Plc and HSH Nordbank AG (as original lenders) pursuant to which the lenders make available to Aker Exploration AS a revolving bridge credit facility initially denominated in USD, to be drawn in NOK, in an aggregate amount of USD 300 million (the "Facility"). The Facility was later converted to NOK having a total facility of NOK 1,819.7 million. The Facility is available from the first utilization and up to and including 31 December 2012. The first utilization is subject to a set of conditions precedent to utilization having been fulfilled, as further described below.

The purpose of the Facility is to bridge finance annual tax refunds eligible to Aker Exploration.

As of 30 June 2009 NOK 100,000,000 has been used.

#### *Conditions precedent to utilization*

In respect of the first utilization the Facility is available subject to;

- a business plan for the next 24 months together with evidence satisfactory to the majority lenders that the aggregate of (i) the funds of Aker Exploration ASA and Aker Exploration AS on a consolidated basis, and (ii) the available amount of the anticipated tax refunds during the term of the Facility is sufficient to undertake such business plan;
- the security, as further described below under "Security" being in full force and effect;
- evidence that an interest reserve account has been funded, with an amount at least equal to the interest that will accrue on the amount drawn from the utilization date of such drawdown to 31 December in the year in which annual tax funds eligible to Aker Exploration AS to be financed with the relevant utilization are to be refunded, is paid into the interest reserve account;

- evidence that the insurances required under the revolving bridge credit facility agreement have been taken out and are in full force and effect; and
- certain customary confirmations from the company in relation to, inter alia, that no default is subsisting, that it is in compliance with representations, and legal opinion satisfactory to the lenders.

#### *Security*

Aker Exploration AS' obligations under the revolving bridge credit facility agreement shall be secured by;

- a first priority pledge over all the shares in Aker Exploration AS granted by the company;
- a first priority assignment of insurance proceeds in respect of the insurance policies of Aker Exploration AS;
- a first priority charge over a pledge account funded (with any applicable tax refunds, insurance proceeds in respect of insurances assigned, net proceeds derived from any sale of participation in licenses and any cash serving as security under the revolving bridge credit facility agreement) and the interest reserve account (as further described above under "Conditions precedent to utilization");
- a first priority assignment of the tax refunds as further described in section 10.4.9 "The Petroleum Tax Act"; and
- a first priority pledge of Aker Exploration AS' participation interests in any licenses in respect of oil and gas resources on the Norwegian continental shelf.
- Pledges of participating interests in license on the NCS are subject to approval by the MPE. Utilization of the facility will thus be conditional on such approval.

#### *Parent company payment guarantee*

Aker Exploration ASA has guaranteed as primary obligor unconditionally and irrevocably as for its own debt (in Norwegian: Selvskyldnerkausjon) the due and punctual payment of all amounts which Aker Exploration AS may owe under the revolving bridge credit facility agreement. However, the total liability as guarantor shall never exceed NOK 2,700,000,000 plus interest thereon and fees, costs, expenses and indemnities as set out in the Facility Agreement.

#### *Repayment and interest periods*

Aker Exploration AS shall pursuant to the revolving bridge credit facility agreement repay each loan drawn on the last date of an interest period selected by the company in the utilization request for the loan. If the company fails to select such interest period the length of that interest period shall be 1 month. The company may select interest periods of 1, 3 or 5 months or any other period agreed with DnB NOR Bank ASA as agent. No amount shall be outstanding under the Facility Agreement on 31 December 2013.

#### *Interest*

The rate of interest on each loan drawn under the Facility for each interest period is the percentage rate per annum which is the aggregate of the applicable (i) margin (being 0.55 per cent p.a.) and (ii) the Norwegian Interbank Offered Rate (NIBOR).

#### *Financial covenants*

Aker Exploration AS and Aker Exploration ASA shall, on a consolidated basis, have paid in funds which, together with the available amount (in summary being an amount equal to 95 per cent of the tax value of annual tax refunds eligible to Aker Exploration AS (i) on the first utilization date sufficient to perform their business plan for the next following 24 months; and (ii) at any time after the first anniversary of the first utilization date sufficient to perform their business plan for the next 12 months.

## 9.7.15 Summary of Aker Exploration's financial condition

Table 9.7.15-1 – Selected historical financial information

		IFRS Audited Full year 2008	IFRS Audited Full year 2007	IFRS Audited Full year 2006
<b>Results</b>				
EBITDA	NOK million	-499	-232	-37
Net profit	NOK million	46	-110	-8
<b>Cash flow</b>				
Cash flow from operating activities	NOK million	-331	-495	-29
<b>Balance Sheet</b>				
Interest bearing debt	NOK million	458	458	458
Equity ratio	Percent	63 %	64 %	67 %
<b>Share</b>				
Share price 31 <sup>st</sup> December	NOK	22	57	n/a
Earnings per share	NOK	2.29	-5.50	-0.41

## 9.8 ORGANIZATION

### 9.8.1 Board of Directors

The business address of Aker Exploration AS, Fjordalléen 16, P.O. Box 1423 Vika, NO-0115 Oslo, Norway, serves as c/o address for the members of the board of directors of Aker Exploration.

Table 9.8.1-1: Current board of the Aker Exploration Group

Name	Position	Member since
Kjell Inge Røkke	Chairman	2009
May Britt Myhr	Board member	2007
Nina Udnes Tronstad	Board member	2007
Maria Moræus Hansen	Board member	2009
Kari Lokna*	Board member (AKX AS only)	2009

\* Kari Lokna is employee representative on the Board of Aker Exploration AS

#### Kjell Inge Røkke (born 1958) – Chairman

Entrepreneur and industrialist Kjell Inge Røkke, Aker ASA's main owner, has been a driving force in the development of Aker since the 1990s. Mr. Røkke launched his business career with the purchase of a 69-foot trawler in the United States in 1982, and gradually built a leading worldwide fisheries business: harvesting and ocean-going processing of white fish. In 1996, Mr. Røkke purchased enough Aker shares to become Aker's largest shareholder. Mr. Røkke is a Norwegian citizen. He has been elected for the period 2009-2011.

#### May Britt Myhr (born 1960)– Board member

Ms Myhr has been President of SINTEF Petroleum Research since 2005. Prior to this Ms Myhr has held various other positions within SINTEF, hereunder as head of research for the department of Basin Modeling. Ms Myhr has been board member of INTSOK since 2005. Ms Myhr holds a MSc in chemistry from the Norwegian University of Science and Technology (NTNU). Ms Myhr is a Norwegian citizen. She was re-elected for the period 2009-2011.

#### Nina Udnes Tronstad (born 1959)– Board member

Ms Tronstad has been CEO of Aker Verdalen AS since 2007. From 2005 Ms Tronstad was member of the Group Management of Statoil with responsibility for HSE. From 2001-2005 Ms Tronstad was responsible for the Kristin E&P field development in Statoil. From 1996-2000 Ms Tronstad was IT responsible in Statoil. Ms Tronstad is a graduate engineer from the Norwegian University of Science and Technology (NTNU). Ms Tronstad is a Norwegian citizen. She was re-elected for the period 2009-2011.

**Maria Moræus Hansen (born 1965) – Board member**

Maria Moræus Hansen joined Aker ASA as a partner in 2008. Prior to joining Aker Ms. Moræus Hansen worked in Hydro and StatoilHydro for 16 years. She has among other positions between Exploration Manager, headed Field Development Norway and been a platform manager on Troll C. When she left StatoilHydro she was Senior Vice President Gas Infrastructure and Supply. Ms. Moræus Hansen graduated from the Norwegian Institute of Technology (NTNU) in 1988 and has a degree from the French Petroleum Institute (IFP) in Paris. Ms. Moræus Hansen is a Norwegian citizen.

**Table 9.8.1-2: Current and previous directorships of the board**

Board member	Current directorships	Previous directorships
Kjell Inge Røkke	Aker ASA, Aker Biomarine Antarctic AS, Aker Biomarine ASA, Aker Capital Fund AS, Aker Exploration AS, Aker Exploration ASA, Aker Holding AS, Aker Solutions ASA, Aker Stadion Drift DA, Fjellvollen AS, Kjell Inge Røkke, Molde Fotball AS, Oppdalstoppen 880 AS, Oppdalstoppen Invest AS, Stiftelsen Aker Stadion I, Stiftelsen Aker Stadion II, The Resource Group Trg AS, Trg Eco Harvesting AS, Trg Holding AS, Våningshuset AS	
May-Brit Myhr	Aker Exploration AS, Aker Exploration ASA, Alvic AS, SINTEF Petroleumsforsikring AS, Stiftelsen INTSOK, OG21	
Nina Udnes Tronstad	Eitzen Maritime Services ASA , Storebrand Livsforsikring AS, Proneo AS, Aker Exploration AS, Aker Exploration ASA, Aker Piping Technology AS, Aker Verdal AS, Forum For Miljøteknologi, Stiftelsen Offshore Northern Seas	Storebrand Livsforsikring AS
Maria Moræus Hanssen	HitecVision Private Equity III AS	

**9.8.2 Management**

**Figure 9.8.2-1 – Aker Exploration’s executive management**



**Bård Johansen (born 1955) - President & CEO**

Mr. Johansen has been engaged in establishing Aker Exploration and was employed in the Company in April 2006 as President and CEO when the company was formally established. Mr. Johansen has a Master degree in Geology from University in Oslo and a Ph.D. in Applied Geophysics from the same university and Columbia

University N.Y. Mr. Johansen has been in the industry for more than 25 years, including management positions in NPD, Statoil, Talisman Norge and Aker Energy. Mr. Johansen is a Norwegian citizen and lives in Stavanger, Norway. His business address is Aker Exploration AS, Fjordalléen 16, NO-0115 Oslo, Norway.

**Alan J McIntyre (born 1957) – CFO**

Mr. McIntyre, born in 1957, joined Aker Exploration as CFO in the summer of 2006. Mr. McIntyre was a joint founder of OER oil AS, (later Endeavour Energy Norge AS) and held various positions in that company between 2002 and 2006, the last position as Vice President of Commercial and Finance Management. Prior to this, Mr. McIntyre was a partner in PricewaterhouseCoopers Norway from 1992. Mr. McIntyre holds a Bachelor of Arts and is a Scottish Chartered Accountant. Mr. McIntyre is a UK citizen and lives in Oslo, Norway. His business address is Aker Exploration AS, Fjordalléen 16, NO-0115 Oslo, Norway.

**Rune Fauskanger (born 1965) - HSEQ Manager**

Mr. Fauskanger, born 1965, joined Aker Exploration in 2006. Prior to this, since 1997, Mr. Fauskanger held various positions at ExxonMobil’s organization in Stavanger within production and HSE. From 1991 to 1997 Mr. Fauskanger worked in Det Norske Veritas as consultant with main oil companies on the client list. Pre 1991 he has experience from land based process industry and construction sites (Aker). Mr. Fauskanger holds an MSc degree in Chemical Engineering from the Norwegian Institute of Technology (NTNU). He has also two years of legal education (UiB). Mr. Fauskanger is a Norwegian citizen and lives in Sola, Norway. His business address is Aker Exploration AS, Badehusgt. 39A, NO-4014, Stavanger, Norway.

**Lars Thorrud (born 1961) - Operations and business development manager**

Mr. Thorrud, born 1961, joined Aker Exploration in 2006 as part of the management team. Prior to this he worked as an independent consultant and between 1992 and 2001 he held various management positions within the German independent energy company RWE-Dea Norge. Lars Thorrud holds an MSc degree in Geophysics from the Norwegian Technology Institute (NTH) and a MBA from the Pacific Lutheran University, WA. Mr. Thorrud is a Norwegian citizen and lives in Hof, Norway. His business address is Aker Exploration AS, Fjordalléen 16, NO-0115 Oslo, Norway.

**Steinar Sørensen (born 1955) - Exploration manager**

Mr. Sørensen, born 1955, joined Aker Exploration in 2006. Prior to this Mr. Sørensen held the position as MD in the UNEP GRID from 2003. He has also held various positions in operating oil companies and also spent some years in the academia as assistant professor in petroleum geology. From 1995 to 2003 Mr. Sørensen held the position as President of Aker Kværner Geo. Mr. Sørensen holds a Master of Science degree in marine geology from University of Oslo. Mr. Sørensen is a Norwegian Citizen and lives in Arendal, Norway. His business address is Aker Exploration AS, Badehusgt. 39A, NO-4014, Stavanger, Norway.

Over the past years preceding the date of this document, the members of the management hold and have held the following directorships (apart from their directorships in Aker Exploration ASA and its subsidiary) and/or partnerships:

**Table 9.8.2-3: Current and previous directorships and/or partnerships of the management**

	<b>Current directorships</b>	<b>Previous directorships</b>
Bård Johansen	M&B Equity AS	Talisman-Energy Norge AS, Talisman-Energy Production AS
Alan J McIntyre	Oban Invest AS Morar Invest AS	
Rune Fauskanger	None	Blue Sky AS
Lars Thorrud	Raven Energy Management, Raven Invest AS	Barneavdelingen Barnenevrologisk Seksjon - Rikshospitalet
Steinar Sørensen	Pevas AS Geo Invest AS	Surface Geochemical Services AS Aker Kværner Technology AS Aker Geo UK Ltd. Global Virtual University

### 9.8.3 Board of Directors and Management shareholdings

The table below gives an overview of the board of directors and the management's shareholdings in Aker Exploration ASA as per the date of this Information Memorandum.

**Table 9.8.3-1: Current shareholdings of the board of directors and management**

	<b>Shares held</b>
Bård Johansen	105,000
Alan J McIntyre	70,317
Rune Fauskanger	42,328
Lars Thorrud	65,000
Steinar Sørensen	80,571
Kjell Inge Røkke	0
May Britt Myhr	0
Nina Udnes Tronstad	0
Maria Moræus Hanssen	0

### 9.8.4 Employees

As of the date of this Information Memorandum, the company has 31 permanent employees. The table below illustrates the development in number of employees over the last two years, as per the end of each calendar year.

**Table 9.8.4-1 – Development in number of employees**

	<b>2008</b>	<b>2007</b>	<b>2006</b>
Number of employees	33	18	6

### 9.8.5 Severance pay agreement

In the event of termination of employment by Aker Exploration ASA, each of the senior management team (other than the CEO) is entitled to six months' salary after the expiry of a reciprocal six months term of notice. The CEO is entitled to 12 months' salary. None of the members of the administrative, management or supervisory bodies has service contracts with the company or its subsidiary providing for benefits upon termination of employment.

## 9.9 SHARE CAPITAL AND SHAREHOLDER MATTERS

### 9.9.1 Share capital

As of the date of the Information Memorandum, Aker Exploration's issued share capital is NOK 20,000,000, divided into 20,000,000 shares fully paid up each with a par value of NOK 1.

Aker Exploration's shares are registered with the Norwegian Central Securities Depository (VPS) under the International Securities Identification Number (ISIN) NO 001 034 5853 and admitted to trading on Oslo Axess under the symbol "AKX". The registrar for the shares is DnB NOR Bank ASA, Stranden 21 Aker Brygge, N-0021 Oslo, Norway.

### 9.9.2 Share classes and voting rights

All shares of Aker Exploration are of the same class and are equal in all respects. Each share carries the right to one vote in shareholders' meetings and the shares have equal rights with respect to distribution of dividends in the company.

### 9.9.3 Development of share capital

The table below shows the historical development in share capital and number of shares in Aker Exploration.

**Table 9.9.3-1 – Development of Aker Exploration’s share capital**

Date	Description	Change in share capital (NOK)	Nominal value (NOK)	Share capital after change (NOK)	Number of shares after the change
02.05.2006	Incorporation	1,000,000	1,00	1,000,000	1,000,000
16.12.2006	Share capital increase by issue of new shares	19,000,000	1,00	20,000,000	20,000,000

### 9.9.4 Shareholders

The table below sets out the 20 largest shareholders in Aker Exploration as of 28 September 2009.

**Table 9.9.4-1– Major shareholders in Aker Exploration**

	Shareholder	No. of shares	%
1	Aker Capital AS	15,224,848	76.12%
2	Deutsche Bank AG London	740,523	3.70%
3	UBS AG, London Branch	500,200	2.50%
4	Reka AS	500,000	2.50%
5	Deutsche Bank AG London	436,691	2.18%
6	Alfred Berg Norge + VPF	357,600	1.79%
7	Alfred Berg Aktiv VPF	286,200	1.43%
8	Deutsche Bank AG London	192,786	0.96%
9	NHO – P665AK	159,950	0.80%
10	Alfred Berg Norge VPF	159,100	0.80%
11	Egil Stenshagen Holding AS	136,000	0.68%
12	Alfred Berg Gambak VPF	121,100	0.61%
13	Sundt AS	119,000	0.60%
14	M&B Equity AS	105,000	0.53%
15	Pevas AS	80,553	0.40%
16	Lapas AS	79,500	0.40%
17	Skagenkaaien Eiendom AS	45,000	0.22%
18	Alan McIntyre	42,600	0.21%
19	Rune Karstein Fauskanger	42,328	0.21%
20	Raven Energi Management Lars Thorrud	39,327	0.20%
	<b>Total 20 largest</b>	<b>19,368,306</b>	<b>96.84%</b>
	Others	631,694	3.16%
	<b>Total</b>	<b>20,000,000</b>	<b>100.00%</b>

Source: VPS

To the knowledge of Aker Exploration, the following shareholders each have holdings which are notifiable under the Securities Trading Act:

**Table 9.9.4-2 – Notifiable shareholdings**

	Shareholder	No. of shares	%
1	Aker Capital AS	15,224,848	76.12%

Aker Exploration’s largest/ majority shareholder is Aker Capital AS, a 100% subsidiary of the industrial company Aker ASA, holding 76.12 per cent of the company’s shares. The Aker Group comprises companies that legally and financially are independent units – as is Aker Exploration.

### 9.9.5 The Unsecured Subordinated Convertible Bond Issue

As described in section 9.7.14 “Borrowings”, the unsecured subordinated convertible bond issue can be converted into shares in the company at a price of NOK 79.30 (which may be subject to adjustment pursuant to the loan agreement) per share at any time prior to the maturity date of 16 December 2011. A request to convert

the bonds into shares must be put forward to Aker Exploration at the latest ten business days prior to 16 December 2011.

Upon any exercise of the conversion right, the company's share capital will be increased without a general meeting being held. Aker Exploration shall procure that the share capital increase based on the conversion is registered with the Norwegian Register of Business Enterprises without undue delay. The share capital of the company will depend on the timing of conversion and the amount of converted bonds.

#### **9.9.6 Outstanding warrants**

On 16 December 2006, the general meeting of Aker Exploration issued 5 million warrants (in Norwegian: *Frittstående tegningsretter*) to Aker Capital AS giving Aker Capital AS the right to subscribe for 5 million new shares in the company at an issue price of NOK 1 per share. The warrants may be exercised (in whole or in part) at any time during the exercise period which is from and including 1 January 2010 to and including 16 December 2011. The warrants are transferable in the exercise period. The right to exercise warrants is conditional upon the market price of the company's shares being above NOK 122.0 per share (each share par value NOK 1) at the close of trading on at least one trading day falling after 1 January 201. New shares issued upon exercise of warrants will give right to dividends distributed for the financial year preceding the financial year in which those shares were issued. The warrant holders will have rights equal to the shareholders of Aker Exploration as set out in the Norwegian Public Limited Liability Companies Act section 11-12 (2) nr.9.

Upon any exercise of the warrants the company's share capital will be increased without a general meeting being held. Aker Exploration shall procure that the share capital increase based on the exercise of the warrants is registered with the Norwegian Register of Business Enterprises without undue delay. The share capital of the company will depend on the timing of exercise of the warrants and the amount of warrants exercised.

#### **9.9.7 Corporate governance**

Aker Exploration is dedicated to observing high standards of corporate governance, based on the principles set forth in the Norwegian Code of Practice for Corporate Governance, as published on 28 November 2006 (the "**Code of Practice**"). The company will annually produce a report as to corporate governance, which will be included in its annual report. The corporate governance report for the year ended 2008 is included in the annual report for 2008 for the company.

Aker Exploration is of the opinion that it is in compliance with the Code of Practice as of the date of this Information Memorandum.

#### **9.10 LEGAL AND ARBITRATION PROCEEDINGS**

Aker Exploration and its subsidiary Aker Exploration AS may from time to time be involved in disputes in the ordinary course of its business activities. Aker Exploration is not, and has not during the previous 12 months, been engaged in any governmental, legal or arbitration proceedings, which have had in the recent past or may have significant effects on the company's financial position or profitability. Further, Aker Exploration is not aware of any such proceedings which are pending or threatened.

#### **9.11 TREND INFORMATION**

On 15 July 2009, Aker Exploration entered into an agreement with ExxonMobil of acquiring a 40% share of a prospect in license 028. The agreement was conditional upon Aker Exploration operating an exploration well on behalf of ExxonMobil. The semi-submersible drilling rig Aker Barents will be used for the well which is expected to commence towards the end of 2009.

On 26 July 2009, Aker Barents was taken on contract. Drilling operations started 9 August 2009 and will continue for an estimated period of 45 days before the rig moves to its next location.

On 27 July 2009, PL304 was declared dry and was plugged and abandoned. Aker Exploration has a 30% share of this license which has additional prospectivity which may be drilled towards the end of 2009.

Except for the above, Aker Exploration has not experienced any changes or trends outside the course of business since 30 June 2009, which are significant to the company, and the management of Aker Exploration. Please see section 10 “The Market”, section 9.7 “Financial Information” and section 9.9 “Share Capital and Shareholder Matters” for more information about significant recent trends in the company’s business and relevant markets.

Aker Exploration is believed to have a satisfactory financial standing going forward. The company has established a future strategy expected to ensure continued growth and profit opportunity when Aker Barents is put into operation. In addition to being an attractive farm-in partner, the company expects that the access to a high quality exploration drilling rig will make it an attractive participant in future licensing rounds.

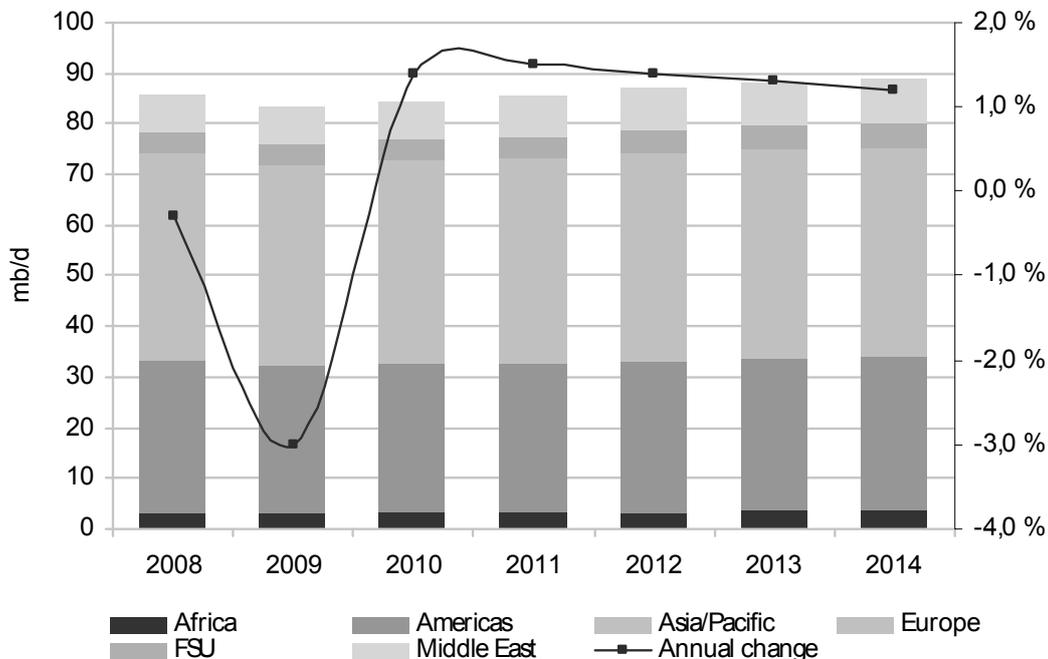
## 10. THE MARKET

### 10.1 OVERVIEW OF THE GLOBAL OIL & GAS INDUSTRY

According to the International Energy Agency (“IEA”), the global demand for oil and other liquids is estimated to be approximately 86 million boe/d in 2008. The demand is expected to decrease by 3 per cent in 2009 due to the global economic recession, before it rebounds in 2010. Between 2008 and 2014, the expected annual growth rate is approximately 0.6 per cent, and 2014 demand is accordingly estimated to 89.0 mb/d<sup>1</sup>, see figure 10.1-1 below.

The single most important factor behind oil demand is believed to be general economic growth (real GDP growth). After the financial turmoil the last two years, world economy is now stabilizing helped by unprecedented macroeconomic and financial policy support. However the IMF concludes, in their “*World Economic Outlook Update July 2009*”, that the recession is not over and recovery might be sluggish. Global GDP growth diminished through all four quarters of 2007 (from 5.31% in Q1 to 3.95% in Q4) and continued that trend through 2008 as well (2.81% in Q1 to -6.45% in Q4). The economy disappointed in Q1 2009 (-6.39%) by contracting at almost the same phase as in Q4 2008. Calculations from IMF points towards a modest pickup in growth during 2009 and project figures to show sustainable growth (around 3.5%) onwards from second half of 2010.

Figure 10.1-1 – Global oil demand (2008-2014)



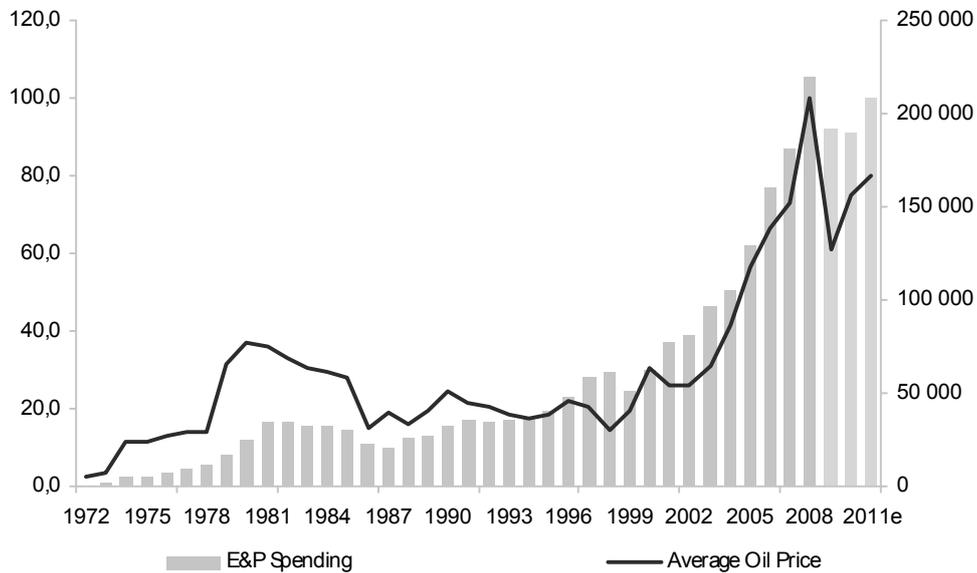
Source: IEA, Medium-Term Oil Market Report, June 2009

Despite relatively high oil prices since 1999, oil companies have been reluctant to increase E&P spending. Until mid 2003 the high prices were seen more as a result of limited oil supplies than growing demand. Oil prices increased at a steady pace going forward to 2007. From the beginning of 2007 the oil prices surged more than 150% until reaching its peak north of \$140/b in July 2008. This increase was blamed on the so-called “speculators” rather than oil market fundamentals. The debate on who to blame is still on-going today, but oil prices dropped to \$30/bbl by June 2008 before making a recovery in the first half of 2009. Today ICE Brent crude levels are in the \$70’s range. According to the “*World Oil Outlook 2009*” by OPEC the oil price are assumed to be in the range \$70-100/b for the next decade.

<sup>1</sup> IEA, Medium-Term Oil Market Report, June 2009

The key drivers in E&P spending are the oil companies' need to replace reserves and develop proven fields in order to realize value. The oil price has a major impact on the oil companies' ability and desire to invest in E&P, and there has historically been a strong correlation between the change in oil prices and the change in E&P spending, as illustrated in the graph below.

**Figure 10.1-2 – Oil price development vs. E&P spending**



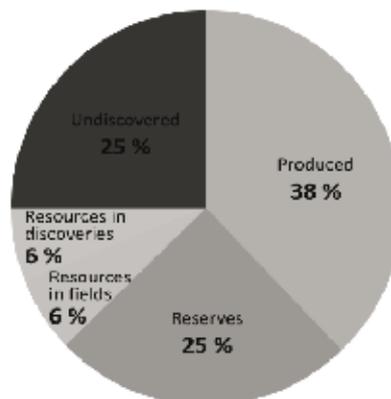
Source: Carnegie Research

## 10.2 THE NORWEGIAN CONTINENTAL SHELF

### 10.2.1 Production on the NCS

The discovery and subsequent development of Ekofisk in 1969 marked the beginning of oil exploration and production on the NCS. Although most of the NCS has reached its mature phase, there are still large reserves in the province remaining to be found or produced. As of year end 2008, NPD estimates in its annual resource accounts, that the total recoverable resources on the NCS are approximately 84.48 bboe. Out of this, approximately 31.8 bboe is produced. Remaining proven resources amount to 31.3 bboe and the expected value of undiscovered resources are 21.39 bboe.

**Figure 10.2.1-1 – Resources at the Norwegian Continental Shelf**



Source: NPD, "The Shelf in 2008", 8 January 2009

85 per cent of remaining proven resources are in existing fields, while the remaining 15 per cent exist in discoveries. By the end of 2008, 73 discoveries remained to be developed. The resources related to discoveries increased with 811.4 mmboe in 2008 through 25 new discoveries. 13 of these were in the North Sea, 8 in the Norwegian Sea and the remaining four in the Barents Sea.

By the end of 2008, it was produced oil, gas, NGL and condensate from 60 fields on the NCS. As of 1 August 2009, production had started on Yttergryta, Alve and Tyrihans in the Norwegian Sea and on Revfeltet in the North Sea. Production is also expected to start on Volund in the North Sea later this year according to NPD's resource report, August 2009.

In 2008 it was produced a total of 773.6 mmboe. Respectively 10, 8 and 5 per cent of the total production volume came from the fields Ekofisk, Grane and Snorre. The production on the NCS has been characterized by large production volumes from a limited number of large oil production companies. This has changed gradually in recent years. In 2000, 72 per cent of total production came from 11 fields with daily production volumes of more than 100,000 boe, while only 36 per cent of total production in 2008 came from fields with this large daily production volume. The trend is accordingly towards a greater amount of fields with lower daily production volumes.

Activity on the NCS has until now been dominated by the Norwegian companies Statoil and Hydro, now StatoilHydro, and large international oil companies. These companies have traditionally been focusing on high risk/ high reward frontier exploration as well as near infrastructure exploration around their core areas. Many areas on the NCS do not fit into any of these categories, and are still under explored. The large number of smaller companies which have entered the NCS in recent years is an indication that new players regard the opportunities differently and will actively pursue exploration opportunities in new areas. A large number of new entrants to the market have also opened up for higher M&A activity among the companies.

The oil production from existing fields on the NCS has peaked and is declining. Production in 2009 is expected at about 698.2 mmboe (1.91 million barrels per day) compared to 773.6 mmboe in 2008 (2.1 million barrels per day). Production in 2013 is estimated to approximately 591.2 million barrels of oil equivalents, representing a daily production of 1.6 million barrels.

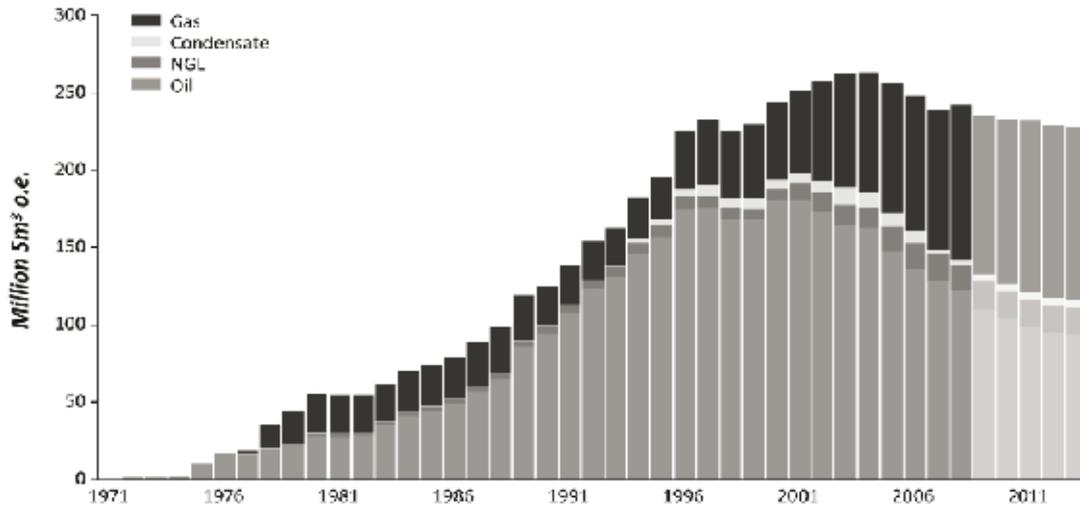
The gas production is in contrast expected to see a significant growth going forward. Sale of gas is expected to increase with 25 per cent the next five years according to NPD<sup>2</sup>. The four major gas fields, Troll, Sleipner, Åsgard and Ormen Lange has the largest remaining gas reserves and represented also 60% of total production volumes in 2008. Gjøa and Skarv are expected to be the next new major contributors to gas production in coming years. These projects have projected start-up in respectively 2010 and 2011.

NPD expects that condensate and NGL production will constitute between 15 and 20 per cent of liquid production the next five years.

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<sup>2</sup> Norwegian Petroleum Directorate's resource report, August 2009

Figure 10.2.1-2 – Production development (1 Sm<sup>3</sup> = 6.29 barrels)

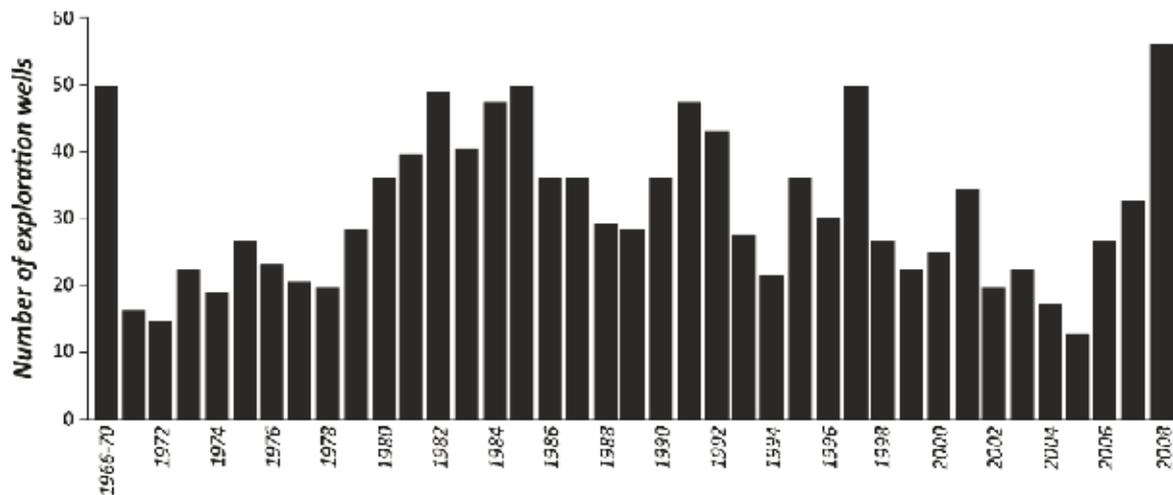


Source: NPD, “The Shelf in 2008”, 8 January 2009

In order to increase the production and tap the resource potential on the NCS, the oil industry has to increase its exploration efforts. The number of wildcats (oil wells in an unexplored area) and appraisal wells being drilled on NCS were historically low until 2005, but started to increase thereafter, due to the Norwegian government’s ambition to increase drilling on the NCS. The number of appraisal wells reached a record high of 36 wells in 2008. As per 1 August 2009 it is commenced 1,242 appraisal wells and wildcats on the NCS<sup>3</sup>.

Exploration activity is measured in number of exploration wells drilled. In 2008, this reached a record high of 56 wells. The development in exploration activity is illustrated in the figure below.

Figure 10.2.1-3 – Exploration wells 1968-2008



Source: NPD, “The Shelf in 2008”, 8 January 2009

<sup>3</sup> Norwegian Petroleum Directorate’s resource report August 2009

## 10.2.2 Measures for increasing production on the NCS

Production from existing oil fields on the NCS is declining, and a step-up in exploration activity combined with increased production from existing fields, is needed to reach government stated production goals. The Norwegian White Paper nr. 249 (2003-2004) "*Innstilling fra energi- og miljøkomiteen om petroleumsvirksomheten*" (the "*White Paper*", in Norwegian "*Petroleumsmeldinga*") points out four key challenges for the NCS that must be met going forward:

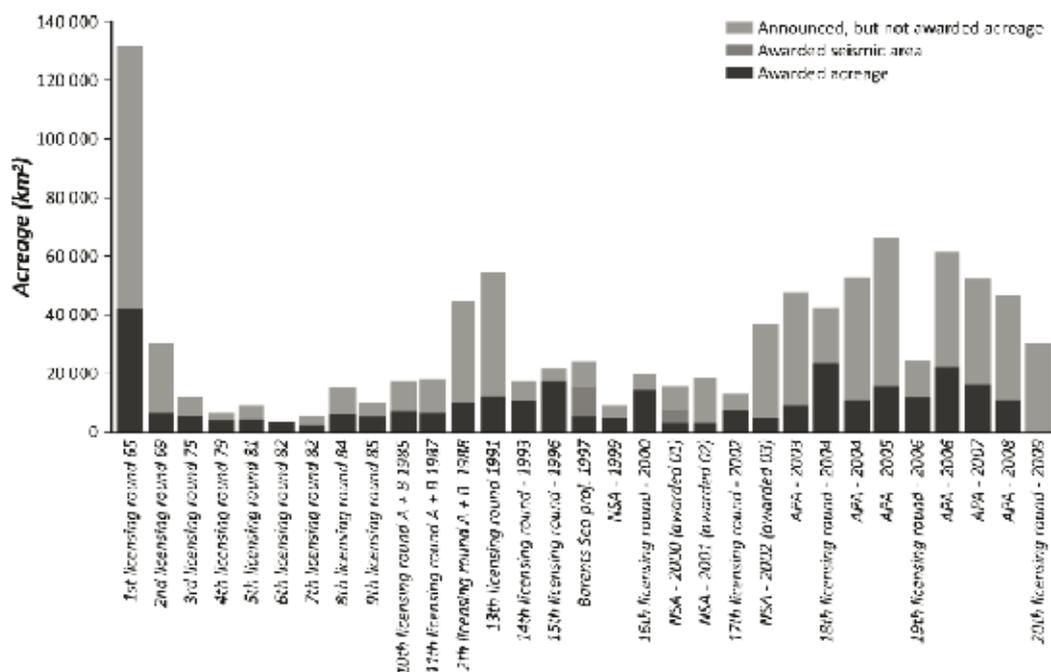
1. Increasing the exploration activity
2. Increasing the production from existing fields
3. Reducing the cost level on the NCS
4. Further develop competence within the Norwegian petroleum cluster

Among the measures mentioned and/ or taken are (i) a more flexible and effective exploration policy (i.e. increasing acreage available for exploration and increasing the number of licenses awarded), (ii) increasing the number of companies on the NCS, and (iii) tax incentives to encourage companies to increase the exploration activity. These measures are briefly described in the following.

### Increased acreage

A first measure taken by the government to increase the activity on the NCS was to increase the acreage available for exploration, both in mature and immature areas. To increase the activity in mature areas the Norwegian government started to award new production licenses annually in 2003 (APA – “Awards in predefined areas”). In the APA 2008 the government awarded 34 licenses, while the numbers were 52, 58 and 45 in 2007, 2006 and 2005, respectively. To facilitate increased exploration activity in immature areas, the government has in the White Paper expressed an intention to arrange Licensing Rounds “with an extent and frequency that ensures the need for exploration” in these areas. The recent Licensing Round (20) in 2008 gave the industry access to areas in the Norwegian Sea (11 licenses were awarded), the Barents Sea (2 licenses were awarded) and the North Sea (21 licenses were awarded) while the previous Licensing Round (19) focused mostly on the Barents Sea. The announced and awarded acreage at NCS each year since 1965 is illustrated in the graph below.

Figure 10.2.2-1 – Announced and awarded acreage 1965-2008



Source: NPD, "*The Shelf in 2008*", 8 January 2009

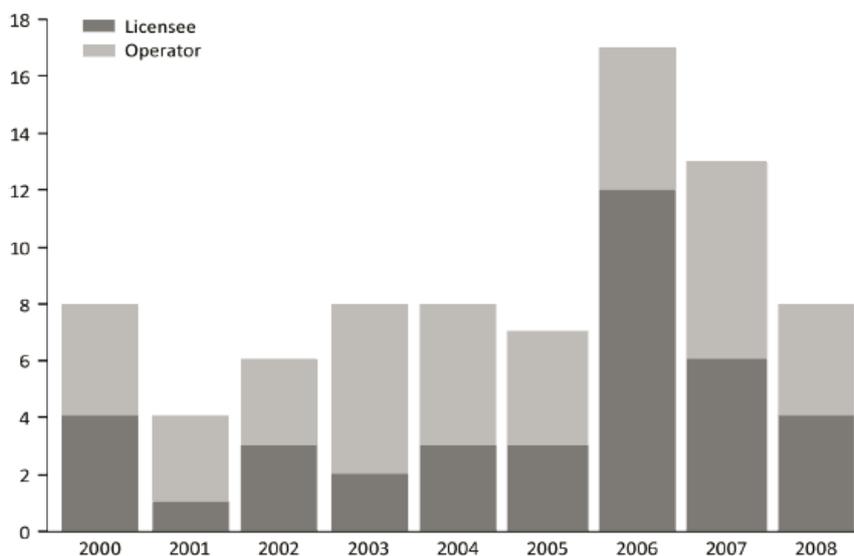
## Increased number of companies on the NCS

In addition to increasing the acreage available for exploration, the Norwegian government also expressed its desire to increase the number of companies on the NCS. The Norwegian government acknowledged that the interest among many of the established players for mature areas on the NCS is moderate, and stressed in the White Paper the importance of new and creative solutions to increase the production on the NCS.

The criteria for award of licenses in APAs and Licensing Rounds are factors like technical quality of the application, demonstrated quality of the company and the proposed work program. There is no upfront payment for the production licenses, however, a fee of NOK 100,000 applies for the handling of the license application, which are awarded by the Ministry of Petroleum and Energy based on a full technical evaluation by the NPD. The MPE is required to make its decision on the basis of objective, non-discriminatory and published criteria.

The authorities have a strong focus on attracting technically competent companies that can contribute to the development of the NCS. The authorities have therefore introduced a prequalification system. All new oil companies have to be prequalified by the authorities before they can be awarded or acquire interests in production licenses. This system ensures that only companies with proper and relevant competence and systems in place, as well as the necessary financial resources, are approved as licensees on the NCS. Since this system was introduced in 2000, 55 companies have been pre-qualified (and re-qualified) to participate in production licenses on the NCS. 15 companies are currently under consideration for pre-qualification in the NPD.

Figure 10.2.2-2 – New players on the NCS



Source: NPD, "The Shelf in 2008", 8 January 2009

## Tax incentives

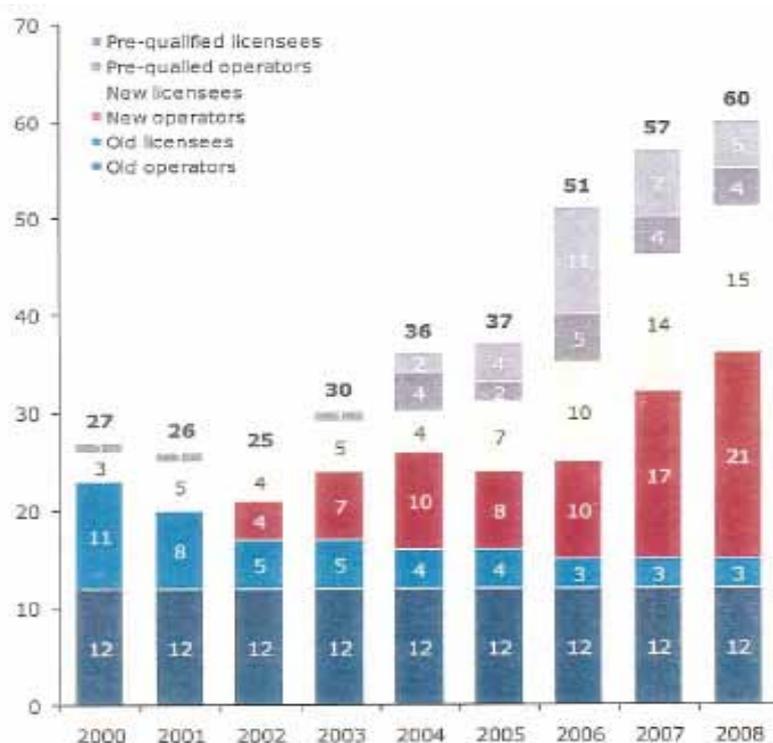
Companies which are not in a tax position may annually claim a refund from the State of the tax value of direct and indirect costs, except financial charges, incurred in exploration for petroleum resources. The tax value is set to the total of direct and indirect costs multiplied by the tax rate, currently 78 per cent. The refund will reduce the tax loss carry forward correspondingly. The amount of exploration costs may not exceed the annual net loss from the petroleum activities of the taxpayer, to ensure that the costs are not already set off against taxable income.

## 10.3 MARKET PLAYERS ON THE NCS

Currently 60 companies are approved as licensees on the NCS, of which 58 have active licenses. 35 of these companies are qualified as operators and 19 of these operators have more than 20 licenses. Together all of these companies have 418 active licenses. Many of these 58 companies are smaller players with relatively few licenses and few wells to drill.

The table below illustrates the development of players on the Norwegian continental shelf since 2000. The number of players has increased significantly during this period, but the market is now expecting to see a reduction of players going forward due to recent consolidation activity.

**Figure 10.3-1 – Number of oil companies on the NCS 2000-2008**



Source: Aker Exploration ASA

## 10.4 REGULATORY FRAMEWORK

### 10.4.1 Introduction

The ultimate regulatory authority with respect to the petroleum activities on the NCS is exercised by the Norwegian Parliament (“*Stortinget*”). The overall responsibility for ensuring that the petroleum activities are carried out in accordance with the regulatory framework laid down by *Stortinget*, rests with the MPE. Subordinated to the MPE are the two entities the Norwegian Petroleum Directorate (“*NPD*”) and the Petroleum Safety Authority (“*PSA*”). Their main functions, respectively, relate to resource management and day-to-day issues, and issues regarding health, safety and environment. Policy and legislation concerning taxation of the petroleum industry is handled by the Ministry of Finance (the “*MoF*”), and annual tax assessments are carried out by the Oil Taxation Office.

### 10.4.2 General framework

The legal basis for the government regulation of the petroleum sector is constituted by section 1-1 of the 1996 Petroleum Act, which states that the proprietary right to subsea petroleum deposits is vested in the State. The Petroleum Act provides the legal framework for the licensing system, whereby exploration and production licenses are awarded, as well as providing provisions regarding exploration, development, production and transportation of petroleum.

The level of state participation in the petroleum activities is high. The Norwegian State is the largest player on the NCS, by way of its shareholdings in StatoilHydro, and by way of the State’s Direct Financial Interest (the “*SDFI*”), whereby the State participates directly in various Production Licenses. The SDFI is managed by the State-owned company Petoro AS.

The legal basis for taxation of offshore petroleum activities is the 1975 Act Relating to Taxation of Subsea Petroleum Deposits.

### 10.4.3 The licensing system

The Norwegian offshore licensing system comprises various licenses, approvals, agreements and other mechanisms.

Companies can apply for an exploration license, for the purpose of performing geological and other surveys (excluding drilling) in a certain area. This license does however not give any exclusive rights in the relevant area.

The Production License is the core document in the licensing system, and gives the licensee an exclusive right to explore for (including drilling), develop and produce petroleum in the block(s) covered by the license. The award of Production Licenses is normally made through annual licensing rounds. In addition, all unlicensed acreage in the mature North Sea area is open for application in annual award procedures. Companies can apply for license awards individually or in groups. To be eligible for license award, the company must be pre-qualified as a licensee, meaning that it must fulfill certain criteria regarding qualifications, financial strength, etc. Aker Exploration AS was pre-qualified 30 November 2006. There is no direct cash payment to the State for the award of Production Licenses; however, a fee of NOK 100,000 applies for the handling of the license application. An important factor in the competition for awards is the extent of work obligations which the applicant is willing to assume.

If the licensee has a parent company, the parent will regularly be required by the MPE to furnish a parent company guarantee such as the MPE approves, to ensure fulfillment of obligations undertaken by the licensee towards the State or Norwegian public institutions, and for the licensee's possible liability towards the same in connection with petroleum activities.

The Production License can be awarded to one or several oil companies, thus becoming licensees. One of them is appointed by the MPE as operator, who becomes responsible for the daily operations of the parties' joint activities in accordance with the Production License.

The Production License governs the licensees' rights and obligations towards the State. The license is awarded for an initial period (could be up to 10 years), within which period the specified work obligation must be fulfilled. After such fulfillment, the duration of the license is normally extended, and the licensees can retain up to half the acreage covered by the license for a period up to 30 years. In recent years, the MPE has typically required that for acreage that has already been explored, licensees must decide to drill an exploration well within a relatively short time (typically 2 years), in order to retain the license ("drill or drop").

An area fee also applies after the initial period, based on the size of the acreage.

One of the conditions of the award of the Production License is that the licensees enter into a Joint Operating Agreement (the "JOA") in a standard format prepared by the MPE. The JOA governs the relationship between the licensees, as it forms the basis for day-to-day management of the activities, allocation of costs, decision making processes etc. A management committee is established as the supreme body of the partnership, in which all licensees are represented. The voting rules applicable to the management committee are governed by the JOA, as well as the operator's rights and duties. All petroleum produced is allocated to the licensees in accordance with their shares in the license. Appurtenant to the JOA, the licensees must also conclude an accounting agreement with detailed provisions regarding accounting and financial aspects of the partnership.

If a petroleum field extends over more than one Production License, the affected licensees must enter into a unitization agreement which governs the licensees' rights in the deposit and which in practice replaces the JOA in relation to the joint deposit. The licensees' rights are divided in accordance with the physical distribution of the deposit between the Production Licenses. This distribution may be subject to later recalculations, which will affect the parties' participating interests in the joint deposit.

Assignments of license interest are subject to the MPE's approval, and also to a tax clearance from the MoF. The MoF will apply a principle of tax neutrality, which means that the seller's gain from the sale shall not be taxable, and the purchaser's costs in acquiring the interest shall not be deductible. Transfer of controlling interests in companies holding production licenses are also subject to approval. In practice, the MPE has distinguished between various levels of control: Negative control (generally, over 33,3 %), positive control (generally, over 50 %), full control (generally, over 66,7 %) and full ownership (will generally apply at 90 % as

this triggers a squeeze-out right for the shareholder over the remaining shares). The requirement for approval arises when an investor moves from one level to a higher level.

#### **10.4.4 Exploration**

As mentioned above, while certain exploration activities can be carried out pursuant to an exploration license, exploration drilling can only be carried out pursuant to a production license. The license operator must obtain consent from the PSA prior to starting drilling operations. Such consent must be obtained for each exploration well. When applying for such consent, the operator must submit detailed information with regard to both technical and environmental aspects of the planned operation, and comprehensive HSE procedures must be in place, including the establishment of emergency preparedness procedures. Permits to discharge to sea and air must also be obtained from the Norwegian Pollution Control Authority and is a part of the consent to drill.

#### **10.4.5 Development**

In order to develop a petroleum discovery, the license partners must submit a Plan for Development and Operation (“**PDO**”) to the authorities. The PDO sets out inter alia the development solution, estimated development costs and a production profile for the deposit. The PDO must be approved by the MPE, and shall also be presented to Stortinget if the estimated investment is more than NOK 10 billion. According to the provisions of the JOA, a licensee can choose not to participate in the development. If a licensee does not accede to a PDO which has been decided by the majority, the majority partners may carry out the project on their own (“sole risk”). The licensee not participating retains its rights in the license acreage outside the area which is comprised by the project.

#### **10.4.6 Infrastructure**

In order to construct and operate pipelines and facilities for the processing of petroleum, a Plan for Installation and Operation (“**PIO**”) must be submitted to the MPE for approval.

By way of government regulation, owners of transportation and/or processing facilities are under an obligation to give access to third parties for the use of such facilities. If no agreement for such use is reached, the MPE can impose a solution on the parties.

GasLed is the owner of the gas transportation infrastructure, applying standard provisions for the access to its facilities. Such access may be limited by capacity restraints, and existing users and GasLed owners have priority over new users.

#### **10.4.7 Production**

Based on the PDO, the NPD issues annual production permits allowing the licensees to produce defined volumes of petroleum, considering inter alia proper resource management. Need consent to use the installations and permit for discharges and emissions. The main principle for the NPD is to ensure maximum depletion of petroleum from the reservoirs.

#### **10.4.8 Cessation**

The licensees are required to submit to the MPE a plan for decommissioning and cessation of the petroleum activities. The MPE then decides, based on the plan, on the disposal of the facilities. The cessation costs are carried by the licensees, and are petroleum tax deductible. Following divestment of a license share a company may remain liable on a secondary pro rata basis for decommissioning costs if its successor defaults on its obligation to pay such costs.

#### **10.4.9 The Petroleum Tax Act**

For companies participating in production and transportation of petroleum products on the NCS, there are two, partially overlapping income tax regimes: ordinary income tax imposed by the general rules in the Norwegian General Tax Act of 1999 (the “**GTA**”) and the special petroleum tax on income imposed by the Petroleum Tax Act (the “**PTA**”). As a result, the total marginal income tax rate for companies engaged in E&P activities on the

NCS is 78 per cent, consisting of a 28 per cent general income tax and a 50 per cent special petroleum tax to the State levied on income generated by exploitation, treatment or transportation of petroleum, ref. the PTA section 5. The petroleum tax applies on a corporation net profit level, not on a ring-fenced basis. Losses generated by other activities may not be set off against assessed income for special tax (50 per cent) purposes and there are limitations on the right to set off other losses against the general tax (28 per cent) basis.

Taxable income is computed according to the general tax legislation and particular rules set out in the PTA. Gross income generated by oil sales is assessed according to a norm price system, whereby the sales prices are fixed by an administrative body with the objective of arriving at fair market prices. Income generated by gas sales is assessed on actual sales prices.

Although certain important deductible expenses are dealt with in the PTA, the deductibility of expenses for purposes of the special petroleum tax is based on the general rules in the GTA. The timing of deductions for tax purposes generally follows the realization principle, i.e. when the expense is unconditionally incurred by the taxpayer. Provisions in the accounts based on prudent accounting principles are generally not deductible for tax purposes.

Financial items, such as interest income and expenses and currency losses and gains etc. are taxable. However, interest expenses and foreign currency items relating to interest-bearing debt instruments are treated separately from other financial items. Such costs fall within the offshore tax regime, meaning that they are deductible against income taxed at 78 per cent. However, the amount of such costs deductible against income falling within the offshore tax regime is capped as follows:

$$\text{Offshore tax deduction} = (\text{Interest cost} + \text{exchange gain/loss}) \times 50\% \times \frac{\text{Tax value offshore assets}}{\text{Average interest-bearing debt}} \quad 31.12$$

Any such costs in excess of this cap together with other financial items fall within the ordinary corporate tax regime, meaning that they are deductible against income taxed at 28 per cent. If the taxpayer does not have any income which is taxed under the ordinary corporate tax regime from which the excess costs can be deducted, it may deduct an amount from its offshore income but only so as to give it an effective deduction against 28 per cent tax, and not against 78 per cent tax.

For general income tax purposes, depreciation deductions are permitted under a reducing balance system. For petroleum tax purposes depreciations of production installations are permitted under a straight-line basis at a rate of 16 2/3 per cent annually from the year in which the investments takes place, i.e. a depreciation over 6 years. In addition to the depreciation allowance offered, an uplift of 7.5 per cent pr. year is granted in the special tax basis for a four-year period for investments in production and pipeline facilities.

Hence, a licensee on the NCS that is subject to Norwegian taxation will be entitled to tax deductions with regard to exploration and production costs (running expenses, net financial items, depreciations and uplift) and transportation costs (tariff payments).

Losses for tax purposes may be carried forward indefinitely. Interest is added for losses incurred in 2002 and subsequent years. The calculated interest is added to loss carry forward at the end of each year.

#### **Refund of tax value of exploration costs**

Companies which are not in a tax position may annually claim a refund from the State of the tax value of direct and indirect costs, except financial charges, incurred in exploration for petroleum resources. The tax value is set to the total of direct and indirect costs multiplied by the tax rate, currently 78 per cent. The refund will reduce the tax loss carry forward correspondingly. The amount of exploration costs may not exceed the annual net loss from the petroleum activities of the taxpayer, to ensure that the costs are not already set off against taxable income.

#### **Transfer of license interests**

All (direct or indirect) assignments of petroleum production licenses on the NCS are subject to the approval by the Ministry of Petroleum and Energy (MPE) under the Petroleum Act section 10-12 and of the Ministry of Finance (MoF) under the PTA section 10. In Regulations dated 1 July 2009 the MoF has decided that certain,

typical, transactions for which the PTA section 10 applies shall be approved as such without any processing of applications, provided that the parties submit certain information to the MoF and the oil taxation authorities.

For transactions not covered by said Regulations, one would still have to apply for an approval from the MoF. The MoF may stipulate specific conditions, which also deviate from the general tax legislation. The guiding principle for approval of transactions is that they should be revenue neutral to the State, i.e. that the total anticipated tax payments of the buyer and the seller before and after the transaction remain unchanged. Practice concerning such transactions has undergone considerable changes over the years, but will now follow the most recent guidelines issued by the MoF on 1 July 2009.

According to the guidelines, the existing tax balances (depreciation and uplift) will (as the main rule) be transferred from the seller to the buyer with the assets. Thus, there will be no step up of the tax balances as a result of the transaction.

## 11. THE SECURITIES MARKET AND DESCRIPTION OF CERTAIN SHAREHOLDER RIGHTS

### 11.1 THE NORWEGIAN SECURITIES MARKET

#### 11.1.1 Introduction

Oslo Børs was established in 1819 and is the principal market in which shares, bonds and other financial instruments are traded in Norway. The Oslo Børs ASA is a public limited company. Oslo Børs was granted a license in 2001 pursuant to the Stock Exchange Act of 17 November 2000 (the “**Stock Exchange Act**”). In December 2006, it was granted a license to operate Oslo Axess as an authorized market place in compliance with relevant European Union Directives and implementing national legislation.

The regulation of the securities market in Norway is based primarily on the Stock Exchange Act, the Continuing Obligations for companies listed on the Oslo Stock Exchange, the Financial Institutions Act of 10 June 1988, the Securities Register Act of 5 July 2002 and the Securities Trading Act.

#### 11.1.2 Company listing

There are three equity markets lists operated by Oslo Børs ASA: (i) Oslo Børs, including the trading in shares listed on Oslo Børs, (ii) the primary capital certificate list, and (iii) Oslo Axess.

The shares listed on the Oslo Børs have been divided into four categories (“OBX”, “OB Match”, “OB Standard”, and “OB New”) based on the liquidity of the market for the shares.

- OBX comprises the 25 most traded shares in accordance with the rules in force from time to time for the OBX index;
- OB Match comprises all shares with a minimum of 10 trades per day on average over the previous six-month period except shares included in the OBX index, or shares issued by issuer with a liquidity agreement with a stock exchange member in accordance with Oslo Børs' Liquidity Provider Scheme;
- OB Standard comprises all shares not included in OBX, OB Match and OB New; and
- OB New comprises all shares that have been traded for less than two months at the rebalancing date.

The primary capital certificate list has only one category which includes all primary capital certificate issuers (“OB Primary Capital Certificate”).

The companies listed on Oslo Børs are categorized according to industry sectors. Oslo Børs has implemented the Global Industry Classification Standard, a global standard developed by Morgan Stanley Capital International Inc. and S&P. Companies are categorized on four levels; there are 10 sectors, 24 industry groups, 62 industries and 132 sub-industries.

#### 11.1.3 Securities registration

The VPS is Norway’s paperless centralized security registry. The VPS is a public limited company and operates under a license from the Ministry of Finance. The ownership of, and all transactions related to, Norwegian publicly traded securities are recorded in the VPS. The Company’s share register is operated through the VPS.

All transactions related to securities registered with the VPS are executed through computerized book-entries. No physical share certificates are or can be issued. The VPS confirms each entry by sending a transcript to the registered holder, regardless of beneficial ownership. Registered holders also receive an annual statement of their holdings as at 31 December. In order to effect entries in the VPS, the investor or its nominee must establish a securities account with a Norwegian account operator.

Norwegian banks, Norwegian branches of credit institutions established within the EEA, bond issuing mortgage companies, authorized investment firms in Norway, the Central Bank of Norway and management companies for securities funds (insofar as units in the securities funds they manage are concerned) are permitted to act as account operators.

The entry of a transaction in the VPS is prima facie evidence in determining the rights of parties as against the issuing company or a third party claiming an interest in the subject security. A transferee or assignee of shares may not exercise the rights of a shareholder with respect to his or her shares unless the transferee or assignee has registered his or her shareholding or has reported and shown evidence of such acquisition. The VPS is strictly liable for any loss suffered as a result of a faulty registration or an amendment to, or deletion of, rights in respect

of registered securities. Damages payable by the VPS, however, are reduced in the event of contributory negligence on the part of the aggrieved party.

The VPS must provide ongoing information to the Norwegian FSA, as well as any information that the Norwegian FSA requests. Additionally, Norwegian tax authorities may demand certain information regarding any individual's holdings of securities, including dividends and interest payment information.

The VPS' address is Biskop Gunnerus gate 14 A, P.O. Box 4, 0051 Oslo, Norway.

#### **11.1.4 Trading and settlement**

Trading on the Oslo Stock Exchange is currently carried out in the electronic trading system, SAXESS. This trading system allows brokers to operate through a single trading system on all exchanges of which they are members. For the time being clearing of all trades, however, takes place through different systems for trades effected on the different exchanges.

Official trading in shares on the Oslo Stock Exchange takes place between 09:00 CET and 17:20 CET each trading day -with a pre-trade period from 08:15 CET to 09:00 CET, a closing action from 17:20 CET to 17:30 and a post-trade period from 17:40 CET to 18:00 CET. Orders may be placed in the system beginning at 08:45 CET. Transactions executed after 17:20 CET must be reported by 08:45 CET the next trading day. Other off-floor transactions must be reported within three minutes of completion of the trade.

The settlement period for trading on the Oslo Stock Exchange is three trading days (T+3).

#### **11.1.5 Insider trading and market abuse legislation**

Under Norwegian law, the subscription, purchase, sale or exchange of securities that are listed or for which listing has been applied or incitement to such disposition must not be undertaken by anyone who has precise information about the securities, the issuer thereof, or other factors which may have a significant influence on the price of the securities and which is not within the public domain or generally known in the market. The same restriction applies to entering into a purchase, sale or exchange of derivative rights connected to such securities.

#### **11.1.6 Disclosure of large shareholdings**

A person, entity or group acting in concert that acquires or disposes of shares, options for shares or other rights to shares resulting in its beneficial ownership, directly or indirectly, in the aggregate, reaching, exceeding or falling down to or below the respective thresholds of one-twentieth, one-tenth, one-fifth, one-third, half, two-thirds and nine-tenths of the Company's share capital has an obligation under Norwegian law to notify the Oslo Børs immediately.

Under the Securities Trading Act, an obligation to disclose shareholdings will immediately be triggered when a person's, entity's or group acting in concert's beneficial ownership meets, exceeds or falls down to or below the respective thresholds of 5 per cent., 10 per cent., 15 per cent., 20 per cent., 25 per cent., one-third, 50 per cent, two-thirds and 90 per cent of the share capital and/or the voting rights of the Merged Company.

#### **11.1.7 Market information**

Completion of the Merger is conditional upon Oslo Børs confirming that the shares of the Merged Company will assume trading on Oslo Børs. The shares of the Merged Company are expected to be admitted to trading on or about closing of the Merger. The Merged Company's Shares will be quoted and traded under the symbol "DET NOR".

## **11.2 DESCRIPTION OF CERTAIN SHAREHOLDER RIGHTS**

*Set forth below is information concerning the Merged Company's shares and related summary information concerning the Merged Company's proposed articles of association and applicable Norwegian law. This summary information is not complete and is qualified in its entirety by reference to the Merged Company's proposed articles of association and Norwegian laws. An English translation of the Merged Company's proposed articles of association is included as Appendix 5 – "The Merged Company's proposed articles of association".*

### **11.2.1 Voting rights**

All shares in the Merged Company will have equal voting rights and carry one vote. As a general rule, resolutions that shareholders are entitled to make pursuant to Norwegian law or the articles of association

require approval by a simple majority of the votes cast. In the case of election of directors to the board of directors, the persons who obtain the most votes cast are deemed elected to fill the positions up for election. However, as required under Norwegian law, certain decisions, including resolutions to waive preferential rights in connection with any share issue, to approve a merger or demerger, to amend the articles of association, to authorize an increase or reduction in the share capital, to authorize an issuance of convertible loans or warrants or to authorize the board of directors to purchase own shares or to dissolve the company, must receive the approval of at least two-thirds of the aggregate number of votes cast as well as at least two-thirds of the share capital represented at a shareholders' meeting. Norwegian law further requires that certain decisions, which have the effect of substantially altering the rights and preferences of any share or class of shares, receive the approval of the holders of such shares or class of shares as well as the majority required for amendments to the articles of association. Decisions that (i) would reduce any shareholder's right in respect of dividend payments or other rights to the assets of the Merged Company or (ii) restrict the transferability of the shares of the company will require a majority vote of at least 90 per cent of the share capital represented at the general meeting in question as well as the majority required for amendments to the articles of association. Certain types of changes in the rights of shareholders require the consent of all shareholders affected thereby as well as the majority required for amendments to the articles of association.

In general, in order to be entitled to vote, a shareholder must be registered as the beneficial owner of shares in the share register kept by the VPS. Beneficial owners of shares that are registered in the name of a nominee are generally not entitled to vote under Norwegian law, nor are any persons who are designated in the register as holding such Shares as nominees.

Investors should note that there are varying opinions as to the interpretation of Norwegian law in respect of the right to vote nominee-registered shares. For example Oslo Børs has in a statement made on 21 November 2003 held that in its opinion "nominee-shareholders" may vote in general meetings if they actually prove their shareholding prior to the general meeting.

#### **11.2.2 Meetings of shareholders**

The annual general meeting of the Merged Company's shareholders will be held each year before the end of June, usually in April/May. Norwegian law requires that written notice of general meetings be sent to all shareholders with known addresses at least 21 days prior to the day of the meeting. The Merged Company may choose to make documents and attachments concerning matters to be considered in a general meeting available to shareholders on its website. A shareholder may vote by proxy. The Merged Company must make proxy forms available on the Merged Company's website for general meetings.

Apart from the annual general meeting, an extraordinary general meeting of shareholders may be held whenever the board of directors considers it necessary. An extraordinary general meeting may also be convened for the consideration of specific matters at the request of the Merged Company's auditor or of shareholders representing an aggregate of at least five per cent of the Merged Company's share capital.

#### **11.2.3 Additional issuances and preferential rights**

An amendment to the Merged Company's articles of association will be required in order to issue new shares, including bonus issues (i.e. issuance of new shares through a transfer from the Merged Company's share premium reserve or attributable equity to the share capital). This amendment requires the same vote as other amendments to the articles of association. Issuances of subscription rights ("warrants") also require the same vote. At a general meeting, the shareholders may, by the same vote as required to amend the articles of association, grant a proxy to the board of directors to (i) issue up to 50 per cent of the nominal share capital at the time of the general meeting and/or (ii) to issue convertible loans pursuant to which the maximum aggregate number of shares which may be issued upon the exercise of all conversion rights given thereby shall not exceed half of the number of shares outstanding at the time of the general meeting. The proxy may not be granted for more than two years at a time.

Furthermore, under Norwegian law, shareholders have a preferential right to subscribe for and be allotted any new shares that may be issued against cash consideration on a pro rata basis in accordance with their then current shareholdings in the Merged Company. Such preferential rights may be waived by a resolution of a general meeting by the same vote required to adopt amendments to the articles of association.

#### **11.2.4 Related party transactions**

Under Norwegian law, an agreement between a public limited liability company and (i) a shareholder, a shareholder's parent company, a board member or a managing director, (ii) somebody acting pursuant to an

agreement or understanding with some of the aforementioned persons, or (iii) a person or company that is related to a shareholder or a shareholder's parent company, which involves consideration from the company in excess of one twentieth of the company's share capital at the time, is not binding on the company unless the agreement has been approved by the shareholders at a general meeting. There are certain exemptions from this rule. For example, business agreements in the normal course of the company's business containing pricing and other terms and conditions which are normal for such agreement, as well as the purchase of securities at a price which is in accordance with the official quotation, do not require such approval.

#### **11.2.5 Dividends**

Dividends may be paid in cash or in some instances in kind. The Public Limited Companies Act provides several constraints on the distribution of dividends:

- Dividends are payable only out of distributable reserves. Section 8–1 of the Public Limited Companies Act provides that distributable reserves consist of the profit for the prior fiscal year (as reflected in the income statement approved by the annual general meeting of shareholders) and the retained profit from previous years (adjusted for any reclassification of equity), less (i) uncovered losses, (ii) the book value of research and development, goodwill and net deferred tax assets (as recorded in the balance sheet, as of the most recent fiscal year end, approved by the annual general meeting of shareholders), (iii) the total nominal value of treasury shares which the company has acquired for ownership or as security in previous fiscal years, as well as credit and security which, pursuant to Sections 8–7 to 8–9 of the Public Limited Companies Act, fall within the limits of distributable equity, and (iv) that part of the profit for the prior fiscal year which, by law or pursuant to the company's Articles of Association, must be allocated to the undistributable reserve or cannot be distributed as a dividend;
- Dividends from the Company cannot be distributed if the company's equity at the end of the last financial year amounts to less than 10 per cent. of the total assets, unless a two month creditor notice period provided for under the Public Limited Companies Act Sections 12–4 and 12–6 is invoked;
- Dividends can only be distributed to the extent compatible with good and careful business practice, with due regard to any losses which the Company may have incurred since the balance sheet date (i.e. the prior fiscal year end) or which the Company may expect to incur; and
- The amount of dividends the Company can distribute is calculated on the basis of the Company's annual financial statements, not the Group's consolidated financial statements.

The shareholders have, through the right to dividend, a right to share in the company's profits.

According to the Public Limited Companies Act, there is no time limit after which entitlement to dividends lapses. Shareholders holding in the aggregate 5 per cent or more of the company's share capital have a right to demand that the company convenes an extraordinary general meeting to discuss or resolve specific matters, and to request that the district court set a higher dividend than decided by the general meeting. The shareholders consequently have a right to a share of the company's profits.

Under Norwegian law, a company may be wound up by a resolution of the company's shareholders in a general meeting passed by the same vote as required with respect to amendments to the articles of association. The shares rank equally in the event of a return on capital by the company upon a winding up or otherwise.

Further, there are no dividend restrictions or specific procedures for non-Norwegian resident shareholders in the Public Limited Companies Act.

#### **11.2.6 Transferability of shares and ownership limitations**

Under Norwegian law, shares of a public limited liability company may change owners by transfer unless otherwise provided for by the company's articles of associations. The proposed articles of association for the Merged Company do not restrict the transferability of the shares of the Merged Company. All shares in the Merged Company will be freely transferable and such transfers will not subject to board approval.

As discussed in section 10.4.3 "The licensing system", transfer of a controlling interest in the Merged Company will need approval from the MPE.

#### **11.2.7 Distribution of assets upon liquidation**

A Norwegian company may be liquidated by a resolution of the company at a general meeting passed by the same majority as is required to amend the articles of association. The shares rank equally in the event of a return on capital by the company upon liquidation or otherwise.

### **11.2.8 Mandatory bid requirement**

Pursuant to the Securities Trading Act chapter 6, any person, entity or a consolidated group that becomes the owner of shares representing more than 1/3 of the voting rights of a Norwegian company whose shares are quoted on Oslo Børs or Oslo Axess, is obliged (subject to certain narrow exemptions) to make an unconditional general offer without undue delay and at the latest four weeks after the mandatory offer obligation was triggered for the purchase of the remaining shares in the company. This obligation is repeated when the purchaser becomes the owner of shares representing more than 40 per cent and 50 per cent of the voting rights. When a mandatory offer obligation is activated, the person subject to such obligation shall immediately notify Oslo Børs and the company accordingly. The offer and the offer document required are subject to approval by Oslo Børs before submission of the offer to the shareholders is made or published.

The offer price per share must be at least as high as the highest payment the offeror has made or agreed in the period six months prior to the date the mandatory offer thresholds were exceeded. However, if it is clear that the market price was higher when the mandatory offer obligation was triggered, such market price shall be made as an offer. If the acquirer acquires or agrees to acquire additional shares at a higher price prior to the expiration of the mandatory offer period, the acquirer is obliged to restate his bid at such higher price. A mandatory offer must be in cash. An offer may nonetheless give the shareholders the right to accept an alternative to cash.

In case of failure to make a mandatory offer within four weeks, the obligation ceases to apply if sale is undertaken, i.e. by reducing the ownership to a level below the mandatory offer thresholds. Otherwise, Oslo Børs may force the acquirer to sell the shares exceeding the mandatory offer limit by public auction.

Moreover, an acquirer who fails to make an offer, may not, as long as the mandatory obligation remain in force, exercise rights in the company, such as voting on the shareholders meeting. However, the shareholder may exercise the right to dividend and pre-emption rights in the event of a share capital increase, without the consent of a majority of the remaining shareholders. If the shareholder neglects his duties to make a mandatory offer, the Oslo Børs may impose a cumulative daily fine which runs until the circumstance has been rectified.

### **11.2.9 Compulsory Acquisition**

A shareholder who, directly or via subsidiaries, holds shares representing more than 90 per cent. of the total number of issued shares as well as more than 90 per cent of the total voting rights of a company has the right (and each remaining minority shareholder of that company would have right to require the majority shareholder) to effect a compulsory acquisition for cash of any shares not already owned by the majority shareholder. A compulsory acquisition results in the majority shareholder becoming the owner of the shares of the minority shareholders with immediate effect.

A majority shareholder who effects a compulsory acquisition is required to offer the minority shareholders a specific price per share and to pay the consideration offered to a separate bank account for the benefit of the minority shareholders. The determination of the offer price is at the discretion of the majority shareholder. Should any minority shareholder not accept the offered price, such minority shareholder may, within a specified period of not less than two months, request that the price be set by the Norwegian courts. The cost of such court procedure would normally be charged to the account of the majority shareholder, and the courts would have full discretion in determining the consideration due to minority shareholder as a result of the compulsory acquisition.

### **11.2.10 Rights of redemption and repurchase of shares**

The Merged Company's share capital may be reduced by reducing the par value of the shares. Such a decision required the approval of two-thirds of the votes cast at a general meeting. Redemption of individual shares requires the consent of the holders of the shares to be redeemed.

A Norwegian company may purchase its own shares if an authorization from the board of directors of the company to do so has been given by the shareholders at a general meeting with the approval of at least two-thirds of the aggregate number of votes cast at the meeting. The aggregate par value of treasury shares so acquired and held by the company is not permitted to exceed 10 per cent. of the company's share capital, and treasury shares may only be acquired if the Merged Company's distributable equity, according to the latest adopted balance sheet, exceeds the consideration to be paid for the shares. The authorization by the shareholders at the general meeting cannot be given for a period exceeding 18 months.

## **12. CERTAIN ASPECTS OF NORWEGIAN TAX LAW**

### **12.1 INTRODUCTION**

*Set out below is a summary of Norwegian tax matters related to the Merger and the holding and realization of shares in the Merged Company for shareholders who are resident in Norway for tax purposes (“Norwegian Shareholders”) and for shareholders who are not resident in Norway for tax purposes (“Non-resident Shareholders”). The statements herein regarding taxation are based on the laws in force in Norway as of the date of this Information Memorandum and are subject to any changes in law occurring after such date, which changes could be made on a retrospective basis. The following summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of shares. Investors are advised to consult their own tax advisors concerning the overall tax consequences of their ownership of shares. The statements only apply to shareholders who are beneficial owners of the shares.*

### **12.2 TAX EFFECTS OF THE MERGER FOR DET NORSKE OLJESELSKAP ASA AND AKER EXPLORATION ASA**

The Merger will be carried out pursuant to the Public Limited Liability Companies Act chapter 13 and the rules regarding “tax-free” mergers in the Norwegian Tax Act chapter 11. The Merger will not trigger payable tax for the Companies, as the Merged Company will carry the tax positions of Det norske forward with regard to assets, rights and obligations taken over from Det norske.

### **12.3 TAX EFFECTS OF THE MERGER FOR THE SHAREHOLDERS**

#### **12.3.1 Norwegian Shareholders**

The Merger will not trigger any tax for Norwegian Shareholders. In the Merger, the tax base on each Norwegian Shareholder’s shares in Det norske will be transferred to the consideration shares in the Merged Company. The consideration shares in the Merged Company will for tax purposes be regarded as having been acquired at the same time as the corresponding shares in Det norske.

#### **12.3.2 Non-resident Shareholders**

The Merger will not trigger any Norwegian taxation for Non-resident Shareholders in Det norske or Aker Exploration. Each Non-resident Shareholder should, however, consult with tax advisors in its country of residence in order to determine any non-Norwegian tax consequences of the Merger.

### **12.4 TAXATION RELATED TO THE HOLDING AND REALIZATION OF SHARES IN THE MERGED COMPANY**

#### **12.4.1 Norwegian Shareholders**

##### ***Taxation on dividends***

Norwegian *Corporate Shareholders* (i.e. limited liability companies and similar entities) are comprised by the tax exemption method. According to this method, only 3% of the dividend income on shares in limited liability companies resident within the EEA shall be taxed as ordinary income (28% flat rate), implying that such dividends are effectively taxed at a rate of 0.84%.

Dividends distributed to Norwegian *Individual Shareholders* (i.e. other shareholders than Corporate Shareholders) are taxable under the Shareholder Model. According to the Shareholder Model, dividends distributed to individual shareholders are taxable as ordinary income (28% flat rate) to the extent the income exceeds a basic tax-free allowance. The tax-free allowance shall be computed for each individual shareholder on the basis of the cost price of each of the shares multiplied by a risk-free interest rate. The risk-free interest rate will be calculated every income year. Any part of the calculated allowance one year exceeding the dividend distributed on the share (“unused allowance”) may be carried forward and set off against future dividends received on (or gains upon realization of, see below) the same share. Any unused allowance will also be added to the basis of computation of the allowance on the same share the following year.

### ***Taxation on capital gains on disposal of shares***

According to the tax exemption method described above, only 3% of any (net) capital gains derived from realization of shares in limited liability companies resident within the EEA are taxed as ordinary income for Norwegian *Corporate Shareholders*, implying that such capital gains are effectively taxed at a rate of 0.84%. Corresponding losses are not tax deductible, but may be set off against dividends from and capital gains on such shares realized in the same income year. Costs incurred in connection with the purchase and realization of shares is deductible when calculating the taxable gain.

Norwegian *Individual Shareholders* are taxable in Norway for capital gains on the realization of shares, and have a corresponding right to deduct losses. This applies irrespective of how long the shares have been owned by the individual shareholder and irrespective of how many shares that are realized. Gains are taxable as ordinary income in the year of realization, and losses can be deducted from ordinary income in the year of realization. The current tax rate for ordinary income is 28%. Under current tax rules, gain or loss is calculated per share, as the difference between the consideration received and the tax base of the share. The tax base of each share is based on the individual shareholder's purchase price for the share. Unused allowance connected to a share may be deducted from a capital gain on the same share, but may not lead to or increase a deductible loss. Further, unused allowance may not be set off against gains from realization of the other shares.

If a Norwegian shareholder disposes of shares acquired at different times, the shares that were first acquired will be deemed as first sold (the "FIFO"-principle) upon calculating taxable gain or loss. Costs incurred in connection with the purchase and sale of shares may be deducted in the year of sale.

A Shareholder who ceases to be tax resident in Norway due to domestic law or tax treaty provisions may become subject to Norwegian exit taxation of capital gains related to shares in certain circumstances.

### ***Net wealth tax***

The value of shares is taken into account for net wealth tax purposes in Norway. The marginal tax rate is currently 1.1%. Norwegian limited liability companies and similar entities are exempted from net wealth tax.

Listed shares are valued at the quoted value at January 1 in the assessment year.

## **12.4.2 Non-resident Shareholders**

### ***Taxation on dividends***

Dividends paid from a Norwegian company to Non-resident Shareholders are subject to Norwegian withholding tax at a rate of 25% unless the recipient qualifies for a reduced rate according to an applicable tax treaty or other specific regulations. Norway has entered into tax treaties with a number of countries and withholding tax is normally set at 15% under these treaties. The shareholder's home country will normally give credit for the Norwegian withholding tax imposed on the dividend.

*Non-resident Corporate Shareholders* (i.e. limited liability companies and similar entities) which are genuinely established and carry out genuine economic activities within the EEA are not subject to Norwegian withholding tax.

Dividends paid to Non-resident *Individual Shareholders* (i.e. other shareholders than Corporate Shareholders) are as the main rule subject to Norwegian withholding tax at a rate of 25%, unless a lower rate has been agreed in an applicable tax treaty. If the individual shareholder is resident within the EEA, the shareholder may apply to the tax authorities for a refund if the tax withheld by the distributing company exceeds the tax that would have been levied according to the regulations described above for Norwegian Individual Shareholders.

In accordance with the present administrative system in Norway, a distributing company will generally deduct withholding tax at the applicable rate when dividends are paid directly to an eligible Non-resident Shareholder, based on information registered with the VPS. Dividends paid to Non-resident Shareholders in respect of nominee registered shares are not eligible for reduced treaty withholding tax rate at the time of payment unless the nominee, by agreeing to provide certain information regarding beneficial owner, has obtained approval for reduced treaty withholding tax rate from the Central Office for Foreign Tax Affairs.

Non-resident Shareholders should consult their own advisers regarding the availability of treaty benefits in respect of dividend payments.

***Taxation on capital gains / losses on disposal of shares***

Gains from the sale or other disposal of shares by a Non-resident Shareholder will not be subject to tax in Norway unless the Non-resident Shareholder is an individual holding the shares in connection with a business carried on or managed from Norway. Such taxation may be limited according to an applicable tax treaty.

***Net wealth tax***

Non-resident Shareholders are not subject to Norwegian net wealth tax with respect to the Shares, unless the Shareholder is an individual, and the shareholding is effectively connected with a business which the shareholder takes part in or carries out in Norway.

**12.5 TRANSFER TAXES ETC. VAT**

No transfer taxes, stamp duty or similar taxes are currently imposed in Norway on purchase, disposal or redemption of shares. Further, there is no VAT on transfer of shares.

**12.6 INHERITANCE TAX**

Upon transfer of shares by way of inheritance or gift, the transfer may be subject to Norwegian inheritance or gift tax. However, such a transfer is not subject to Norwegian tax if the donor/deceased was neither a citizen nor resident of Norway for tax purposes.

### 13. ADDITIONAL INFORMATION

#### 13.1 INCORPORATION BY REFERENCE

The information incorporated by reference in this Information Memorandum shall be read in connection with the cross reference list below set out in the table below. Except as provided in this section, no other information is incorporated by reference into this Information Memorandum.

Det norske oljeselskap and Aker Exploration incorporates their consolidated annual reports for the financial years 2006, 2007 and 2008, as their unaudited interim financial statement as of and for the six months ended 30 June 2009.

Section in Information Memorandum:	Reference document and link:
Consolidated annual report, accounting principles and auditor's report for the financial year 2006 for Aker Exploration ...	<a href="http://www.akerexploration.com/section.cfm?path=296,310">http://www.akerexploration.com/section.cfm?path=296,310</a>
Consolidated annual report, accounting principles and auditor's report for the financial year 2007 for Aker Exploration ...	<a href="http://www.newsweb.no/newsweb/search.do?messageId=205272">http://www.newsweb.no/newsweb/search.do?messageId=205272</a>
Consolidated annual report, accounting principles and auditor's report for the financial year 2008 for Aker Exploration....	<a href="http://www.newsweb.no/newsweb/search.do?messageId=230872">http://www.newsweb.no/newsweb/search.do?messageId=230872</a>
Unaudited interim report as of and for the six months ended 30 June 2009 for Aker Exploration .....	<a href="http://www.newsweb.no/newsweb/search.do?messageId=216130">http://www.newsweb.no/newsweb/search.do?messageId=216130</a>
Consolidated annual report, accounting principles and auditor's report for the financial year 2006 for Det norske .....	<a href="http://www.newsweb.no/newsweb/search.do?messageId=148515">http://www.newsweb.no/newsweb/search.do?messageId=148515</a>
Consolidated annual report, accounting principles and auditor's report for the financial year 2007 for Det norske .....	<a href="http://www.newsweb.no/newsweb/search.do?messageId=206084">http://www.newsweb.no/newsweb/search.do?messageId=206084</a>
Consolidated annual report, accounting principles and auditor's report for the financial year 2008 for Det norske .....	<a href="http://www.newsweb.no/newsweb/search.do?messageId=236144">http://www.newsweb.no/newsweb/search.do?messageId=236144</a>
Unaudited interim report as of and for the six months ended 30 June 2009 for Det norske .....	<a href="http://www.newsweb.no/newsweb/search.do?messageId=241698">http://www.newsweb.no/newsweb/search.do?messageId=241698</a>
Annual Statement of Reserves 2006 for Det norske oljeselskap .....	<a href="http://www.newsweb.no/newsweb/search.do?messageId=148380">http://www.newsweb.no/newsweb/search.do?messageId=148380</a>
Annual Statement of Reserves 2007 for Det norske oljeselskap .....	<a href="http://www.newsweb.no/newsweb/search.do?messageId=204931">http://www.newsweb.no/newsweb/search.do?messageId=204931</a>
Annual Statement of Reserves 2008 for Det norske oljeselskap .....	<a href="http://www.newsweb.no/newsweb/search.do?messageId=231483">http://www.newsweb.no/newsweb/search.do?messageId=231483</a>

#### 13.2 DOCUMENTS ON DISPLAY

For the life of this Information Memorandum the following documents (or copies thereof) may be inspected at the Merged Company's business address:

- the articles of association of the Companies and the proposed articles of association of the Merged Company;
- all reports, letters, and other documents, historical financial information and statements prepared by any expert at the Merged Company's request any part of which is included or referred to in this Information Memorandum;
- the historical financial information of Det norske oljeselskap, Aker Exploration and its subsidiary undertakings for each of the three financial years preceding the publication of this Information Memorandum.

#### 13.3 STATEMENT REGARDING SOURCES

All references to market data, industry statistics and industry forecasts in this Information Memorandum consist of estimates compiled by industry professionals, organizations, analysts or publicly available information. Industry publications generally state that their information is obtained from sources they believe reliable but that the accuracy and completeness of such information is not guaranteed and that the projections they contain are based on a number of significant assumptions. The Merged Company has not independently verified such

information and therefore cannot guarantee its accuracy and completeness. The information in this Information Memorandum that has been sourced from third parties has been accurately reproduced and, as far as the Merged Company is aware and able to ascertain from the information published by that third party, no facts have been omitted that would render the reproduced information inaccurate or misleading.

## 14. DEFINITIONS AND GLOSSARY OF TERMS

### 14.1 DEFINITIONS

<b>Aker Exploration</b>	Aker Exploration ASA, or Aker Exploration ASA and subsidiary, as required by the context
<b>Aker Exploration Group</b>	Aker Exploration ASA and Aker Exploration AS
<b>Aker Group</b>	Aker ASA and subsidiaries
<b>Boards of Directors</b>	The boards of directors of Aker Exploration and Det norske
<b>Bridge Credit Facility</b>	Aker Exploration's credit facility as further described in section 9.10.16 "Borrowings"
<b>Carnegie</b>	Carnegie ASA
<b>CEO</b>	Chief Executive Officer
<b>CET</b>	Central European Time
<b>CFO</b>	Chief Financial Officer
<b>Code of Practice</b>	The Norwegian Code of Practice for Corporate Governance issued by the Norwegian Corporate Governance Board on 4 December 2007
<b>Companies</b>	Aker Exploration and Det norske oljeselskap
<b>Det norske oljeselskap or Det norske</b>	Det norske oljeselskap ASA
<b>Aker Barents</b>	An Aker H-6e Semi-Submersible Rig
<b>EBITDA</b>	Earnings Before Interests, Taxes, Depreciation and Amortization
<b>Exchange Ratio</b>	The exchange ratio agreed in the Merger
<b>Extraordinary General Meetings</b>	Aker Exploration and Det norske's extraordinary general meetings held on [•]
<b>Fusjonen</b>	Fusjonen mellom Det norske og Aker Exploration ASA beskrevet i dette Informasjonsdokumentet
<b>Group</b>	The Merged Company and subsidiary (Aker Exploration AS)
<b>GTA</b>	General Tax Act of 1999
<b>HSE</b>	Health, safety and environment
<b>HSEQ</b>	Health, safety, environment and quality
<b>IFRS</b>	International Financial Reporting Standards
<b>Informasjonsdokumentet</b>	Dette Informasjonsdokumentet datert 28 September 2009
<b>Information Memorandum</b>	This Information Memorandum dated 28 September 2009
<b>ISIN</b>	International Securities Identification Number
<b>Managers</b>	Carnegie ASA and RS Platou AS
<b>Merged Company</b>	The company which is a result of the merger between Aker Exploration and Det norske oljeselskap
<b>Merger</b>	The merger described in this Information Memorandum between Aker Exploration and Det norske oljeselskap
<b>Merger Plan</b>	The Merger Plan appended to this Information Memorandum as Appendix 6
<b>MoF</b>	Ministry of Finance
<b>MPE</b>	Ministry of Petroleum and Energy
<b>NOK</b>	Norwegian Kroner
<b>Norwegian Public Limited Companies Act</b>	The Norwegian Public Limited Companies Act of 13 June 1997 no. 45, as amended from time to time (Allmennaksjeloven)
<b>NPD</b>	Norwegian Petroleum Directorate
<b>Oslo Axess</b>	Authorized market place operated by Oslo Børs
<b>Oslo Børs</b>	Oslo Børs ASA (the Oslo Stock Exchange)
<b>OTC</b>	The Norwegian over-the-counter market, managed by the Norwegian Securities Dealers Association (Norges Fondsmeglerforbund)
<b>Parties</b>	Det norske oljeselskap ASA and Aker Exploration ASA
<b>Pertra</b>	Pertra ASA
<b>Petroleum Act</b>	The Norwegian Petroleum Act of 29 November 1996 No. 72

<b>Petroleum Tax Act or the PTA</b>	The Norwegian Petroleum Tax Act of 13 June 1975 No. 35
<b>PGS</b>	Petroleum Geo-Services ASA
<b>Premier</b>	Premier Oil Norge AS
<b>PSA</b>	Petroleum Safety Authority
<b>PTA</b>	Petroleum Tax Act
<b>Revolving Exploration Finance Facility</b>	Det norske's credit facility as further described in section 8.9.16 "Borrowings"
<b>Securities Trading Act</b>	The Norwegian Securities Trading Act of 29 June 2007 No. 75
<b>Securities Trading Regulations</b>	The Norwegian Securities Trading Regulation of 29 June 2007 No. 876
<b>Share Capital</b>	The issued and outstanding Shares of the Merged Company as of the date of this Information Memorandum
<b>SPA</b>	Sales and Purchase Agreement
<b>Subordinated Unsecured Convertible Bond Issue</b>	The convertible bonds issued by Aker Exploration as further described in section 9.10.16 "Borrowings"
<b>Teekay</b>	Teekay Petrojarl Production AS
<b>USD</b>	United States Dollars, the lawful currency of the United States of America
<b>VPS</b>	The Norwegian Central Securities Depository, who organizes the Norwegian paperless securities registration system (Verdipapirsentralen)

## 14.2 GLOSSARY OF TERMS

<b>APA</b>	Awards in Predefined Areas
<b>bbl/d</b>	Barrels per day
<b>bboe</b>	Billion barrel of oil equivalent (equals 6.29 billion Sm <sup>3</sup> oil equivalents)
<b>boe</b>	Barrel of oil equivalent
<b>bopd</b>	Barrels of oil per day
<b>E&amp;P</b>	Exploration and Production
<b>JOA</b>	Joint Operating Agreement
<b>HPHT</b>	High Pressure, High Temperature
<b>Licensing Round</b>	Ordinary licensing round
<b>M&amp;A</b>	Mergers and acquisitions
<b>Mb/d</b>	Million barrels per day
<b>mmboe</b>	Million barrels of oil equivalent
<b>NCS</b>	Norwegian Continental Shelf
<b>NGL</b>	Natural gas liquids
<b>P50</b>	See 2P
<b>P90</b>	See 1P
<b>PDO</b>	Plan for Development and Operation
<b>PIO</b>	Plan for Installation and Operation
<b>PL</b>	Production License
<b>Production license</b>	License awarded by the MPE, giving exclusive rights to explore, develop and produce petroleum on a defined geographical area on the NCS
<b>PUD</b>	Plan for Utbygging og Drift
<b>Sm<sup>3</sup> oe</b>	Standard cubic meter oil equivalent (0,158987 boe)
<b>SDFI</b>	States Direct Financial Interest
<b>1P</b>	= P90 Proved reserves with a reasonable certainty (at least 90% confidence) of being recoverable (1P = Proved)
<b>2P</b>	= P50 Probable reserves that are attributed to known accumulations and claim a 50% confidence level of recovery (2P = Proved + Probable)

Appendix 1:  
**AKER EXPLORATION ASA ARTICLES OF ASSOCIATION**

**§ 1 Form of business organisation, registered office and name**

The name of the company is Aker Exploration ASA. The company is a public limited liability company with its registered office in Oslo.

**§ 2 Objective**

The company's activities comprise of oil and gas exploration and other related activities, as well as participation in other companies.

**§ 3 Share Capital**

The company's share capital is NOK 20,000,000 divided on 20,000,000 shares, each having a face value of NOK 1.

The company's shares shall be registered with the Norwegian Central Securities Depository.

**§ 4 Board of Directors**

The Board of Directors consists of 3 – 6 directors. The company shall have a Chief Executive Officer, employed by the Board of Directors.

**§ 5 Nomination Committee**

The company shall have a nomination committee, consisting of at least three members elected by the general meeting. The nomination committee shall prepare the election of directors. The general meeting may adopt instructions for the nomination committee's tasks.

**§ 6 Signature**

The Chairman alone, or two directors jointly are empowered to sign on behalf of the company. The Board may grant powers of procuration.

**§ 7 General Meeting**

Notice of the General Meeting shall be made by written notification to all shareholders with a known address giving at least two (2) weeks notice. The company may set a deadline for registration to the General Meeting, which shall not fall earlier than five (5) days prior to the General Meeting. The Chairman of the Board or a person designated by him shall preside at the General Meeting.

The General Meeting will be held in Oslo

Appendix 2:  
**AKER EXPLORATION ASA VEDTEKTER**

**VEDTEKTER**  
**FOR**  
**AKER EXPLORATION ASA**  
**(som endret 27. juni 2007)**

*§ 1    Navn og kontor*

Selskapets navn er Aker Exploration ASA. Selskapet er et allmennaksjeselskap med forretningskontor i Oslo.

*§ 2    Formål*

Selskapets virksomhet består i leting etter olje og gass og annen tilknyttet virksomhet, samt delta i andre selskaper.

*§ 3    Aksjekapital*

Selskapets aksjekapital er NOK 20.000.000 fordelt på 20.000.000 aksjer, hver pålydende NOK 1.

Selskapets aksjer skal registreres i Verdipapirsentralen.

*§ 4    Styre og daglig leder*

Selskapet skal ha et styre som består av 3-6 medlemmer. Selskapet skal ha en daglig leder, som ansettes av styret.

*§ 5    Valgkomité*

Selskapet skal ha en valgkomité bestående av minst 3 medlemmer som skal velges av generalforsamlingen. Valgkomiteen skal forberede valg av styremedlemmer. Generalforsamlingen kan vedta instruks for valgkomiteens arbeid.

*§ 6    Signatur og prokura*

Selskapets firma tegnes av styrets formann alene eller to styremedlemmer i fellesskap. Styret kan meddele prokura.

*§ 7    Generalforsamlingen*

Innkallelse til generalforsamlingen skal skje ved skriftlig innkallelse til den enkelte aksjonær senest to (2) uker før generalforsamlingen. Aksjonærer som ønsker å delta i generalforsamlingen, må melde seg hos selskapet innen den frist som angis i innkallelsen. Fristen for påmeldingen må ikke utløpe tidligere enn fem (5) dager før generalforsamlingen. Generalforsamlingen åpnes og ledes av styrets formann eller den han oppnevner.

Generalforsamlingen skal avholdes i Oslo.

På den ordinære generalforsamling skal følgende saker behandles og avgjøres:

- a) godkjenning av årsregnskap og åreberetningen, herunder utdeling av utbytte
- b) andre saker som er angitt i innkallelsen eller som etter loven eller vedtektene hører under generalforsamlingen

Appendix 3:  
**DET NORSKE OLJESELSKAP ASA ARTICLES OF ASSOCIATION  
(UNOFFICIAL TRANSLATION)**

This is not an official translation. In case of discrepancy between the Norwegian original text and the English language translation, the Norwegian text shall prevail.

## **Articles of Association of Det norske oljeselskap ASA**

(Amended 1 March 2005, 13 May 2005, 1 September 2005, 1 December 2000, 24 February 2006, 16 June 2006, 2 October 2006, 3 November 2006, 23 March 2007, 8 November 2007, and 6 December 2007)

### **1. THE COMPANY NAME**

The Company's name is Det norske oljeselskap ASA. The Company is a Norwegian Public Limited Company.

### **2. REGISTERED OFFICE**

The Company's registered office, where a substantial portion of the Company's administration and operational activities takes place, is located in the municipality of Trondheim.

### **3. SCOPE OF BUSINESS**

The Company's scope of business is petroleum exploration and production and activities related to this, as well as independently or in cooperation with other companies and stakeholders subscribe for shares or otherwise participate in such or other related enterprises.

### **4. SHARE CAPITAL**

The share capital is NOK 12,985,004 fully paid up and divided between 64,925,020 shares, each at face value NOK 0.20. The Company's shares shall be registered with the Norwegian Central Securities Depository (VPS).

### **5. BOARD OF DIRECTORS**

The Board of Directors shall be composed of five to ten members, who are elected for a period of up to two years.

## **7. SIGNATURE**

The Chairperson of the Board and one Director of the Board are empowered to jointly sign for the Company. The CEO shall be granted power of procuration.

## **8. ORDINARY GENERAL MEETING**

The Ordinary General Meeting is held each year within six months after the end of the fiscal year.

During the call-up period the documents shall be made available for the shareholders' inspection in the Company's registered office.

In the Notice of the General Meeting it may be decided that the shareholder or shareholder's proxy who requests to participate in the General Meeting must notify the Company. The notification deadline expires three days prior to the holding of the General Meeting, at the earliest.

The following items are to be considered and decided in the Ordinary General Meeting:

- a) Adoption of Profit and Loss Statement and Balance Sheet.
- b) Application of net income, including distribution of dividend or coverage of losses in accordance with the settled balance sheet.
- c) Election of Directors of the Board and Chairperson of the Board.
- d) Other issues which pursuant to law or the Articles of Association are to be decided by the Ordinary General Meeting.

In other respects current company legislation is applicable.

## **8. NOMINATION COMMITTEE**

The Company shall have a Nomination Committee consisting of 3-5 members, elected at the Ordinary General Meeting. The majority of the Nomination Committee shall be independent of the Board and the day-to-day administration. The Nomination Committee shall submit a recommendation for the election and remuneration of Board Members. The reasons for the Nomination Committee's proposal shall be given. The members of the Nomination Committee shall be elected for two years at a time.

Appendix 4:  
**DET NORSKE OLJESELSKAP ASA VEDTEKTER**

# **Vedtekter for Det norske oljeselskap ASA**

(Endret den 1. mars 2005, 13. mai 2005, 1. september 2005, 1. desember 2005, 24. februar 2006, 16. juni 2006 og 2. oktober 2006, 3. november 2006, 23. mars 2007, 8. november 2007, 6. desember 2007)

## **1. SELSKAPETS NAVN**

Selskapets navn er Det norske oljeselskap ASA. Selskapet er et allmennaksjeselskap.

## **2. FORRETNINGSKONTOR**

Selskapets forretningskontor, hvor vesentlige deler av Selskapets administrasjon og operative aktiviteter foregår, er i Trondheim kommune.

## **3. SELSKAPETS VIRKSOMHET**

Selskapets virksomhet er å drive petroleumsleting og -utvinning og hva som dermed står i forbindelse, samt ved aksjetegning eller på annen måte å delta i slik eller annen virksomhet alene eller i samarbeid med andre foretagender og interesser.

## **4. SELSKAPETS AKSJEKAPITAL**

Aksjekapitalen er NOK 12 985 004 fullt innbetalt og fordelt på 64 925 020 aksjer, hver pålydende NOK 0,20. Selskapets aksjer skal være registrert i Verdipapirsentralen.

## **5. STYRET**

Styret skal bestå av fem til ti medlemmer som velges for en periode på inntil to år.

## **6. SIGNATUR**

Selskapet tegnes av styrets leder og ett styremedlem i felleskap. Styret skal meddele administrerende direktør eneprokura.

## **7. ORDINÆR GENERALFORSAMLING**

Ordinær generalforsamling holdes hvert år innen 6 måneder etter utgangen av regnskapsåret.

Dokumentene skal i innkallingstiden være utlagt på selskapets kontor til ettersyn for aksjeeierne.

I innkalling til generalforsamling kan bestemmes at aksjeeier eller dennes fullmektig som ønsker å delta på generalforsamlingen må varsle selskapet. Fristen for anmeldelse utløper tidligst 3 dager før generalforsamlingen avholdes.

På den ordinære generalforsamling skal følgende spørsmål behandles og avgjøres:

- a) Fastsettelse av resultatregnskap og balanse.
- b) Anvendelse av årsoverskudd, herunder utdeling av utbytte eller dekning av underskudd i henhold til den fastsatte balanse.
- c) Valg av styremedlemmer og styrets leder.
- d) Andre saker som etter lov eller vedtekter hører under generalforsamlingen.

For øvrig gjelder den til enhver tid gjeldende aksjelovgivning.

## **8. VALGKOMITÉ**

Selskapet skal ha en valgkomité på 3-5 medlemmer valgt på selskapets ordinære generalforsamling. Flertallet av valgkomiteen skal være uavhengig av styret og den daglige ledelse. Valgkomiteen skal foreslå kandidater til styret og honorarer til styret. Valgkomiteens innstilling skal begrunnes. Valgkomiteens medlemmer velges for to år ad gangen.

Appendix 5:  
**THE MERGED COMPANY PROPOSED ARTICLES OF ASSOCIATION**

# **ARTICLES OF ASSOCIATION FOR THE MERGED COMPANY**

## **1. NAME OF THE COMPANY**

The Company's name is Det norske oljeselskap ASA. The company is a public limited company.

## **2. REGISTERED ADDRESS**

The company's registered address, where principle parts of the company's administrative and operational activities take place, is in the municipality of Trondheim.

## **3. OBJECT OF THE COMPANY**

The object of the company is to carry out exploration for and recovery of petroleum and activities related thereto, and, by subscribing for shares or by other means, to participate in corresponding businesses or other business, alone or in cooperation with other enterprises and interests.

## **4. THE COMPANY'S SHARE CAPITAL**

The company's share capital is NOK 111,111,111 fully-paid up and divided between 111,111,111 shares, each with a nominal value of NOK 1. The company's shares shall be registered in the Norwegian Central Securities Depository.

## **5. THE BOARD OF DIRECTORS**

The company's board of directors shall consist of between five and ten members to be elected for a period of up to two years.

## **6. SIGNATURE**

The chair of the board of directors and one board member jointly are authorised to sign on behalf of the company. The board of director's can grant powers of procuration.

## **7. GENERAL MEETING**

The annual general meeting shall be held each year within six months of the end of the financial year.

During the period of notice of the general meeting, the documents shall be available at the company's office for the shareholders' inspection.

Notices of general and extraordinary general meetings can state that a shareholder or his/her proxy who wishes to attend the general meeting must notify the company of this. The deadline for receipt of such notification by the company cannot be earlier than three days before the general meeting is to be held.

Documents concerning business that is to be discussed at the annual general meeting can also be made available to the shareholders on the company's website. This also applies to documents that by law shall be included in or attached to the notice of the annual general meeting.

The business of the annual general meeting is as follows:

1. Adoption of the annual report and accounts, including the distribution of dividend.
2. Statement from the board of directors regarding the stipulation of wages and other remuneration to leading personnel, and
3. Other matters that by law or statute are the business of the general meeting.

## **8. NOMINATION COMMITTEE**

The company shall have a nomination committee consisting of three members elected by the annual general meeting. The majority of the members of the nomination committee shall be independent of the board and the general management. The nomination committee shall propose candidates to the board and the nomination committee and remuneration of the board and members of the nomination committee. Grounds shall be stated for the nomination committee's recommendations. Members of the nomination committee are elected for a term of two years at a time.

Appendix 6:  
**MERGER PLAN (UNOFFICIAL TRANSLATION)**

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**MERGER PLAN FOR THE MERGER OF**

**DET NORSKE OLJESELSKAP ASA**

**AND**

**AKER EXPLORATION ASA**

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The companies shall be merged with Det norske oljeselskap ASA as the Transferring Company and Aker Exploration ASA as the Acquiring Company.

16 September 2009

## 1 BACKGROUND

Det norske oljeselskap ASA and Aker Exploration ASA are both Norwegian oil companies engaged in exploration for and development of petroleum resources on the Norwegian continental shelf. Det norske oljeselskap ASA's registered address is in Trondheim. The head office function is divided between Oslo and Trondheim. The company also has offices in Harstad and Stavanger. Aker Exploration ASA has offices in Oslo and Stavanger. Det norske oljeselskap ASA has around 140 employees. The corresponding number for Aker Exploration ASA is approximately 35.

Following negotiations, the Boards of Directors of Det norske oljeselskap ASA and Aker Exploration ASA signed an agreement on 24 August 2009 (hereinafter called the 'Integration Agreement') on the merger of Aker Exploration ASA and Det norske oljeselskap ASA, on specific terms and conditions and subject to certain reservations. The Integration Agreement forms the basis for this Merger Plan.

## 2 PARTIES TO THE MERGER

Transferring company:

Name of company: Det norske oljeselskap ASA (hereinafter called 'Det norske' or the 'Transferring Company')  
Organisation number: 987 904 275  
Registered in (municipality): Trondheim  
Address: Nedre Bakklandet 58 C, NO-7014 Trondheim

Acquiring Company:

Name of company: Aker Exploration ASA (hereinafter called 'AKX' or 'Acquiring Company')  
Organisation number: 989 795 848  
Registered in (municipality): Stavanger  
Address: Haakon VII's gate 9, NO-4003 Stavanger

Hereinafter, the abovementioned parties are jointly referred to as the 'Parties' and separately referred to as 'Party', the 'Party' or by their respective abbreviations.

## 3 INTRODUCTION – VISION AND OVERRIDING STRATEGY

The merger between Det norske and AKX will unite the two companies in their ambition to establish a unique oil company on the Norwegian continental shelf. The merger supports the strategy for an independent, Norwegian-owned oil company that concentrates on recovering as much as possible of the petroleum resources on the Norwegian continental shelf.

The Merged Company will be well positioned for further growth, organic as well as by adopting an offensive approach to further restructuring the industry in order to generate extensive value to society and the shareholders.

The Merged Company will be operator for 32 licences and will participate in more than 70 licences. This will give us better opportunities, both to choose the best prospects and to optimise the portfolio.

The Merged Company will have a considerable resource basis and will target the development of discoveries that can enable the company to produce 15,000-20,000 barrels a day within five years. Infrastructure-near exploration work will therefore continue at full pace, at the same time as more offensive exploration activities will be conducted in less explored areas on the Norwegian continental shelf.

At the same time, the Company will target the areas in the far north of Norway, not least the Barents Sea. The Merged Company will continue to utilise the two companies' strong exploration environments and organisations. AKX's current exploration organisation will largely continue, with 'tactical frontier' as its focus area.

The Merged Company will acquire considerable financial capacity through the merger. In some markets, the mere size of the company may be decisive for its ability to raise funds. Aker ASA, the Merged Company's biggest shareholder, is an ownership group with considerable industrial and financial expertise that may be of decisive importance to the company's ability to participate in future field developments. DNO International ASA, the Merged Company's second biggest shareholder, will, with its expertise in exploration and recovery, contribute to the company's continued growth.

The Merged Company will operate under Det norske's name, logo and profile. The registered address will still be in Trondheim. The head office functions will still be divided between Oslo and Trondheim. The Merged Company will also continue to be present in Harstad and Stavanger. Aker Exploration AS will change its name at some point, when this is considered expedient by the Merged Company.

#### **4 THE MERGER**

The Boards of Directors of Det norske and AKX have jointly prepared this Merger Plan. The Merger Plan regulates the merger between AKX and Det norske.

The merger will be carried out in accordance with the rules of the (Norwegian) Public Limited Liability Companies Act chapter 13. The merger will also be carried out in accordance with the rules relating to tax-free mergers in the (Norwegian) Taxation Act chapter 11 and in accordance with applicable accounting principles.

The merger will be effected as follows:

- a) Det norske will transfer all its assets, rights and obligations to AKX.
- b) As consideration for the merger, shareholders in Det norske will receive shares in AKX based on a conversion ratio of 82:18 between the companies in favour of Det norske. Det norske's shareholders will subsequently receive 1.403328 (rounded off) shares in AKX for each share they own in Det norske. Fractions of shares will not be allotted. For each individual shareholder, the number of shares will be rounded down to the nearest whole share. Surplus shares will be sold for the rights holders' account and risk with a proportionate distribution of the net sales proceeds among those shareholders the number of whose consideration shares has been rounded down. The sale shall be effected by the Merged Company, through a securities company or similar if applicable, as soon as possible after the merger has been effected. For tax purposes, such cash consideration will be deemed to be realisation.
- c) The consideration shares in AKX shall be deemed to be subscribed for when the Merger Plan is approved, cf. the Public Limited Liability Companies Act section 13-3, third paragraph. Settlement for the shares in the form of the transfer of the undertaking will take place when it is

registered that the merger has been effected, cf. the Public Limited Liability Companies Act section 13-16.

- d) Det norske's shareholders who receive consideration shares in AKX will be registered in AKX's share register as shareholders when the merger enters into force, cf. the Public Limited Liability Companies Act sections 13-17 and 10-10, and, from that date, the new shares will confer full shareholder rights in the company, including the right to dividend, cf. the Public Limited Liability Companies Act section 10-11.
- e) Det norske is struck off the register on completion of the merger.

## **5 EFFECTIVE DATE FOR ACCOUNTING PURPOSES**

For accounting purposes, the transactions in Det norske shall be deemed to be effected for AKX's account as from the date on which the merger is legally effective.

## **6 CONSIDERATION FOR THE MERGER**

When the merger is effected, those who are shareholders in Det norske oljeselskap ASA at the time of the merger will receive consideration in the form of shares in Aker Exploration ASA.

Consideration for the merger is based on a conversion ratio of 82:18 between the companies in favour of Det norske, so that this corresponds to the proportionate ownership of the shareholders in Det norske's and AKX, respectively, after the merger.

Det norske's shareholders will subsequently receive 1.403328 (rounded off) shares in AKX for each share they own in Det norske. All consideration shares will be issued through a new issue in Aker Exploration ASA. Fractions of shares will not be allotted. For each individual shareholder, the number of shares will be rounded down to the nearest whole share. Surplus shares will be sold for the rights holders' account and risk with a proportionate distribution of the net sales proceeds among the shareholders the number of whose consideration shares has been rounded down. The sale shall be effected by the Merged Company, through a securities company or similar if applicable, as soon as possible after the merger has been effected. For tax purposes, such cash consideration will be deemed to be realisation.

## **7 EMPLOYEE RELATIONS**

Discussions with employee representatives have taken place and information meetings have been held with employees of Det norske and AKX.

The employees will have the opportunity to exercise their right to state their opinion on the merger and the integration in accordance with the provisions of the Public Limited Liability Companies Act and the (Norwegian) Working Environment Act. The Merger Plan with Annexes will be made available to the companies' employees in accordance with the Public Limited Liability Companies Act section 13-11 (2). Any written opinions from the employees will be enclosed with the Merger Plan.

There are no plans for reorganisation or downsizing as a result of the merger, except for organisational changes at the managerial level. Nor are any changes planned involving

geographical relocation of jobs.

Unless individual employees of Det norske object to being transferred to AKX, all employees of Det norske will continue their employment with AKX on materially unchanged terms and conditions or on terms and conditions that are no less favourable to the employees.

The transfer of employees to Aker Exploration ASA will be in accordance with the rules of the Working Environment Act chapter 16 relating to the transfer of ownership of undertakings. In this connection, the employees will be informed about their right of reservation and preferential rights under the law and the deadline for exercising such rights. Pension rights will be transferred to AKX without any change.

There will be no change in the terms and conditions of employment for employees of AKX's subsidiary Aker Exploration AS in connection with the merger.

## **8 DETAILS CONCERNING THE MERGED COMPANY: NAME OF COMPANY, REGISTERED ADDRESS, BOARD OF DIRECTORS, MANAGEMENT, NOMINATION COMMITTEE, AUDITOR, ARTICLES OF ASSOCIATION AND STOCK EXCHANGE LISTING**

### **8.1 Company name**

In connection with the merger, Aker Exploration ASA, as the Acquiring Company, will change its name to Det norske oljeselskap ASA.

### **8.2 Registered address/ head office**

The registered address of the Merged Company shall be in Trondheim. The head office functions will still be divided between Oslo and Trondheim. The Merged Company will also continue to be present in Harstad and Stavanger.

### **8.3 Board of Directors**

A new Board of Directors will be elected for the Merged Company, and will take up office with effect from the date on which the merger is effective under company law.

Det norske's nomination committee, which was assigned responsibility for nomination of candidates to the Board of Directors of the Merged Company under the Integration Agreement, has proposed the following to serve on the Board:

Kjell Inge Røkke – chair of the board  
Berge Gerdt Larsen – board member  
Maria Moræus Hanssen – board member  
Hege Sjo – board member  
Kaare M. Gisvold – board member

Tore Lilloe-Olsen – first deputy member  
Marianne Elisabeth Johnsen – second deputy member  
Lone Fønss Gjørup Schrøder – third deputy member

In addition, as soon as practicable after the merger, two board members and deputy members, if applicable, shall be elected by and from among the employees.

#### 8.4 Management

The following executive management positions have been defined for the Merged Company:

Erik Haugane – chief executive officer

Øyvind Bratsberg – deputy chief executive officer

Finn Øistein Nordam – chief financial officer

Lars Thorud – chief business development officer and managing director of Aker Exploration AS

#### 8.5 Nomination committee

Det norske and AKX have agreed to propose that, after the merger, the Merged Company's nomination committee shall have the same members as those who are currently members of Det norske's nomination committee; such, however, that Berge Gerdt Larsen be replaced by another member so that the nomination committee will consist of the following:

Finn Haugan – chair

Øyvind Eriksen – member

Helge Eide – member

#### 8.6 Auditor

Det norske and AKX have agreed to recommend that the Merged Company elect Deloitte AS to be its auditor.

#### 8.7 Articles of Association

After the merger, the Merged Company's Articles of Association will be as stated in Annex 3.

#### 8.8 Stock exchange listing

The Merged Company shall be listed on Oslo Børs. This means that AKX will no longer be listed on Oslo Axess and that an application/request for listing the Merged Company's shares on Oslo Børs shall be filed, and such listing is a precondition for the merger, cf. section 17 below.

### **9 CONDITIONS FOR EXERCISING ONE'S SHAREHOLDER RIGHTS AND FOR REGISTRATION IN THE SHARE REGISTER**

Det norske's shareholders who receive consideration shares in AKX will be registered in AKX's share register as shareholders when the merger enters into force, cf. the Public Limited Liability Companies Act sections 13-17 and 10-10, and the new shares will confer full shareholder rights in the company, including the right to dividend, cf. the Public Limited Liability Companies Act section 10-11.

## **10 SHAREHOLDERS WITH SPECIAL RIGHTS ETC.**

Det norske has no shareholders with special rights or holders of subscription rights as mentioned in the Public Limited Liability Companies Act sections 11-1, 11-10 or 11-12.

With the exception of independent subscription rights pursuant to the Public Limited Liability Companies Act section 11-12, AKX has no shareholders with special rights or holders of subscription rights as mentioned in the Public Limited Liability Companies Act sections 11-1 or 11-10.

Aker Capital AS, who is the holder of the independent subscription rights, has issued a declaration stating that, on the condition that the merger takes place and with effect from the effective date of the merger, it renounces all its rights following the allotment. Det norske has no shareholders with special rights or holders of subscription rights as mentioned in the Public Limited Liability Companies Act sections 11-1, 11-10 or 11-12.

## **11 SPECIAL RIGHTS OR ADVANTAGES**

The merger will not confer any special rights or advantages on board members, the managing director or independent experts, other than ordinary fees for independent expert assistance in connection with the merger.

## **12 ARTICLES OF ASSOCIATION, ANNUAL ACCOUNTS, DRAFT OPENING BALANCE, AUDITOR'S STATEMENTS, AUDITED INTERMEDIATE BALANCE SHEETS**

Articles of Association for AKX are enclosed as Annex 1.

Articles of Association for Det norske are enclosed as Annex 2.

The annual accounts, directors' report and auditor's report for AKX for the years 2006, 2007 and 2008 are enclosed as Annex 4.

The annual accounts, directors' report and auditor's report for Det norske for the years 2006, 2007 and 2008 are enclosed as Annex 5.

Draft opening balance for AKX / the Merged Company is enclosed as Annex 6.

The auditor's statement that the balance sheet has been prepared in accordance with applicable accounting rules is enclosed as Annex 7.

The revised intermediate balance sheet for AKX as of 30 June 2009 is enclosed as Annex 12.

The revised intermediate balance sheet for Det norske as of 30 June 2009 is enclosed as Annex 13.

## **13 REPORT ON THE MERGER AND EXPERT STATEMENT ON THE MERGER PLAN**

The Board of Directors of AKX's report on the merger pursuant to the Public Limited Liability Companies Act section 13-9 is enclosed as Annex 8.

The Board of Directors of Det norske's report on the merger pursuant to the Public Limited Liability Companies Act section 13-9 is enclosed as Annex 9.

The expert statement on the Merger Plan pursuant to the Public Limited Liability Companies Act section 13-10 prepared by KPMG AS on assignment for the Board of Directors of AKX is enclosed as Annex 10.

The expert statement on the Merger Plan pursuant to the Public Limited Liability Companies Act section 13-10 prepared by Deloitte AS on assignment for the Board of Directors of Det norske is enclosed as Annex 11.

**14 PROPOSED RESOLUTION FOR APPROVAL OF THE MERGER PLAN BY DET NORSKE**

Det norske's Board of Directors proposes that the general meeting of the company adopt the following resolution in favour of effecting the merger:

*'The Merger Plan dated 16 September 2009 with Annexes relating to the merging of Det norske oljeselskap ASA and Aker Exploration ASA is approved, and the merger shall be effected in accordance with the Merger Plan.'*

**15 PROPOSED RESOLUTION IN AKX FOR THE APPROVAL OF THE MERGER PLAN, A CAPITAL INCREASE, AMENDMENTS TO THE ARTICLES OF ASSOCIATION, THE ELECTION OF A NEW BOARD OF DIRECTORS AND A NEW NOMINATION COMMITTEE ETC.**

Det norske's Board of Directors proposes that the general meeting of the company adopt the following resolution in favour of effecting the merger:

Merger:

*The Merger Plan dated 16 September 2009 with Annexes relating to the merging of Det norske oljeselskap ASA and Aker Exploration ASA is approved, and the merger shall be effected in accordance with the Merger Plan.*

Capital increase:

- 1) *The company's share capital shall be increased by NOK 91,111,111, from NOK 20,000,000 to NOK 111,111,111 through issuing 91,111,111 new shares, each with a nominal value of NOK 1.*
- 2) *Based on the value of the capital contribution, NOK 39.35416 (rounded off) shall be paid per share issued.*
- 3) *The capital increase shall be carried out as a step in the merger between the company and Det norske oljeselskap ASA, in which the company is the Acquiring Company, cf. the Public Limited Liability Companies Act section 13-4, cf. chapter 10. As consideration for the merger, the capital increase will be effected through issuing shares in a rights issue whereby shareholders in Det norske oljeselskap ASA will receive 1.403328 (rounded off) shares in the company for each share they hold in Det norske oljeselskap ASA; such, however, that no fractions of shares*

*will be allotted. For each individual shareholder, the number of shares will be rounded down to the nearest whole share. Surplus shares will be sold for the rights holders' account and risk with a proportionate distribution of the net sales proceeds among those shareholders the number of whose consideration shares has been rounded down. The sale shall be effected by the Merged Company, through a securities company or similar if expedient, as soon as possible after the merger has been effected.*

- 4) *The capital increase will be deemed to have been subscribed for when the Merger Plan is approved by the participating companies, cf. the Public Limited Liability Companies Act section 13-3 third paragraph. Settlement of the share contribution shall take place on the date that the effectuation of the merger is registered, cf. the Public Limited Liability Companies Act section 13-16.*
- 5) *Shareholders in Det norske oljeselskap ASA who receive consideration shares in the company shall be registered as shareholders in the company's share register when the merger enters into force, cf. the Public Limited Companies Act sections 13-17 and 10-10. From that date, the new shares shall confer rights, including dividend rights.*

#### Amendment of the Articles of Association:

*The company's articles of association shall be changed in accordance with the Board of Directors' proposal as shown in Annex 3 to the Merger Plan, with effect from the date on which the merger enters into force.*

#### Subscription rights:

*As stated in section 10 of the Merger Plan, the holder of subscription rights has renounced these rights in accordance with the allotment, on the condition that the merger takes place and from the date on which it is effected. Conditional on and with effect from the effective date of the merger these subscription rights shall be struck off the register. This shall be registered with the Norwegian Register of Business Enterprises.*

#### Board of Directors

*The following shall be elected by the shareholders to the new Board of Directors with effect from the date on which the merger enters into force:*

*Chair of the board: Kjell Inge Røkke  
Board member: Berge Gerdt Larsen  
Board member: Maria Moræus Hanssen  
Board member: Hege Sjø  
Board member: Kaare M. Gisvold*

*First deputy member: Tore Lilloe-Olsen  
Second deputy member: Marianne Elisabeth Johnsen  
Third deputy member: Lone Fønss Gjørup Schrøder*

#### Nomination committee

*The following shall be elected as members of the new nomination committee with effect from the date on which the merger enters into force:*

*Chair: Finn Haugan  
Member: Øyvind Eriksen  
Member: Helge Eide*

**Auditor**

*Deloitte AS shall be appointed new auditor with effect from the date on which the merger enters into force.'*

**16 THE PARTIES' OBLIGATIONS UP UNTIL THE MERGER IS EFFECTED**

Unless otherwise stated in the merger plan, the Parties, including their subsidiaries, shall conduct their activities in the ordinary manner until the merger is effected in accordance with practice at the time of entering into the Integration Agreement. The Parties shall refrain from:

- (i) making decisions that fall outside the ordinary operation of their business without first seeking the other Party's advice and consent;
- (ii) declaring or distributing dividend or making other distributions;
- (iii) changing their share capital or issuing options or other rights to subscribe to shares in either Party, and
- (iv) signing material agreements or making other material dispositions without first seeking the other Party's advice and consent;

If one of the Parties has sought the other Party's advice and consent in accordance with (i) and (iv) above, the other Party shall respond within a reasonable period of time and within seven days at the latest. Consent shall be given unless there are clear and reasonable grounds for denying such consent.

**17 TERMS AND CONDITIONS**

Effectuation of the merger is conditional on:

- (i) consent from the Norwegian Ministry of Petroleum and Energy pursuant to the Petroleum Activities Act section 10-12, clearance from the Norwegian Ministry of Finance pursuant to the Petroleum Taxation Act section 10 and pertaining regulations, and approval/clearance from the Norwegian competition authorities pursuant to the Competition Act being given on satisfactory terms;
- (ii) that it clarified that the shares in the Merged Company will be accepted for listing on Oslo Børs;
- (iii) consents/agreements deemed to be necessary for effecting the merger being given by or entered into with third parties on satisfactory terms;
- (iv) the holder of subscription rights as stated in section 10 above having renounced its rights in accordance with the allotment and AKX's general meeting having resolved to

strike the subscription rights off the register; and

- (v) the merger is effected in accordance with company law by 31 March 2010.

If consent from any of the authorities or third parties mentioned in (i), (iii) or (iv) is not given on terms that are satisfactory to the Parties, the Parties shall seek to reduce the negative effects of the decisions through, for example, initiating discussions with the competent authorities or the relevant third parties.

Each of the Parties is entitled to decide that the merger shall not be effected if, before the merger is registered as effected in the Register of Business Enterprises, cf. the Public Limited Liability Companies Act section 13-16 first paragraph, circumstances relating to one of the Parties are discovered or informed about that existed before the adoption of the Merger Plan, which the other Party neither knew or ought to have known about, and which have a material negative impact on the first-mentioned Party's financial position or on the Merged Company's development after the merger, in relation to what could reasonably have been expected, and which are not remedied.

A decision not to effect the merger pursuant to this section 17 shall only be made by the Board of Directors of the company in question and, in order to be valid, it must be made and communicated to the other Party as soon as possible and before the effectuation of the merger is registered with the Register of Business Enterprises, cf. the Public Limited Liability Companies Act section 13-16. If such a decision is communicated to the other Party, AKX shall not notify the Register of Business Enterprises that the merger will enter into force.

## **18 EFFECTUATION OF THE MERGER**

When the deadline pursuant to the Public Limited Liability Companies Act has expired, the relationship with any creditors who have raised objections against the merger has been clarified, and all terms and conditions (cf. section 17 above) are satisfied, AKX shall notify the Register of Business Enterprises of the entry into force of the merger pursuant to Public Limited Liability Companies Act section 13-17 first paragraph.

The date on which the notification is registered by the Register of Business Enterprises will constitute the date of entry into force of the merger under company law. When the notification has been registered by the Register of Business Enterprises, Det norske's assets, rights and obligations will be deemed to have been finally transferred to AKX. Det norske shall be deemed to be dissolved from the same date.

The date of entry into force of the merger shall be coordinated with the date on which the shares are listed on Oslo Børs.

## **19 COSTS**

If the merger is not carried out, each of the Parties shall cover its own costs in full.

## **20 AUTHORITY**

On adopting the Merger Plan, the general meeting authorises the Parties' Boards of Directors to effect minor adjustments and amendments to the Merger Plan as necessary or desirable, insofar as they are not to the detriment or inconvenience of the companies or the shareholders.

## 21 CHOICE OF LAW AND DISPUTES

The Merger Plan shall be governed by Norwegian law.

In the event of a dispute between the Parties concerning the interpretation, legal effects or other aspects of this Integration Agreement, the Parties shall seek to resolve the dispute through negotiations. If such negotiations fail to produce a result, either Party can demand that the dispute be resolved with final effect under Norwegian law through arbitration pursuant to the (Norwegian) Arbitration Act of 2004.

Such arbitration proceedings shall take place in Oslo, and the arbitration language shall be Norwegian.

An arbitration case shall be deemed to have been opened when one of the Parties sends its request for resolution of the dispute by arbitration to the other Party. As soon as the arbitration case has been opened, the Parties are obliged to enter into a separate agreement stipulating that the arbitration proceedings and the decision of the arbitration court shall be confidential.

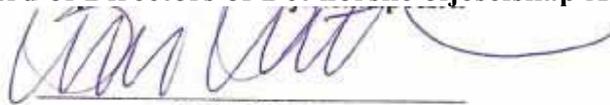
## 22 ANNEXES

- Annex 1: Articles of Association for AKX
- Annex 2: Articles of Association for Det norske
- Annex 3: Draft Articles of Association for the Merged Company
- Annex 4: Annual accounts, annual reports and auditor's reports for AKX for 2006, 2007 and 2008.
- Annex 5: Annual accounts, annual reports and auditor's reports for Det norske for 2006, 2007 and 2008.
- Annex 6: Draft opening balance for the Merged Company
- Annex 7: Auditor's statement that the balance sheet has been prepared in accordance with the rules of the Norwegian Accounting Act
- Annex 8: Report on the merger from AKX's Board of Directors
- Annex 9: Report on the merger from Det norske's Board of Directors
- Annex 10: Expert statement on the merger, prepared on assignment for AKX's Board of Directors
- Annex 11: Expert statement on the merger, prepared on assignment for Det norske's Board of Directors
- Annex 12: Audited intermediate balance sheet for AKX as of 30 June 2009
- Annex 13: Audited intermediate balance sheet for Det norske as of 30 June 2009

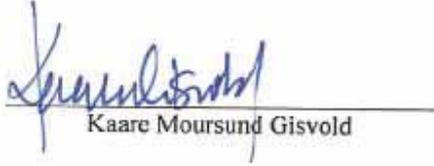
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Oslo, 16 September 2009

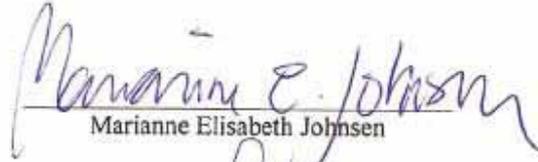
The Board of Directors of Det norske oljeselskap ASA



Svein Sivertsen



Kaare Moursund Gisvold



Marianne Elisabeth Johnsen



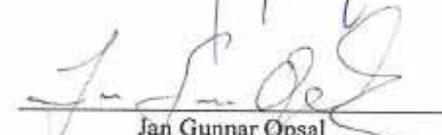
Lone Fønss Gjørup Schröder



Hege Sjø



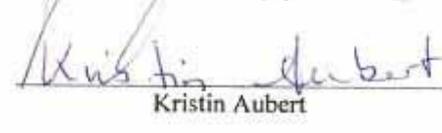
Tore Lilloe-Olsen



Jan Gunnar Opsal



Bjarne Kristoffersen



Kristin Aubert

Oslo, 16 September 2009

The Board of Directors of Aker Exploration ASA



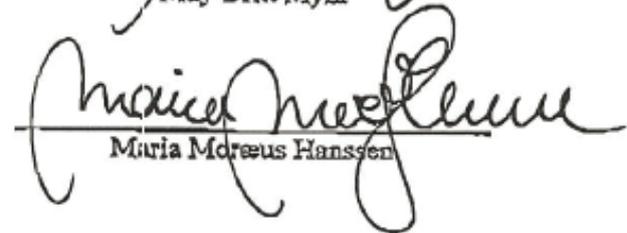
Kjell Inge Røkke



May Britt Myhr



Nina Udnes Tronstad



Miria Møræus Hanssen

For appendices to the Merger Plan, please follow one of the links below:

[http://www.detnor.no/index.php?option=com\\_content&task=view&id=658&Itemid=3](http://www.detnor.no/index.php?option=com_content&task=view&id=658&Itemid=3)  
<http://www.akerexploration.com/section.cfm?path=296,309>

or contact the companies directly:

**Det norske oljeselskap ASA**

Nedre Baklandet 58C  
NO-7014 Trondheim  
Norway  
Phone: +47 90 70 60 00  
Fax: +47 73 53 05 00

**Aker Exploration ASA**

Haakon VII's gt. 9  
P.O. Box 580 Sentrum  
NO-4003 Stavanger  
Norway  
Phone: +47 51 21 48 00  
Fax: +47 51 21 48 01

Appendix 7:  
**FUSJONSPLAN**

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**FUSJONSPLAN FOR FUSJON AV**

**DET NORSKE OLJESELSKAP ASA**

**OG**

**AKER EXPLORATION ASA**

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Fusjonen skal gjennomføres med Det norske oljeselskap ASA som overdragende selskap, og Aker Exploration ASA som overtakende selskap.

16. september 2009

## 1 BAKGRUNN

Det norske oljeselskap ASA og Aker Exploration ASA er begge norske oljeselskaper som driver leting og utbygging av petroleumsressurser på norsk sokkel. Det norske oljeselskap ASAs forretningskontor er i Trondheim. Hovedkontorfunksjoner er delt mellom Oslo og Trondheim. Selskapet har også kontorer i Harstad og Stavanger. Aker Exploration ASA har kontorer i Oslo og Stavanger. Det norske oljeselskap ASA har om lag 140 ansatte. Tilsvarende antall for Aker Exploration ASA er ca. 35.

Etter forhandlinger inngikk styrene i Det norske oljeselskap ASA og Aker Exploration ASA den 24. august 2009 en avtale (heretter kalt "Integrasjonsavtalen") om fusjon av Aker Exploration ASA og Det norske oljeselskap ASA, med nærmere spesifiserte vilkår og forbehold. Integrasjonsavtalen danner grunnlaget for denne fusjonsplanen.

## 2 PARTENE I FUSJONEN

Overdragende Selskap:

Firma:	Det norske oljeselskap ASA (heretter kalt "Det norske" eller "Overdragende selskap")
Organisasjonsnummer:	987 904 275
Forretningskommune:	Trondheim
Adresse:	Nedre Bakklandet 58 C, 7014 Trondheim

Overtakende Selskap:

Firma:	Aker Exploration ASA (heretter kalt "AKX" eller "Overtakende selskap")
Organisasjonsnummer:	989 795 848
Forretningskommune:	Stavanger
Adresse:	Haakon VII's gate 9, 4003 Stavanger

Ovennevnte parter er heretter samlet omtalt som "Partene" og enkeltvis omtalt som "Part", "Parten" eller de respektive forkortelser.

## 3 INNLEDNING – VISJON OG OVERORDNET STRATEGI

Fusjonen mellom Det norske og AKX forener de to selskaperes ambisjon om å etablere et unikt oljeselskap på norsk sokkel. Fusjonen underbygger strategien om et uavhengig, norskeid selskap konsentrert om å ta ut mest mulig av petroleumsressursene på norsk sokkel.

Det fusjonerte selskapet vil være godt posisjonert for videre vekst, både organisk og med en offensiv holdning til en fortsatt omstrukturering i bransjen, for derigjennom å skape større verdier for samfunnet og aksjonærene.

Det sammenslåtte selskapet vil være operatør for 32 lisenser, og vil i alt være med i over 70 lisenser. Dette gir gode muligheter til å velge de beste prospektene og til å optimalisere porteføljen.

Det fusjonerte selskapet vil ha et betydelig ressursgrunnlag og vil arbeide målbevisst med utbygginger av funn som kan gi selskapet en oljeproduksjon på 15 - 20 000 fat per dag innen fem år. Derfor vil arbeidet med infrastrukturnær leting fortsette med full styrke i parallell med en mer offensiv leteaktivitet i de mindre utforskede deler av norsk sokkel.

Selskapet vil samtidig satse målrettet på nordområdene, ikke minst i forhold til Barentshavet. Det fusjonerte selskapet vil videreføre sine sterke letemiljøer og -organisasjoner. AKXs nåværende leteorganisasjon vil i hovedsak videreføres med 'tactical frontier' som sitt satsningsområde.

Det fusjonerte selskapet får gjennom fusjonen betydelig finansiell kapasitet. Selskapets størrelse kan i seg selv være avgjørende for finansieringsevnen i ulike markeder. Aker ASA, som blir selskapets største aksjonær, er et Eiermiljø med betydelig industriell og finansiell kompetanse som kan være av vesentlig betydning for selskapets evne til å delta i framtidige feltutbygginger. DNO International ASA blir selskapets nest største aksjonær og vil med sin kompetanse innen leting og utvinning bidra til selskapets videre vekst.

Det fusjonerte selskapet skal videreføres under Det norske navn, logo og profil. Forretningskontoret vil fortsatt være i Trondheim. Hovedkontorfunksjoner skal fortsatt være delt mellom Oslo og Trondheim. Selskapet skal også videreføre sin tilstedeværelse i Harstad og Stavanger. Aker Exploration AS skal bytte navn på et tidspunkt som vurderes som hensiktsmessig av det fusjonerte selskapet.

#### 4 FUSJONEN

Styrene i Det norske og AKX har i fellesskap utarbeidet denne fusjonsplanen. Fusjonsplanen regulerer fusjonen av AKX og Det norske.

Fusjonen skal gjennomføres etter reglene i allmennaksjeloven kapittel 13. Fusjonen skal også gjennomføres i henhold til reglene om skattefri fusjon i skatteloven kapittel 11 og i samsvar med gjeldende regnskapsregler.

Fusjonen gjennomføres ved at:

- a. Det norske overfører samtlige av sine eiendeler, rettigheter og forpliktelser til AKX.
- b. Som fusjonsvederlag mottar aksjonærene i Det norske aksjer i AKX basert på et bytteforhold på 82:18 mellom selskapene i favør Det norske. Aksjonærene i Det norske skal etter dette motta 1,403328 (avrundet) aksjer i AKX for hver aksje de eier i Det norske. Brøkdeler av aksjer tildeles ikke. For hver aksjonær foretas en avrunding nedad til nærmeste hele aksjer. Overskytende aksjer selges for de berettigedes regning og risiko med en forholdsmessig fordeling av netto salgspromy blant de aksjonærer som får antallet vederlagsaksjer avrundet. Salget skal foretas av det fusjonerte selskapet, eventuelt gjennom et verdipapirforetak eller liknende, så raskt som mulig etter gjennomføring av fusjonen. Skattemessig anses slik kontantutbetaling som realisasjon.
- c. Vederlagsaksjene i AKX anses tegnet i og med godkjenning av fusjonsplanen, jf. allmennaksjeloven § 13-3, tredje ledd. Oppgjør for aksjene i form av overføring av virksomhet finner sted i og med registrering av gjennomføring av fusjonen, jf. allmennaksjeloven § 13-16.
- d. Aksjonærene i Det norske som mottar vederlagsaksjer i AKX vil bli innført som aksjonær i aksjeeierregisteret til AKX når fusjonen har trådt i kraft, jf. allmennaksjeloven § 13-17

og § 10-10, og de nye aksjene gir fulle aksjonærrettigheter, herunder rett til utbytte, fra dette tidspunkt, jf. allmennaksjeloven § 10-11.

c. Det norske slettes ved fusjonens gjennomføring.

## 5 TIDSPUNKT FOR REGNSKAPSMESSIG VIRKNING

Transaksjonene i Det norske skal regnskapsmessig anses å være foretatt for AKX' regning fra og med det selskapsrettslige gjennomføringstidspunkt for fusjonen.

## 6 FUSJONSVEDERLAGET

Ved fusjonen vil aksjonærene i Det norske per tidspunktet for fusjonens gjennomføring motta vederlag i form av aksjer i AKX.

Fusjonsvederlaget er basert på et bytteforhold på 82:18 mellom selskapene i favør av Det norske, altså slik at dette tilsvarer eierforholdet mellom Det norske og AKXs aksjonærer etter fusjonen.

Aksjonærene i Det norske skal etter dette motta 1,403328 (avrundet) aksjer i AKX for hver aksje de eier i Det norske. Samtlige vederlagsaksjer utstedes ved en emisjon i AKX. Brøkdeler av aksjer tildeles ikke. For hver aksjonær foretas en avrunding nedad til nærmeste hele aksjer. Overskytende aksjer selges for de berettigedes regning og risiko med en forholdsmessig fordeling av netto salgsproveny blant de aksjonærer som får antallet vederlagsaksjer avrundet. Salget skal foretas av det fusjonerte selskapet, eventuelt gjennom et verdipapirforetak eller liknende, så raskt som mulig etter gjennomføring av fusjonen. Skattemessig anses slik kontantutbetaling som realisasjon.

## 7 FORHOLDET TIL ANSATTE

Det er gjennomført drøftelser med tillitsvalgte og avholdt informasjonsmøter med ansatte i Det norske og AKX.

De ansatte vil få anledning til å utøve sine rettigheter til uttalelse om fusjonen og integrasjonen i samsvar med allmennaksjeloven og arbeidsmiljølovens bestemmelser. Fusjonsplanen med vedlegg vil bli gjort tilgjengelig for de ansatte i selskapene i samsvar med allmennaksjeloven § 13-11 (2). Eventuelle skriftlige uttalelser fra de ansatte vedlegges fusjonsplanen.

Det er ikke planlagt omstillings- eller nedbemanningstiltak utover organisatoriske endringer på ledernivå som følge av fusjonen. Det er heller ikke lagt opp til endringer som medfører noen geografisk relokalisering av arbeidsplasser.

Med mindre enkelte ansatte i Det norske reserverer seg mot at deres arbeidsforhold blir overført til AKX, vil samtlige ansatte i Det norske videreføre deres ansettelsesforhold i AKX på i det vesentligste uendrede vilkår eller vilkår som ikke er mindre gunstig for de ansatte.

Overføring av ansatte fra Det norske til AKX følger reglene om virksomhetsoverdragelse i arbeidsmiljøloven kapittel 16. De ansatte vil i denne forbindelse bli orientert om sin reservasjons- og fortrinnsrett etter loven og fristen for å utøve slike rettigheter. Pensjonsrettigheter videreføres uendret i AKX.

Ansatte i AKXs datterselskap Aker Exploration AS vil ikke få endret sine ansettelsesforhold eller betingelser ved fusjonen.

## **8 NÆRMERE OM DET FUSJONERTE SELSKAP: FORETAKSNAVN, FORRETNINGSKONTOR, STYRE, LEDELSE, VALGKOMITÉ, REVISOR, VEDTEKTER OG NOTERING**

### **8.1 Foretaksnavn**

I forbindelse med gjennomføring av fusjonen skal Aker Exploration ASA, som overtakende selskap, endre navn til Det norske oljeselskap ASA.

### **8.2 Forretningskontor / hovedkontor**

Det fusjonerte selskapets forretningskontor skal være i Trondheim. Hovedkontorfunksjoner skal fortsatt være delt mellom Oslo og Trondheim. Selskapet skal også videreføre sin tilstedeværelse i Harstad og Stavanger.

### **8.3 Styre**

Det skal velges nytt styre i det fusjonerte selskapet, som skal tiltre med virkning fra det selskapsrettslige gjennomføringstidspunktet for fusjonen.

Det norske valgkomite, som i henhold til Integrasjonsavtalen er tillagt innstillingsmyndighet til valg av styre i det fusjonerte selskapet, har foreslått følgende nytt styre:

Kjell Inge Røkke - formann  
Berge Gerdt Larsen - medlem  
Maria Moræus Hanssen - medlem  
Hege Sjø - medlem  
Kaare M. Gisvold - medlem

Tore Lilloe-Olsen - første varamedlem  
Marianne Elisabeth Johnsen - andre varamedlem  
Lone Fønss Gjørup Schrøder - tredje varamedlem

I tillegg skal det så snart som mulig etter gjennomføring av fusjonen velges to styremedlemmer samt eventuelle varamedlemmer av og blant de ansatte.

### **8.4 Ledelse**

Følgende stillinger i hovedledelsen i det fusjonerte selskapet er definert:

Erik Haugane - administrerende direktør  
Øyvind Bratsberg - viseadministrerende direktør  
Finn Øistein Nordam - finansdirektør  
Lars Thorrud - direktør for forretningsutvikling og daglig leder i Aker Exploration AS

### 8.5 Valgkomité

Det norske og AKX er enige om å anbefale at valgkomitéen i det fusjonerte selskapet etter fusjonen skal bestå av de samme medlemmer som på nåværende tidspunkt er medlemmer i Det norske valgkomité, likevel slik at Berge Gerdt Larsen foreslås erstattet med medlem slik at ny valgkomité blir bestående av følgende:

Leder - Finn Haugan  
Medlem - Øyvind Eriksen  
Medlem - Helge Eide

### 8.6 Revisor

Det norske og AKX er enige om å anbefale at det fusjonerte selskapet velger Deloitte AS som revisor.

### 8.7 Vedtekter

Det fusjonerte selskapet skal ha vedtekter som angitt i Vedlegg 3 etter fusjonen.

### 8.8 Notering

Det fusjonerte selskapet skal være notert på Oslo Børs. Dette innebærer at AKXs notering på Oslo Axess opphører og at det fusjonerte selskapet aksjer skal søkes/anmodes notert på Oslo Børs, og slik notering er en betingelse for gjennomføring av fusjonen, jf. punkt 17 nedenfor.

## 9 **VILKÅR FOR UTØVELSE AV RETTIGHETER SOM AKSJONÆR OG FOR REGISTRERING I AKSJEEIERREGISTERET**

Aksjonærene i Det norske som mottar vederlagsaksjer i AKX vil bli innført som aksjonær i aksjeeierregisteret til AKX når fusjonen har trådt i kraft, jf. allmennaksjeloven § 13-17 og § 10-10, og de nye aksjene gir fulle aksjonærrettigheter, herunder rett til utbytte, fra dette tidspunkt, jf. allmennaksjeloven § 10-11.

## 10 **AKSJEEIERE MED SÆRLIGE RETTIGHETER MV.**

Det er ingen aksjeeiere med særlige rettigheter eller innehavere av tegningsrett som nevnt i allmennaksjeloven §§ 11-1, 11-10 eller 11-12 i Det norske.

Med unntak av frittstående tegningsretter etter allmennaksjeloven § 11-12, er det ingen aksjeeiere med særlige rettigheter eller innehavere av tegningsrett som nevnt i allmennaksjeloven §§ 11-1 eller 11-10 i AKX.

Innehaver til de frittstående tegningsrettighetene, Aker Capital AS, har avgitt en erklæring om at de, betinget av og med virkning fra fusjonens gjennomføring, frasier seg de rettigheter de har etter tildelingen. Det vil således etter fusjonen ikke være noen aksjeeiere med særlige rettigheter eller innehavere av tegningsrett som nevnt i allmennaksjeloven §§ 11-1, 11-10 eller 11-12 i AKX.

**11 SÆRLIG RETT ELLER FORDEL**

Det vil ikke tilfalle styremedlemmer, daglig leder eller uavhengige sakkyndige noen særlig rett eller fordel ved fusjonen, ut over alminnelig honorar for bistand fra uavhengige sakkyndige i forbindelse med fusjonen.

**12 VEDTEKTER, ÅRSREGNSKAPER, UTKAST TIL ÅPNINGSBALANSE, UTTALELSE FRA REVISOR, REVIDERTE MELLOMBALANSER**

Vedtekter for AKX er vedlagt som Vedlegg 1.

Vedtekter for Det norske er vedlagt som Vedlegg 2.

Årsregnskap, årsberetning og revisjonsberetning for AKX for årene 2006, 2007 og 2008 er vedlagt som Vedlegg 4.

Årsregnskap, årsberetning og revisjonsberetning for Det norske for 2006, 2007 og 2008 er vedlagt som Vedlegg 5.

Utkast til åpningsbalanse for AKX / det fusjonerte selskapet er vedlagt som Vedlegg 6.

Revisors uttalelse om at balansen er gjort opp i samsvar med gjeldende regnskapsregler er vedlagt som Vedlegg 7.

Revidert mellombalanse for AKX per 30. juni 2009 er vedlagt som vedlegg 12.

Revidert mellombalanse for Det norske per 30. juni 2009 er vedlagt som vedlegg 13.

**13 RAPPORT OM FUSJONEN OG REDEGJØRELSE FOR FUSJONSPLANEN**

Rapport fra styret i AKX om fusjonen i henhold til allmennaksjeloven § 13-9. er vedlagt som Vedlegg 8.

Rapport fra styret i Det norske om fusjonen i henhold til allmennaksjeloven § 13-9. er vedlagt som Vedlegg 9.

Sakkyndig redegjørelse for fusjonsplanen i henhold til allmennaksjeloven § 13-10 utarbeidet av KPMG AS på oppdrag fra styret i AKX er vedlagt som Vedlegg 10.

Sakkyndig redegjørelse for fusjonsplanen i henhold til allmennaksjeloven § 13-10 utarbeidet av Deloitte AS på oppdrag fra styret i Det norske er vedlagt som Vedlegg 11.

**14 FORSLAG TIL VEDTAK I DET NORSKE OM GODKJENNELSE AV FUSJONSPLANEN**

Styret i Det norske foreslår at generalforsamlingen i selskapet treffer følgende vedtak til gjennomføring av fusjonen:

*Fusjonsplan med vedlegg datert 16. september 2009 vedrørende fusjon av Det norske oljeselskap ASA og Aker Exploration ASA godkjennes og fusjonen skal gjennomføres i henhold til fusjonsplanen.*

**15 FORSLAG TIL VEDTAK I AKX OM GODKJENNELSE AV FUSJONSPLANEN, KAPITALFORHØYELSE, VEDTEKTSENDRING, VALG AV NYTT STYRE OG VALGKOMITÉ MV.**

Styret i AKX foreslår at generalforsamlingen i selskapet treffer følgende vedtak til gjennomføring av fusjonen:

Fusjon:

*Fusjonsplan med vedlegg datert 16. september 2009 vedrørende fusjon av Det norske oljeselskap ASA og Aker Exploration ASA godkjennes og fusjonen skal gjennomføres i henhold til fusjonsplanen.*

Kapitalforhøyelse:

- 1) *Selskapets aksjekapital økes fra NOK 20 000 000 med NOK 91 111 111 til NOK 111 111 111 ved utstedelse av 91 111 111 nye aksjer hver pålydende NOK 1.*
- 2) *Basert på verdien av innskuddet betales det NOK 39,35416 (avrundet) per aksje som utstedes.*
- 3) *Kapitalforhøyelsen gjennomføres som ledd i fusjonen mellom selskapet og Det norske oljeselskap ASA hvor selskapet er overtakende, jf. allmennaksjeloven § 13-4 jf. kapittel 10. Som fusjonsvederlag for denne gjennomføres kapitalforhøyelsen som en rettet emisjon mot aksjonærene i Det norske oljeselskap ASA, der de mottar 1,403328 (avrundet) aksjer i selskapet for hver aksje de eier i Det norske oljeselskap ASA, likevel slik at de ikke mottar brøkdeler av aksjer. For hver aksjonær foretas en avrunding nedad til nærmeste hele aksjer. Overskytende aksjer selges for de berettigedes regning og risiko med en forholdsmessig fordeling av netto salgsproveny blant de aksjonærer som får antallet vederlagsaksjer avrundet. Salget skal foretas, eventuelt gjennom et verdipapirforetak eller liknende, av det fusjonerte selskapet så raskt som mulig etter gjennomføring av fusjonen.*
- 4) *Kapitalforhøyelsen anses tegnet ved godkjenning av fusjonsplanen i de deltakende selskapene, jf. allmennaksjeloven § 13-3, tredje ledd. Oppgjør av aksjeinnskuddet finner sted i og med registrering av gjennomføring av fusjonen, jf. allmennaksjeloven § 13-16.*
- 5) *Aksjonærene i Det norske oljeselskap ASA som mottar vederlagsaksjer i selskapet skal innføres som aksjonær i selskapets aksjeeierregister når fusjonen har trådt i kraft, jf. allmennaksjeloven § 13-17 og § 10-10. De nye aksjene gir rettigheter, herunder rett til utbytte, fra dette tidspunkt.*

Vedtektsendring:

*Selskapets vedtekter endres i henhold til forslag fra styret som angitt i vedlegg 3 til fusjonsplanen, med virkning fra fusjonens ikrafttredelse.*

Tegningsrettigheter:

*Innehaver av tegningsrettighetene som angitt i punkt 10 i fusjonsplanen har, betinget av og med virkning fra fusjonens gjennomføring, frasagt seg rettighetene i henhold til tildelingen. Betinget av og med virkning fra fusjonens gjennomføring vedtas tegningsrettighetene slettet. Slettingen skal registreres i Foretaksregisteret.*

Styre:

*Som aksjonærvalgte styremedlemmer i nytt styre med virkning fra fusjonens ikrafttredelse velges:*

*Styrets leder – Kjell Inge Røkke  
Styremedlem – Berge Gerdt Larsen  
Styremedlem – Maria Moræus Hanssen  
Styremedlem – Hege Sjø  
Styremedlem – Kaare M. Gisvold*

*Første varamedlem - Tore Lilloe-Olsen  
Andre varamedlem - Marianne Elisabeth Johnsen  
Tredje varamedlem - Lone Fønss Gjørup Schrøder*

Valgkomité:

*Som ny valgkomité med virkning fra fusjonens ikrafttredelse velges:*

*Leder - Finn Haugan  
Medlem - Øyvind Eriksen  
Medlem - Helge Eide*

Revisor

*Som ny revisor med virkning fra fusjonens ikrafttredelse velges Deloitte AS.*

**16 PARTENES PLIKTER FREM TIL GJENNOMFØRINGEN AV FUSJONEN**

Med mindre annet fremgår av fusjonsplanen, skal Partene, herunder datterselskaper, frem til gjennomføring av fusjonen drive sin virksomhet på ordinær måte i samsvar med praksis på tidspunktet for inngåelse av Integrasjonsavtalen. Partene skal ikke;

- (i) foreta beslutninger som ligger utenfor den ordinære drift av virksomheten, uten først å ha søkt den annen Parts råd og samtykke;
- (ii) gjennomføre eller vedta utbytte eller annen utdeling;
- (iii) endre Partenes aksjekapital eller utstede opsjoner eller andre rettigheter til å tegne aksjer i Partene; og
- (iv) inngå vesentlige avtaler eller foreta andre vesentlige disposisjoner uten først å ha søkt den annen Parts råd og samtykke;

Dersom en Part i henhold til punkt (i) og (iv) over har søkt om den annen Parts råd og samtykke, skal den Part gi sin tilbakemelding innen rimelig tid, og senest innen 7 dager. Samtykke skal gis med mindre det foreligger klart saklig grunnlag for annet.

## 17 BETINGELSER

Gjennomføring av fusjonen er betinget av at:

- (i) samtykke fra Olje- og energidepartementet i henhold til petroleumsloven § 10-12, avklaring i forhold til Finansdepartementet i henhold til petroleumsskatteloven § 10 med tilhørende forskrifter samt og godkjennelse/klarering i forhold til konkurransemyndighetene i henhold til konkurranseloven gis på tilfredsstillende vilkår;
- (ii) at det avklares at aksjene i det fusjonerte selskapet vil bli opptatt til notering på Oslo Børs;
- (iii) samtykker/avtaler fra/med tredjeparter som anses nødvendig for å gjennomføre fusjonen gis på tilfredsstillende vilkår;
- (iv) innehaver av tegningsrettighetene som angitt i punkt 10 ovenfor har frasagt seg rettighetene i henhold til tildelingen og det er truffet beslutning i AKXs generalforsamling om sletting av tegningsrettighetene; og
- (v) fusjonen er selskapsrettslig gjennomført innen 31. mars 2010.

Dersom samtykker fra myndigheter eller tredjeparter som nevnt i punkt (i), (iii) eller (iv) ikke gis på vilkår som er tilfredsstillende for Partene, skal Partene søke å redusere de negative virkningene av vedtakene gjennom for eksempel drøftelser med involverte myndigheter eller tredjeparter.

Hver av Partene har rett til å beslutte at fusjonen ikke skal gjennomføres dersom det før fusjonen registreres gjennomført i Foretaksregisteret, jf. allmennaksjeloven § 13-16, 1. ledd, avdekkes eller opplyses om forhold knyttet til en Part som forelå før fusjonsplanen ble vedtatt, og som ikke var eller burde vært kjent for den annen Part, og som har vesentlig negativ betydning for den førstnevnte Parts økonomiske stilling eller det fusjonerte selskaps utvikling etter fusjonen, i forhold til det som med rimelighet kunne forventes, og som ikke avhjelpes.

Beslutning om ikke å gjennomføre fusjonen i medhold av dette punkt 17 skal kunne treffes av styret i vedkommende selskap, og må før å kunne gjøres gjeldende treffes og meddeles den annen Part så snart som mulig og før fusjonen registreres gjennomført i Foretaksregisteret, jf. allmennaksjeloven § 13-16. Dersom slik beslutning er meddelt den annen Part skal AKX ikke gi melding til Foretaksregisteret om at fusjonen skal tre i kraft.

## 18 GJENNOMFØRING AV FUSJONEN

Når fristen i henhold til allmennaksjeloven, er utløpt, forholdet til eventuelle kreditorer som har reist innsigelse mot fusjonen, er avklart, og alle betingelser jf. punkt 17 ovenfor, er oppfylt, skal AKX gi melding til Foretaksregisteret i henhold til allmennaksjeloven § 13-17 første ledd om at fusjonen skal tre i kraft.

Tidspunktet for registrering av meldingen i Foretaksregisteret vil være fusjonens selskapsrettelige ikrafttredelsestidspunkt. Når meldingen er registrert i Foretaksregisteret, skal Det norske eiendeler, rettigheter og forpliktelser anses endelig overdratt AKX. Fra samme tidspunkt anses Det norske oppløst.

Ikrafttredelsestidspunktet for fusjonen skal koordineres med tidspunktet for notering av aksjene på Oslo Børs.

## 19 KOSTNADER

Dersom fusjonen faller bort skal hver av Partene fullt ut dekke egne kostnader.

## 20 FULLMAKT

Ved vedtakelse av fusjonsplanen gir generalforsamlingene fullmakt til styrene i Partene til i fellesskap å gjennomføre eventuelle mindre tilpasninger og endringer i fusjonsplanen som finnes nødvendige eller ønskelige så lenge det ikke er til skade eller ulcmpe for selskapene eller aksjonærene.

## 21 LOVVALG OG TVISTER

Fusjonsplanen er underlagt norsk rett.

Dersom det oppstår tvist mellom Partene om tolkningen av, rettsvirkningene av eller andre forhold vedrørende denne Integrasjonsavtalen, skal tvisten søkes løst ved forhandlinger. Fører slike forhandlinger ikke frem kan hver av Partene forlange tvisten avgjort med endelig virkning etter norsk rett ved voldgift etter voldgiftsloven av 2004.

Voldgiftsforhandlingene skal holdes i Oslo, og voldgiftsspråket skal være norsk.

Voldgiftssaken skal anses innledet når en Part sender sin begjæring til den annen Part om at tvisten skal avgjøres ved voldgift. Straks voldgiftssak er innledet, er Partene forpliktet til å inngå separat avtale om at voldgiftsbehandlingen og voldgiftsrettens avgjørelse skal være underlagt taushetsplikt.

## 22 VEDLEGG

- Vedlegg 1: Vedtekter for AKX
- Vedlegg 2: Vedtekter for Det norske
- Vedlegg 3: Utkast til vedtekter for det fusjonerte selskapet
- Vedlegg 4: Årsregnskap, årsberetning og revisjonsberetning for AKX for 2006, 2007 og 2008
- Vedlegg 5: Årsregnskap, årsberetning og revisjonsberetning for Det norske for 2006, 2007 og 2008
- Vedlegg 6: Utkast til åpningsbalanse for det fusjonerte selskap
- Vedlegg 7: Uttalelse fra revisor om at balansen er gjort opp i samsvar med regnskapslovens regler

- Vedlegg 8: Rapport om fusjonen fra styret i AKX
- Vedlegg 9: Rapport om fusjonen fra styret i Det norske
- Vedlegg 10: Sakkyndig redegjørelse for fusjonen, utarbeidet på oppdrag fra styret i AKX
- Vedlegg 11: Sakkyndig redegjørelse for fusjonen, utarbeidet på oppdrag fra styret i Det norske
- Vedlegg 12: Revidert mellombalanse for AKX per 30. juni 2009
- Vedlegg 13: Revidert mellombalanse for Det norske per 30. juni 2009

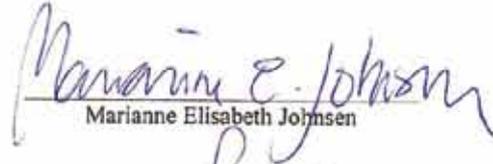
\* \* \* \* \*

Oslo, den 16. september 2009

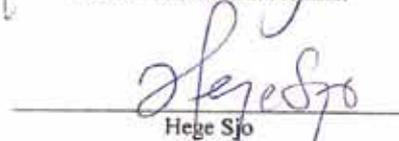
Styret i Det norske oljeselskap ASA:

  
Svein Sivertsen

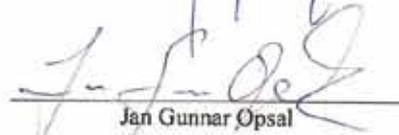
  
Kaare Moursund Gisvold

  
Marianne Elisabeth Joimsen

  
Lone Fønss Gjørup Schrøder

  
Hege Sjø

  
Tore Lilloe-Olsen

  
Jan Gunnar Opsal

  
Bjørn Kristoffersen

  
Kristin Aubert

Oslo, den 16. september 2009

Styret i Aker Exploration ASA:

  
Kjetil Inge Røkke

  
Nina Utnes Tronstad

  
May Britt Myhr

  
Maria Møræus Hanssen

For vedlegg til fusjonsplanen, vennligst følg linkene under:

[http://www.detnor.no/index.php?option=com\\_content&task=view&id=658&Itemid=3](http://www.detnor.no/index.php?option=com_content&task=view&id=658&Itemid=3)  
<http://www.akerexploration.com/section.cfm?path=296,309>

eller kontakt selskapene:

**Det norske oljeselskap ASA**

Nedre Baklandet 58C

7014 Trondheim

Norge

Tlf.: +47 90 70 60 00

Faks.: +47 73 53 05 00

**Aker Exploration ASA**

Haakon VII's gt. 9

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4003 Stavanger

Norge

Tlf.: +47 51 21 48 00

Faks.: +47 51 21 48 01

Appendix 8:  
**INDEPENDENT REPORT ON PRO FORMA FINANCIAL INFORMATION**

## *Independent Assurance Report on the Pro Forma Financial Information*

*To the Board of Directors of Aker Exploration ASA*

In accordance with the “Continuing Obligations of companies listed on Oslo Axess” and EU Regulation No 809/2004 as included in the Norwegian Securities Trading Act section 7-13, we report on the compilation of the consolidated unaudited pro forma financial information of Aker Exploration ASA (“the Company”) consisting of the consolidated unaudited pro forma profit and loss account of the Company for the year ended 31 December 2008, the consolidated unaudited balance sheet as at 30 June 2009, the consolidated unaudited profit and loss account for the period ended 30 June 2009 and accompanying notes and descriptions to the consolidated unaudited pro forma financial information, which is set out in section 7.11 of the Company’s Information Memorandum dated 28 September 2009.

The pro forma financial information has been compiled on the basis described in section 7.11 of the Information Memorandum for illustrative purposes only, to provide information about how the merger with Det norske oljeselskap ASA might have affected the unaudited consolidated balance sheet of the Company as at 30 June 2009, and the unaudited consolidated profit and loss account of the Company for the six months ended 30 June 2009 and the unaudited consolidated profit and loss account of the Company for the year ended 31 December 2008. Because of its nature, the pro forma financial information addresses a hypothetical situation and, therefore, does not represent the Company’s actual financial position or results.

### *The Board of Directors' responsibility*

It is the Board of Directors’ responsibility to compile the pro forma financial information in accordance with the requirements of EU Regulation No 809/2004.

### *Reporting responsibility*

It is our responsibility to provide the opinion required by Annex II item 7 of EU Regulation No 809/2004 as to the proper compilation of the Pro Forma Financial Information. We are not responsible for updating any reports or opinions previously made by us for any events that occurred subsequent to the dates of our reports on the historical financial information used in the compilation of the pro forma financial information, nor does the aforementioned opinion require an audit of historical unadjusted financial information, the adjustments to conform the accounting policies of the Company to the accounting policies of Det norske oljeselskap ASA, or the assumptions summarized in section 7.11 of the Information Memorandum. The financial information used in the compilation of the pro forma information is unaudited as described in section 7.11 of the Information Memorandum. We do not accept any responsibility for financial information which we have not audited.

## *Work performed*

We conducted our work in accordance with Norwegian Standard on Assurance Engagements 3000, "Assurance Engagements Other than Audits or Reviews of Historical Financial Information". We planned and performed our work to obtain reasonable assurance that the Pro Forma Financial Information in all material respect has been properly compiled on the basis stated and that such basis is consistent with the accounting policies of Det norske oljeselskap ASA. Our work primarily consisted of comparing the unadjusted financial information with the source documents as presented in section 7.11 of the Information Memorandum, considering the evidence supporting the adjustments and discussing the Pro Forma Financial Information with the Management of the Company and Det norske oljeselskap ASA.

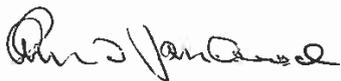
## *Opinion*

In our opinion:

- a) The pro forma financial information has been properly compiled on the basis stated in section 7.11 of the Information Memorandum; and
- b) That basis is consistent with the accounting policies of Det norske oljeselskap ASA.

This report is issued for the sole purpose of the Information Memorandum required by Oslo Børs' "Continuing Obligations of companies listed on Oslo Axess" section 3.5, as set out in the Information Memorandum. This report is not appropriate in other jurisdictions and should not be used or relied upon for any purpose other than the merger with Det norske oljeselskap ASA.

Trondheim 28 September 2009  
Deloitte AS



Karl O. Sanderød  
State Authorized Public Accountant ( Norway )

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