Prospectus

SeaBird Exploration Plc

(a company incorporated under the laws of the Republic of Cyprus)

Listing of 54,389,711 New Shares

This prospectus (the "**Prospectus**") relates to, and has been prepared in connection with the listing and admission to trading on Oslo Børs of 54,389,711 new shares, each with a par value of USD 0.10 (the "**New Shares**") in SeaBird Exploration Plc (the "**Company**").

The distribution of this Prospectus in certain jurisdictions may be restricted by law. The Company and the Managers require persons in possession of this Prospectus to inform themselves about, and to observe, any such restrictions. This Prospectus does not constitute an offer of, or an invitation to purchase, any of the New Shares in any jurisdiction in which such offer or subscription or purchase would be unlawful.

Investing in the Shares of the Company involves a high degree of risk; see Section 2 "Risk Factors" beginning on page 9.

Joint Lead Managers:

ABG Sundal Collier ASA **Arctic Securities AS**

The date of this Prospectus is 4 August 2017

IMPORTANT NOTICE

Please refer to Section 14 for definitions of terms used throughout this Prospectus, which also apply to the preceding pages.

This Prospectus has been prepared in order to provide information about SeaBird Exploration Plc and its business in relation to the listing of the New Shares and to comply with the Norwegian Securities Trading Act of June 29, 2007 no. 75 (the "Norwegian Securities Trading Act") and related secondary legislation, including EC Commission Regulation (EC) no. 809/2004 implementing Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive 2010/73/EU) regarding information contained in prospectuses (the "Prospectus Directive"). This Prospectus has been prepared solely in the English language.

The Company has furnished the information in this Prospectus. The Company has engaged ABG Sundal Collier ASA and Arctic Securities AS as Managers for the matters giving rise to this Prospectus. Neither the Company nor the Managers have authorised any other person to provide investors with any other information related to the matters giving rise to the Prospectus and neither the Company nor the Managers will assume any responsibility for any information other persons may provide. Unless otherwise indicated, the information contained herein is current as of the date hereof and the information is subject to change, completion and amendment without notice. In accordance with Section 7-15 of the Norwegian Securities Trading Act, every significant new factor, material mistake or inaccuracy that is capable of affecting the assessment of the Shares arising after the time of approval of this Prospectus and before the date of Listing on Oslo Børs will be published and announced promptly as a supplement to this Prospectus. Neither the publication nor distribution of this Prospectus shall under any circumstances create any implication that there has been no change in SeaBird's affairs since the date hereof or that the information herein is correct as of any time since its date.

An investment in the Company involves inherent risks. Potential investors should carefully consider the risk factors set out in Section 2 in addition to the other information contained herein before making an investment decision. An investment in the Company is suitable only for investors who understand the risk factors associated with this type of investment and who can afford a loss of their entire investment. Investors should be aware that they may be required to bear the financial risks of an investment in the securities of the Company for an indefinite period of time. The contents of this Prospectus are not to be construed as legal, business or tax advice. Each prospective investor should consult with its own legal adviser, business adviser and tax adviser as to legal, business and tax advice. In the ordinary course of their respective businesses, the Managers and certain of their respective affiliates have engaged, and will continue to engage, in investment and commercial banking transactions with SeaBird. The securities described herein are subject to restrictions on transferability and resale under applicable securities legislation of certain jurisdictions and may not be transferred or resold except as permitted under applicable securities laws and regulations. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. Without limiting the manner in which the Company may choose to make any public announcements, and subject to the Company's obligations under applicable law, announcements relating to the matters described in this Prospectus will be considered to have been made once they have been received by Oslo Børs and distributed through its information system.

The distribution of this Prospectus in certain jurisdictions may be restricted by law. An overview of certain of these restrictions is provided in Section 5.4 of this Prospectus. The Company and the Managers require persons in possession of this Prospectus to inform themselves about, and to observe, any such restrictions. This Prospectus does not constitute an invitation to purchase any of the securites of the Company in any jurisdiction in which such purchase would be unlawful. No one has taken any action that would permit the distribution of this Propectus outside of Norway. Furthermore, the restrictions and limitations listed and described herein are not exhaustive, and other restrictions and limitations in relation to the Prospectus that are not known or identified by the Company and the Managers at the date of this Prospectus may apply in various jurisdictions as they relate to the Prospectus.

This Prospectus shall be governed by, and construed in accordance with, Norwegian law. The courts of Norway, with Oslo City Court as legal venue, shall have exclusive jurisdiction to settle any dispute which may arise out of, or in connection with, the New Shares or this Prospectus.

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1 SUMMARY

Summaries are made up of disclosure requirements known as "Elements". These elements are numbered in Sections A – E (A.1 – E.7). This summary contains all the Elements required to be included in a summary for this type of securities and issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of securities and issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of "not applicable".

Section A – Introductions and warnings

A.1	Introduction and warning	This summary should be read as introduction to the prospectus. Any decision to invest in the securities should be based on consideration of the prospectus as a whole by the investor. Where a claim relating to the information contained in the prospectus is brought before a court, the plaintiff investor might, under the national legislation of the member states of the EU and the EEA, have to bear the costs of translating the prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the prospectus or it does not provide, when read together with the other parts of the prospectus, key information in order to aid investors when considering whether to invest in such securities.
A.2	Consent to use of prospectus by financial intermediaries	Not applicable

Section B New Shares – Issuer

B.1	Legal and commercial name	The issuer in respect of the New Shares is SeaBird Exploration Plc, being the group parent company for the companies referred to as SeaBird. SeaBird and SeaBird Exploration are commercial names used to describe the group and its business.
B.2	Domicile, legal form, etc.	The Company is a public company limited by shares, registered under the Cyprus Companies Law, with registration number 259593.
B.3	Nature of operations and activities	SeaBird is a global provider of marine acquisition for seismic data, and associated products and services to the oil and gas industry. SeaBird specializes in high quality operations targeting the high end of the 2D, source and niche 3D seismic sectors. Main focus for the company is proprietary seismic surveys (contract seismic).
B.4	Trends	The global seismic market is regarded as being soft. The significant decline in the oil prices that started in 2014 has caused oil companies to take a cautious spending approach,

		which has delayed start-ups of seismic campaigns and had a negative impact on seismic demand. Currently the company has limited backlog. SeaBird expects the current seismic market softness to continue to impact the seismic sector in 2017. Longer term, the Company believes that continued interest in frontier exploration will benefit demand for seismic services. With the exception of this, SeaBird has not experienced any substantial changes or trends outside the ordinary course of business that are significant to its business or operations.
B.5	Group description	SeaBird Exploration Plc is the holding company of the SeaBird group. Operations are performed by the Company's different subsidiaries, whose function is to support the SeaBird group by means of their business activity. Each of SeaBird's vessels are operated by separate single purpose companies.
B.6	Persons with notifiable interest	As of the date of this Prospectus, the Company has been notified of the following persons with notifiable interest: • AOG Investments Ltd. • Perestroika AS • Nordnet AB • Patricia Rodrigues Da Costa Sandquist
B.7	Selected historical key financial information	The following financial information has been extracted from the audited consolidated financial statements as at and for the years ending 31 December 2016, 2015 and 2014 and for the quarter ending 31 March 2017 and 2016, incorporated by reference into the Prospectus, and is qualified in its entirety by such financial statements.

(USD millions unless otherwise stated)	Year ended 31 December			Quarter ended 31 Mar	
	2016 Audited	**2015** Audited	**2014** Audited	**2017** Unaudited	**2016** Unaudited
Statement of comprehensive income					
Total revenues	72.1	94.1	129.3	8.4	26.0
EBITDA	22.4	10.9	-7.9	-2.9	7.4
EBIT	-3.1	-17.6	-79.9	-6.3	3.6
Profit (loss) for the period	-7.9	38.6	-98.8	-7.7	1.8
Statement of financial position					
Total non-current assets	50.8	70.8	93.6	47.8	67.6
Total current assets	21.5	36.0	47.3	19.4	30.6
Total assets	72.2	106.8	141.0	67.3	98.3
Total equity	22.1	30.0	-40.9	14.4	31.8
Non-current liabilities	23.3	31.1	0.0	0.0	30.9
Current liabilities	26.9	45.7	181.9	52.9	35.6
Total equity and liabilities	72.2	106.8	141.0	67.3	98.3

Statement of cash flows						
Operating activities, net	20.7	-6.9	40.3		-5.2	6.1
Investing activities, net	-5.7	-5.8	-37.4		-0.6	-0.7
Financing activities, net	-6.2	12.0	-8.1		-0.5	-1.6
Net change in cash and equivalents	8.8	-0.7	-5.2		-6.3	3.8
Cash and equivalents at period end	15.0	6.3	7.0		8.8	10.1
Key figures						
Earnings per share (USD, diluted)	-2.6	14.9	-1,716		-2.5	0.6
Dividend per share (USD)	0	0	0		0	0
Equity ratio (%)	30.6%	28.1%	-29.0%		21.4%	32.3%

	Significant changes	Subsequent to 31 March 2017, SeaBird has completed the Restructuring, being a consensual restructuring of the SeaBird group. The Restructuring facilitated a comprehensive restructuring of the SeaBird group's balance sheet. The Restructuring, as further outlined in Sections 4 and 5, significantly reduced debt and lease obligations of Seabird and extended the maturities with 3 years. The reason for doing the Restruturing was to be able to raise new equity. Seabird is of the opinion that it is highly likely that the company requires new equity to have adequate financial resources for its continued operation and for its ability to meet its financial obligations. See chapter 10 for further details. Other than as described above, there has been no significant change in SeaBird's financial or trading position since 31 March 2017.
B.8	Pro forma financial information	Not applicable
B.9	Profit forecasts	Not applicable
B.10	Auditor qualifications	BDO Ltd (Cyprus) has audited the Company's consolidated annual reports and accounts for each year since 2009. The group audit report for 2016 contained the following emphasis of matter: "Without qualifying our opinion, we draw attention to note 2.22 to the financial statements which sets forth the conditions, along with other matters which indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern." The group audit report for 2015 contained the following emphasis of matter: "Without qualifying our opinion, we draw attention to note 2.22 to the financial statements which sets forth the conditions, along with other matters which indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern." The group audit report for 2014 contained the following

		emphasis of matter: Without qualifying our opinion, we draw attention to note 2.22 to the financial statements which indicates that as at 31 December 2014 the Group's current assets totalled $47.3m whilst its current liabilities totalled $181.9m. As detailed in notes 17 and 29, the Group was in default of several of its borrowing facilities as at 31 December 2014 and has since announced the successful completion of the restructuring of these facilities and other liabilities. The Group also incurred a loss of $99.8m on continuing operations for the year ended 31 December 2014 including impairment charges totalling $38.3m. These conditions, along with other matters set forth in note 2.22 indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern.
B.11	Working capital statement	In the view of the board of directors of SeaBird Exploration Plc, the Company and the SeaBird group does not have sufficient working capital for its current requirements, being understood as the requirements for a minimum of 12 months from the date of this Prospectus. Seabird is of the opinion that it is highly likely that the company requires new equity to have adequate financial resources for its continued operation and for its ability to meet its financial obligations. In making such statement, the board of directors has taken into consideration the headroom between the existing working capital and the requirements which could occur in various scenarios related to its business operation, and in particular, in the event that contracts and other arrangements in respect of the employment of SeaBird's vessels are cancelled or significantly delayed and alternative employment cannot be secured at satisfactory rates. Should these contracts and other arrangements be commenced and completed in accordance with the plans entered into between SeaBird and the respective counterparties, SeaBird does not expect a working capital shortfall. However, in the event of such contracts being delayed, cancelled or not materialising, SeaBird could have a working capital shortfall which could result in the need for significant amounts of additional financing, which may not be available at that time. The timing of a potential shortfall would depend on the overall employment of SeaBird's vessels, but in the event of all contracts being delayed or not secured, could occur during Q3 2017. The amount of such shortfall would also depend on the overall and alternative employment of SeaBird's vessels, but in a worst case scenario, could amount to approximately USD 20 million for a 12 month period. SeaBird has not as of today made specific alternative plans to cover such potential shortfall, although under those circumstances alternatives may exist to sell or otherwise monetise certain assets or to make other financing arrangements such as raising equity capital. To facilitate and prepare the Company to be able to raise equity capital at a short notice, SeaBird has summoned an extraordinary general meeting to be held 17 August 2017

		where the Company seeks approval to increase its authorized share capital with an additional 100 million shares. The ability to sell or otherwise monetise assets, being primarily made up of owned vessels, would require consent from lenders as all of such assets are held as security for loan arrangements, and may therefore not be available within a short time frame or at all. Should none of these financing arrangements be available at that time, such circumstance would have a significant negative effect on SeaBird's financing situation and its ability to continue operations.

Section C – Securities

C.1	Type and class of securities offered and admitted to trading	No securities are offered by means of this Prospectus. The securities being admitted to trading by means of this Prospectus are: • 54,389,711 ordinary shares of the Company, referred to as the New Shares, which were issued as part of the Restructuring as described in Element B.7, and those Shares were issued on 3 August 2017 and is expected to be registered in VPS on or about 8 August 2017 under the ordinary ISIN being CY0101162119, whereafter the New Shares will be tradable on Oslo Børs.
C.2	Currency of the securities issue	The currency for the New Shares is Norwegian Kroner (NOK).
C.3	Number of shares and par value	Upon the publication of this Prospectus, the Company's authorised share capital is USD 6,800,000 divided into 68,000,000 shares of nominal value USD 0.1 each, and the issued share capital will be 5,745,514.50 divided into 57,455,145 ordinary shares of nominal value USD 0.1 each. All the issued shares are authorised and fully paid up.
C.4	Rights attached to the Shares	The Shares carry voting rights and the right to receipt of dividends when such are declared. The holders of the Shares also have a right to share in any surplus assets available for distribution in a winding up of the Company.
C.5	Restrictions on free transferability	The Company's Shares are freely transferable.
C.6	Application for other listing	No application has been made for the listing of any of the Company's securities on other markets than Oslo Børs.
C.7	Dividend policy	The Company has not paid or proposed dividends for any of the three last years.

Section D – Risks

D.1	Key risks specific to the issuer or its industry	Prospective investors should consider, among other factors, the following key risks relating to the market in which SeaBird operates: • The market for seismic services is closely linked to oil prices and to spendings by oil companies. The significant drop in oil prices that took place from the latter part of 2014 has caused oil companies to delay investments and reduce expenses on a broad scale, including the investments into exploration and reserve development. This has had, and may continue to have, impact on demand for seismic services in general, and on the commencement of seismic programmes (including surveys included in SeaBird's current backlog) which may be cancelled or delayed. • The market for seismic services is competitive and SeaBird may not be able to renew contracts at satisfactory rates as existing contracts come to an end. • Other risks, including macroeconomic fluctuations and market risks, industry and competition related risks, risks related to international operations, political risks, and risks of war, other armed conflicts and piracy. Prospective investors should consider, among other factors, the following key risks related to SeaBird and its business: • The majority of SeaBird's revenues come from sale of vessel services, which are contracted on a mix of short-term and longer-term contracts. To the extent that longer-term contracts are delayed or cancelled, or short-term contracts cannot be entered into to secure a sufficient utilisation of SeaBird's vessels, revenues may be insufficient to cover SeaBird's expenses and other cash commitments, against which SeaBird has limited financial resources to withstand. • SeaBird may not be able to recover the investments made into multi-client seismic. • Other risk factors, including variability of operating results, service life and charter risks, risks of possible liabilities, dependence on few assets, risks related to loss of key employees, contractual risks, operational risks including risks of damage to vessels, equipment and personnel, technological risks and obsolescence, fleet and charter risks, and environmental risks. • Risks related to SeaBird's financial situation, including the significant amount of third party indebtedness, exposure for financial covenants, availability of long term funding, and risks caused by high leverage. • As stated in the Company's Q1 2017 financial report, the Company requires additional funding for working capital

		purposes. Any issue of further equity capital is likely to result in substantial dilution to existing shareholders. There can be no guarantee that sufficient additional financing is available in a timely manner, and the absence of additional financing would have the effect that the Company will be unable to continue operations.
D.2	Key risks specific to the issuer	Reference is made to Item D.1.
D.3	Key risks specific to the securities	Prospective investors should consider, among other things, the following risks related to the securities described herein: • The market price of the securities of SeaBird may fluctuate significantly in response to a number of factors; • Future issuance of shares may be done at a discount and may be dilutive to owners; • In the event of future capital raising, investors who do not participate may face dilution of their holding; • Holders registered under nominee may not be able to exercise all of their shareholder rights, including voting rights; • The Company has not registered its Shares under the U.S. Securities Act or the securities laws of other jurisdictions other than Norway, and the Company does not expect do so in the future. • There may be limited trading volume in the securities; • SeaBird may incur additional indebtedness; • The enforcement of rights as holder of any of the securities across multiple jurisdictions may prove difficult; • Any bankruptcy or insolvency proceedings may involve Cypriot, Norwegian and Singaporean insolvency law.

Section E – Offer

E.1	Net proceeds and expenses	No offer is being made by means of this Prospectus. The Prospectus has been prepared for the listing of new securities issued under the Restructuring. Under the Restructuring, SeaBird agreed to issue 54,389,711 New Shares. All expenses related to such issuance and listing have been, and will be, borne by the Company.
E.2	Reason for the offer and use of proceeds	The reason for the issuance of the New Shares described herein, and for which this Prospectus serves as a listing prospectus, was the Restructuring, being a consensual restructuring of the SeaBird group that will facilitate a comprehensive refinancing of the SeaBird's balance sheet.
E.3	Key terms and conditions of the offer	Not applicable, as no offer is being made by means of this Prospectus.

E.4	Material interests	The Managers and their affiliates may have interests in the New Shares, as they have provided from time to time, and may in the future provide, investment and commercial services to the Company and its affiliates in the ordinary course of their respective businesses, for which they may have received and may continue to receive customary fees and commissions. The Managers, their employees and any affiliate may currently own existing Shares in the Company.
E.5	Selling persons and lock-up	Not applicable, as no shares or other securities are being sold by means of this Prospectus and no persons are under lock-up arrangements.
E.6	Dilution effects	Shareholders who did not participate in the issue of the New Shares were subject to a direct dilution of their ownership by approximately 94.7%.
E.7	Expenses charged to the investor	No expenses are being charged to the investor by the matters giving rise to this Prospectus.

2 RISK FACTORS

When assessing SeaBird and its business, investors should carefully consider all the information contained in this Prospectus and in particular the following risk factors, which may affect some or all of SeaBird's activities and the industry in which SeaBird operates. An investment in SeaBird is 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 their investment. Before deciding whether or not to invest in SeaBird, an investor should consider carefully all of the information set forth in this Prospectus and otherwise available, and in particular, the specific risk factors set out below. If any of the following risks actually materialise, SeaBird's business, financial position and operating results could be materially and adversely affected. The order in which risk factors appear is not intended as an indication of the relative weight or importance thereof.

2.1 Risk factors relating to SeaBird and the industry in which it operates

Macroeconomic fluctuations and market risks

SeaBird is exposed to economic cycles, and changes in the general economic outlook could affect demand for its services. Demand for offshore geophysical services depends on the level of capital spending by oil and gas companies, particularly exploration and development expenditures. Capital expenditures, and in particular exploration and development expenditures, by oil and gas companies can be negatively affected by a number of factors including, but not limited to, decreases in oil and gas prices, fluctuations in production levels and disappointing exploration results. Low oil prices typically lead to a reduction in capital expenditures as the oil and gas companies scale down their investment budgets. Sustained periods of substantially reduced capital expenditures by oil and gas companies may reduce the demand for SeaBird's services. Furthermore, recoveries in oil and gas prices do not immediately increase exploration, development and production spending, so improving demand for SeaBird's services may have a delayed effect compared to oil and gas price increases.

Variability of operating results

SeaBird's operating results can vary from month to month. SeaBird's operating income is difficult to forecast due to changes in oil companies' exploration and production budgets and expenditures, the competitive environment, efficiency in operations, adverse weather conditions and other general economic and market conditions. Changes in oil prices and exploration and production budgets could materially affect the business and operating results. Unanticipated difficulties in pursuing SeaBird's business strategy as described in this Prospectus could have a material adverse effect on SeaBird's business, operating results or financial condition.

Industry and competition related risks

The market for SeaBird's services is competitive. SeaBird may face competition from other existing companies within the seismic industry as well as potential new entrants, and such companies may have greater resources than SeaBird. Furthermore, overcapacity in the seismic market would have a negative effect on the operating results of the Company. Failure by SeaBird to maintain a competitive offering of equipment and services could have a material adverse effect on SeaBird's business, operating results or financial condition. Furthermore, overcapacity in the seismic market could have a negative effect on the prices for SeaBird's services.

Service life and technical risks

The service life of a modern seismic vessel is generally considered to exceed thirty years, but may ultimately depend on its efficiency, vessel maintenance and demand for such equipment. SeaBird applies a 15 year economic life as an accounting estimate for the majority of its vessels for depreciation. There can be no guarantee that the vessels owned or operated by SeaBird will have a long service life. The vessels may have particular unforeseen technical problems or deficiencies, new environmental requirements may be enforced, or new technical solutions or vessels may be introduced that are more popular than the vessels owned by SeaBird, causing less demand and use of these vessels that may not be possible to mitigate through upgrades of vessels and/or equipment.

Charters

SeaBird has a strategy of exposing its vessels both towards the long-term market as well as the more volatile spot market. There can be no guarantee that SeaBird will be able to secure contracts at such rates and utilisation rates as are required for profitable operation. In addition, SeaBird may experience significant off-hires between charters. Furthermore, disputes under the charter parties may occur, which can result in liability and losses for SeaBird.

In particular, the recent significant drop in oil prices has caused oil companies to delay investments and reduce expenses on a broad scale, including the investments into exploration and reserve development. This may have impact on the demand for seismic services in general, and on the commencement of seismic programmes (including surveys included in SeaBird's current contract backlog) which may be delayed or cancelled. In the event of such delays or cancellations, the ability of SeaBird to enforce legal action may be limited. The delay or cancellation of any existing contract, or a general reduction in the demand for seismic services which leads to reduced utilisation of SeaBird's vessels, could have severe negative impact on SeaBird's revenues, earnings and cash flows.

Possible liabilities

Seismic operations are associated with considerable risks and responsibilities, including technical, operational, commercial and political risks. In addition, seismic operations may be affected by harsh weather and other conditions beyond SeaBird's control. SeaBird has insurances in line with good industry practice. It is, however, possible that such insurances may not cover all possible damages, incidents, risks and liabilities.

Dependence on few assets

SeaBird currently has a limited fleet of four owned vessels and charters one vessel through a bareboat agreement. In addition, the Company has a Joint marketing agreement with one more vessel.. If SeaBird fails to obtain short or long term contracts for one or more of the owned or chartered vessels, the Company may incur significant financial losses.

Risks related to business models

The two prevailing business models in the seismic industry are the contract and multi-client models. In the contract model, which is the Company's primary business area, the project is initiated by the client and the data is acquired exclusively under contract for that specific client, typically over acreage licensed to that client. In the multi-client model the seismic companies plan, acquire and process the data at their own risk, and then offer the processed data for license to clients on a non-exclusive basis. The risk aspects of the two models differ as contracted work is commenced against pre-defined revenue while the income from multi-client projects is speculative and contingent on external factors such as the attractiveness to clients of the associated acreage being offered for lease.

Risks related to international operations

Operations in international markets are subject to inherent risks in international business activities, including, in particular, general economic conditions in each country, overlapping various tax structures, managing an organisation spread over various jurisdictions, unexpected changes in regulatory requirements and complying with a variety of foreign laws and regulations.

Political risks

Changes in the legislative and fiscal framework governing the activities of oil and gas business could have a material impact on exploration and development activities, or affect SeaBird’s operations and financial results directly. Changes in political regimes or imposed sanctions may constitute a material risk factor for SeaBird’s operations in foreign countries.

Risk of war, other armed conflicts and piracy

War, military tension and terrorist attacks have, among other things, caused instability in the world’s financial and commercial markets. This has in turn significantly increased political and economic instability in some of the geographic areas in which SeaBird operates and has contributed to high levels of volatility in prices for, inter alia, oil and gas. Continuous instability may cause further disruption to financial and commercial markets and contribute to even higher levels of volatility in prices. In addition, acts of terrorism and threats of armed conflicts in or around various areas in which SeaBird operates could limit or disrupt SeaBird’s markets and operations, including disruptions from evacuation of personnel, cancellation of contracts or the loss of personnel or assets. Armed conflicts, terrorism and their effects in SeaBird or its markets may significantly affect SeaBird’s business and results of operations in the future. Piracy is a risk that SeaBird may incur in certain areas of transits and operations and this risk has increased in recent years. SeaBird conducts risk assessment policies as well as non-combative preventative measures and takes all reasonable mitigating actions to avoid any such risks to personnel and assets in terms of insurance and security, but any successful action by piracy may significantly affect SeaBird’s business and results of operations in the future.

Loss of key employees

Operations could be negatively impacted if SeaBird is unable to attract and retain qualified personnel. SeaBird’s future business prospects are to a large degree dependent on its ability to meet changing customer needs, to anticipate and respond to technological changes and to develop effective and competitive relationships with its customers and suppliers. SeaBird believes that its short-term and long-term success depends largely on the ability to attract and retain highly skilled personnel.

Contractual risks

SeaBird's business depends on contracts with customers regarding collection and sale / licensing of geophysical data. Each contract normally involves a substantial value or consideration to SeaBird. Furthermore, some of the contracts are governed by the law of the operations area, which may create both legal and practical difficulties in case of a dispute or conflict. SeaBird also operates in regions where the ability to protect contractual and other legal rights may be limited compared to regions with more well-established markets.

Operational risks

There will always be operational risks involved in performing offshore seismic surveys. This includes, inter alia, unexpected failure or damage to vessels and technical equipment, work accidents or adverse weather conditions. These risks can cause personal injury, prevent surveys to be performed as scheduled and other business interruptions, property and equipment damage, pollution and environmental damage. SeaBird may be subject to claims as a result of these hazards. SeaBird seeks to prevent loss or damages from such incidents by insurance, contractual regulations and emergency routines. However, there will always be some exposure to technical and operational risks, with unforeseen problems leading to unexpectedly high operating costs, substantial losses, additional investments, etc., which may have a material negative effect on

SeaBird’s operating results and financial position. If e.g. a vessel is rendered a total loss, the charter party will be void and SeaBird will under such circumstances lose income that would otherwise come from operating this vessel. Additionally, the occurrence of any of these risks could damage SeaBird’s reputation.

Technological risks

Segments of the seismic and oil service industry are characterised by rapid changes in technology. There can be no assurance that the Company will have the necessary financial and human resources to respond to new technological changes and innovations and emerging competition.

Fleet and charter risks

SeaBird charters some vessels for contractually agreed periods. However, SeaBird’s need for vessels may vary from time to time, depending on the demand for SeaBird’s services. If the number or quality of vessels available for surveys were to diminish below SeaBird’s requirements, SeaBird’s capacity to conduct surveys would be reduced. Moreover, a reduction in the number of vessels available to SeaBird could result from damage or destruction to them or other property loss, injury to personnel or because SeaBird cannot enter into or renew charters on economically reasonable terms or at all. Any reduction in the size or quality of the fleet may have a material adverse effect on SeaBird’s operating revenues and business.

Environmental risk

SeaBird’s operations are subject to numerous national and supra-national regulations including, but not limited to, environmental laws, health and safety laws, treaties and conventions, including, inter alia, those controlling the discharge of materials into the environment, requiring removal and clean-up of environmental contamination, establishing certification, licensing, health and safety, taxes, labour and training standards, operation of the vessels or otherwise relating to the protection of human health and the environment. The amendment or modification of such existing regulations or the adoption of new regulations curtailing or further regulating SeaBird's business could have a material adverse effect on SeaBird’s operating results and financial condition. The Company cannot predict the extent to which future earnings or capital expenditures may be affected by compliance with such new regulations. The amendment or modification of existing regulations or the adoption of new regulations could also limit the use of SeaBird's fixed assets, in particular its vessels. SeaBird cannot predict the extent to which the use of its fixed assets may be affected by compliance with such new regulations.

2.2 Risk factors relating to SeaBird's financing

Financial risks

SeaBird has invested significant amounts in acquiring vessels and equipment. However, there can be no assurance that SeaBird is able to recover all costs and expenses associated with such investments. In general, SeaBird’s future revenues are uncertain and depend on a variety of factors, many of which will be beyond SeaBird’s control. SeaBird cannot guarantee that its investments will yield a satisfactory rate of return.

Liquidity risks

SeaBird is dependent upon timely payments of receivables from customers as well as having access to long term funding. Inability to collect receivables from major customers could have a severe negative impact on SeaBird’s cash flow and liquidity. In order to successfully execute SeaBird’s strategies, and to flexibly and effectively react to new opportunities and threats arising, SeaBird may seek to raise additional capital through equity issuance, debt financing, collaborative arrangements, strategic alliances or from other sources. If SeaBird is unable to generate adequate funds from operations or from additional sources, the business, results from operations and financial condition may be materially and adversely affected. Moreover, SeaBird's ability to obtain such additional capital may be significantly affected by the general economic conditions at that particular point in time. Failure to obtain such capital could have severe detrimental impact on SeaBird's operations and financial situation and could ultimately lead to bankruptcy.

Risks related to performance bonds and liquidated damages

SeaBird may from time to time have performance bonds issued by banks in connection with its projects. If completions of such projects are delayed beyond the relevant deadlines SeaBird might be liable to cover part or all of such performance bonds and could consequently suffer liquidated damages on its contracts.

Risks related to debt arrangements

SeaBird's current and future debt arrangements may include covenants and undertakings of general, financial and technical nature and such debt arrangements may contain cross-default provisions. Failure by SeaBird to meet any of the covenants or undertakings could result in all outstanding amounts under the different debt arrangements becoming immediately due for payment. In addition, security rights granted to the lenders could be enforced. If outstanding debts were declared due for immediate payment, there would be no assurances that SeaBird would be able to meet its obligations, and there are no assurances that SeaBird would be able to obtain alternative financing, either on a timely basis or at all. Any breach of existing covenants and undertakings with a subsequent claim for repayment of all debts outstanding would thus have a material adverse effect on SeaBird's financial position and is likely to have a material adverse effect on the value of the Shares and the Company's operations and results.

Risk associated with interest rates

SeaBird's interest rate risk is mainly linked to its long-term and short-term interest-bearing debt. Interest-bearing debt issued at variable rates expose SeaBird to cash flow interest rate risk, while interest-bearing debt issued at fixed rates expose SeaBird to fair value interest rate risk. SeaBird aims to offset major effects linked to changes in the market rate, but an increase in interest rates can materially adversely affect SeaBird's cash flows and financial condition. Failure to comply with financial and other covenants may have a material adverse effect on SeaBird, including potential increased financial cost, requirement for additional security, new loan agreements on less favourable terms or cancellation of loans.

General tax risk

The Company is incorporated in Cyprus and has been tax resident in Norway since December 2011. The SeaBird group has subsidiaries and branches in Norway, Cyprus and in a number of other countries. The overall tax liability will depend on where the source of revenues is and/or where profits are accumulated and subject to taxation, as the different jurisdictions have very differing tax regimes and taxation rates. The taxation rules to which SeaBird is subject are of a complicated nature, and differences in interpretation between SeaBird and the relevant tax authorities may lead to SeaBird being subject to unexpected claims for unpaid taxes or sanctions as a consequence of breach of applicable tax legislation. The tax liability may also depend on the tax residence of the shareholders (and in certain instances indirect shareholders) of the Company, which may vary from time to time as the Shares are subject to trading. The tax position of investors may vary with respect to each such individual investor, and investors should seek to obtain independent tax advice prior to purchasing or subscribing for shares in the Company.

Notice from Internal Revenue Service in the USA

SeaBird has received a notice from the Internal Revenue Service in the USA with requests to file tax returns and consequently a demand for paying tax for certain companies for previous years.

The potential tax liability is uncertain and could potentially result in extra tax cost. SeaBird has accrued for USD 1.2 million for this potential tax liability as per the 31 March 2017 balance sheet date.

Foreign exchange risk

Unites States Dollar (USD) is the functional currency of the Group. The Group is exposed to foreign currency risk related to its operations. The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to NOK, EUR, AUD, SEK, SGD and DKK. SeaBird has a policy of not hedging currency and interate risk. Major fluctuations in the foreign currency market for USD in relation to other currencies may have adverse effects.

Excess to funding

As stated in the Company's Q1 2017 financial report, the Company requires additional funding for working capital purposes. Any issue of further equity capital is likely to result in substantial dilution to existing shareholders. There can be no guarantee that sufficient additional financing is available in a timely manner, and the absence of additional financing would have the effect that the Company will be unable to continue operations.

2.3 Risk factors relating to the Shares

There may not be a liquid market for the Shares

Active, liquid trading markets generally result in lower price volatility and more efficient execution of buy and sell orders for investors. If there proves to be no active trading market for the Shares, the price of the Shares may be more volatile and it may be more difficult to complete a buy or sell order for Shares. Even if there is an active public trading market, ther may be little or no market demand for the Shares, making it difficult or impossible to resell the shares, which would have an adverse effect on the resale price, if any, of the Shares. Furthermore, there can be no assurance that the Company will maintain its listing on Oslo Børs. A delisting from Oslo Børs would make it more difficult for shareholders to sell their Shares and could have a negative impact on the market value of the Shares.

Share price volatility

The SeaBird share price could experience substantial fluctuations caused by a number of factors. Many of these will be outside the Company's control and may be independent of its operational and financial development. Factors which may affect the share price include, but is not limited to, the following:

- Reactions to quarterly and annual reports published by the Company
- Changes in analysts' estimates
- Changes in the seismic industry in general
- Changes in market and financial prospects
- Rumours and speculation in the market
- The general sentiment in the stock market

Risks related to issuance of Shares or other securities

The Company is likely to offer additional Shares in the future in order to strengthen its capital base or for other reasons. Any additional offering of Shares may be made at a significant discount to the prevailing market price and could have a material adverse effect on the market price of the outstanding Shares.

Risks associated with dilution

The Company is likely to require additional capital in the future to finance its business activities and growth plans. The issuance of Shares in order to raise such additional capital, or as means of honouring options or warrants, is likely to may have a dilutive effect on the ownership interests of the shareholders of the Company at that time.

Due to regulatory requirements under foreign securities laws or other factors, foreign investors may not be able to participate in a new issuance of Shares or other securities and may face dilution as a result. Any investor that is unable or unwilling to participate in the Company's future share issuances will have their percentage shareholding diluted. Further, if foreign holders of the Shares are not able to receive trade or exercise pre-emptive rights granted in respect of their Shares in any rights offering by the Company, then they may not receive the economic benefit of such rights. In addition, their proportional ownership interests in the Company will be diluted.

Additional risks for holders of Shares that are registered in a nominee account

Beneficial owners of Shares that are registered in a nominee account (e.g., through brokers, dealers or third parties) may not be able to vote for such Shares unless their ownership is re-registered in their names with the VPS prior to the Company's general meetings. The Company cannot guarantee that beneficial owners of the Shares will receive the notice for a general meeting in time to instruct their nominees to either affect a re-registration of their Shares or otherwise vote for their Shares in the manner desired by such beneficial owners.

Transfer restrictions under the securities laws of United States and other jurisdictions

The Company has not registered its Shares under the U.S. Securities Act or the securities laws of other jurisdictions other than Norway, and the Company does not expect do so in the future. The Shares may not be offered or sold in the United States or to U.S. persons (as defined in Regulation S under the U.S. Securities Act), nor may they be offered or sold in any other jurisdiction in which the registration of the Shares is required but has not taken place, unless an exemption from the applicable registration requirement is available or the offer or sale of shares occurs in connection with a transaction that is not subject to these provisions. In addition, there can be no assurances that shareholders residing or domiciled in the United States will be able to participate in future capital increases.

3 RESPONSIBILITY FOR THE PROSPECTUS

The board of directors of SeaBird Exploration Plc accepts responsibility for the information contained in this Prospectus. The members of the board of directors confirm that, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is, to the best of their knowledge, in accordance with the facts and contains no omission likely to affect its import.

4 August 2017

The board of directors of SeaBird Exploration Plc

Anette Malm Justad (Chairman)	Kitty Hall (Director)	Olav Haugland (Director)	Hans Petter Klohs (Director)

4 BACKGROUND RELATING TO THE RESTRUCTURING

4.1 Introduction to the restructuring

Since the drop in the oil price in the fall of 2014 the seismic market has been challenging. Seabird completed a restructuring in early 2015 which significantly reduced the debt in the Company. However, the down-turn in the market has lasted longer than previuosly expected and Seabird has struggeled financially.

The current significant market uncertainty, contracting lead times, a deteriorating orderbook as well as upcoming debt maturities in 2017 and Q1 2018 led SeaBird to initiate discussions with stakeholders in Q1 2017 to find a refinancing solution. Forecasts suggested SeaBird would likely run out of cash in August 2017, and that liquidity injection was almost certainly needed by early Q3. Existing stakeholders' values were found to be best preserved through going concern, with little to no recovery likely for all creditors in a bankruptcy scenario. Consequentially, SeaBird sought a consensual restructuring solution with its creditors.

SeaBird announced the restructuring on 26 May 2017 (the "Restructuring"). The terms of the Restructuring are outlined in section 4.2 "Debt to Equity Conversion". The Restructuring was approved by the bondholders of SBX 04 in a bondholders meeting held 6 June 2017 and by the shareholders in an EGM held 13 June 2017. The creditors behind the Munin Lease and the Credit Facility have also consented to the implementation of the Restructuring.

4.2 Components of the Restructuring

4.2.1 Restructuring overview

The Restructuring comprised, among other things, the following:

i. the equitisation of ~81.5% of outstanding indebtedness including accrued interest of SeaBird owed under Tranche B of the Bond Agreement as of 3 June 2017, which is in an aggregate amount of approx. USD 20,150,513 (USD 19,785,342 of principal amount plus estimated accrued interest of USD 365,171) into Shares at an offer price reflecting a subscription price of Shares at NOK 5.00 a Share and a USD/NOK exchange rate of 8.37 pursuant to the terms and conditions;

ii. the equitisation of ~81.5% of unpaid and remaining charter hire owed to Ordinat under the Munin Charter Contract less new charter hire, which is in an aggregate amount of USD 10,393,144 into Shares at an offer price reflecting a subscription price of Shares at NOK 5.00 a Share and a USD/NOK exchange rate of 8.37;

iii. the equitisation of ~81.5% of outstanding indebtedness owed under the Glander Credit Facility in an aggregate amount of approx. USD 1,947,210 (USD 1,911,896 of principal amount and estimated accrued interest of USD 35,314) into Shares at an offer price reflecting a subscription price of Shares at NOK 5.00 a Share and a USD/NOK exchange rate of 8.37;

iv. the transfer of all outstanding SBX04 Bonds under Tranche A to SeaBird, which shall redeem and cancel such SBX04 Bonds on the Effective Date at the latest, and any interest thereon being discharged in exchange for the transfer of title to the Multi-Client Libraries to the Tranche A Bondholder, or any affiliate of the Tranche A Bondholder as may be designated by the Tranche A Bondholder, in accordance with and subject to the terms of the Exchange Agreement (as defined in Section 4.2.3 below) and the payment of 25 % of the net income from the Multi-Client Libraries to the Bond Trustee (on behalf of the

Tranche B Bondholders and Glander) after such transfer in accordance with and subject to the terms of the Income Distribution Agreement (as defined in Section 4.2.3 below);

v. the outstanding indebtedness of SeaBird under the Glander Credit Facility being reduced to USD 440,591;

vi. amendments to the Glander Credit Facility including the maturity date being extended until 30 June 2020, no principal payments until 30 June 2020 and the introduction of payment-in-kind interest for all interest payments to be made under the Glander Credit Facility;

vii. an extension of the maturity date of the SBX04 Bonds until 30 June 2020, amendments to the SBX04 Bond Agreement and the Intercreditor Agreement to reflect (as relevant) the cancellation of all SBX04 Bonds under Tranche A, the transfer of the Multi-Client Libraries, the suspension of all financial covenants throughout the extended term of the SBX04 Bond Agreement and the introduction of payment-in-kind interest for all interest payments to be made under the SBX04 Bond Agreement (the "Amended and Restated SBX04 Bond Agreement");

viii. any amendments necessary to the Security Documents or any other Finance Document due to the amendment and restatement of the SBX04 Bond Agreement; and

ix. an extension of the charter period of the Munin Charter Contract until 30 June 2020 and a reduction of charter hire under the Munin Charter Contract to USD 2,088 per day, which at SeaBird's discretion can be accumulated and not paid until 30 June 2020.

4.2.2 Debt to Equity Conversion

On the Effective Date the following indebtedness owed to creditors of SeaBird was converted into Shares at an offer price reflecting a subscription price of Shares at NOK 5.00 a Share and a USD/NOK exchange rate of 8.37:

i. Approx. USD 20,150,513, being the sum of USD 19,785,342 of the principal amount and all accrued interest as of 3 June 2017 estimated at USD 365,171 owed to the holders of SBX04 Bonds under Tranche B was exchanged for approx. 33,731,958 Shares representing ~58.71 % of the pro-forma post-Restructuring share capital of SeaBird (calculated on a fully-diluted basis);

ii. USD 10,393,144 of the present and future Charter Hire Claim was exchanged for 17,398,123 Shares representing ~30.28 % of the pro-forma post-Restructuring share capital of SeaBird (calculated on a fully-diluted basis); and

iii. Approx. USD 1,947,210, being the sum USD 1,911,896 of the principal amount and all accrued interest as of 3 June 2017 estimated at USD 35,314, owed under the Glander Credit Facility was exchanged for approx. 3,259,630 Shares representing ~5,67 % of the pro-forma post-Restructuring share capital of SeaBird (calculated on a fully-diluted basis).

Immediately following the Effective Date, the Existing Shareholders held 3,065,434 Shares in SeaBird representing ~5.34 % of the pro-forma post-Restructuring share capital of the Parent (calculated on a fully-diluted basis).

4.2.3 SBX04 Bonds – Tranche A

The SBX04 Bonds outstanding under Tranche A were transferred to SeaBird and the accrued interest on the SBX04 Bonds under Tranche A was discharged in exchange for the transfer of title to the Multi-Client Libraries to the Tranche A Bondholder, in accordance with and subject to the terms of the Exchange Agreement. On 3 August 2017, SeaBird cancelled all SBX04 Bonds under Tranche A. The terms and conditions of the transfer of title to the Multi-Client Libraries were documented in an exchange agreement (the "Exchange Agreement") entered into between the Tranche A Bondholder and the MC Transferors.

25% of the income whatsoever from any utilisation, sale or other disposal of the Multi-Client Libraries by the Tranche A Bondholder, less costs defined as 10% of sales is to be transferred to the Bond Trustee (on behalf of the Tranche B Bondholders and Glander).

The terms and conditions for the income distribution from the utilisation, sale or other disposal of the Multi-Client Libraries were documented by an income distribution agreement entered into between the Tranche A Bondholder and the Bond Trustee (the "Income Distribution Agreement").

The proceeds from the Income Distribution Agreement were applied by the Bond Trustee:

i. first, in or towards payment of all unpaid fees, costs and expenses whatsoever incurred by the Bond Trustee; and
ii. second, transfer payment in full of any amounts received to the Tranche B Bondholders and Glander (on a pro rata and pari passu basis between the Tranche B Bondholders and Glander as of 3 June 2017) whereby:
    a. the Tranche B Bondholders shall receive ~91.19 %; and
    b. Glander shall receive ~8.81 %.

Provided that the Tranche B Liabilities and the Glander Credit Facility are irrevocably repaid and discharged, the Tranche A Bondholder has no further income sharing obligations to the Tranche B Bondholders nor Glander and all income from utilisation of the Multi-Client Libraries was thereafter the sole property of the Tranche A Bondholder.

4.2.4 SBX04 Bonds – Tranche B

On the Effective Date a total of 19,785,342 Tranche B Bonds (and any accrued interest thereon) were redeemed on a pro rata basis as to the total amount SBX04 Bonds under Tranche B held by each Tranche B Bondholder and converted into equity as described in 4.2.2 "Debt to Equity Conversion".

The remaining total principal amount outstanding under Tranche B was after the implementation of the Restructuring USD 4,559,409.

4.2.5 Amendment and restatement of the SBX04 Bond Agreement and the Intercreditor Agreement and the amendment of Finance Documents

On the Effective Date the SBX04 Bond Agreement and the Intercreditor Agreement were amended and restated to reflect:

i. an extension of the maturity date of the SBX04 Bonds until 30 June 2020;
ii. no principal repayments until maturity;
iii. the suspension of all financial covenants throughout the term of the SBX04 Bond Agreement;
iv. the settlement of the SBX04 Bonds under Tranche A and the transfer of the Multi-Client Libraries as described above; and
v. the introduction of payment-in-kind interest for all interest payments to be made under the SBX04 Bond Agreement, such interest to accrue from 3 June 2017 only on the SBX04 Bonds remaining after the implementation of the Restructuring.

Additionally, the bondholders consented to necessary amendments to the Security Documents and/or any other Finance Document due to the amendment and restatement of the Bond Agreement and the Restructuring.

4.2.6 Shareholders and the offering of New Equity

SeaBird called an extraordinary general meeting 13 June 2017 to propose that the shareholders approve the Restructuring, including the issuance of the new equity required for the Debt to Equity

Conversion (the "Required Shareholder Resolutions"). The shareholders approved the implementation of the Restructuring.

4.2.7 Munin Charter Contract Amendments

SeaBird entered into an addendum to the Munin Charter Contract pursuant to which the charter period for the Munin Charter Contract was extended to 30 June 2020, and the charter hire reduced to USD 2,088 per day for the period from 3 June 2017 until 30 June 2020.

The new charter hire can at SeaBird's discretion be accumulated and not paid in cash before 30 June 2020.

The difference between the new charter hire of USD 2,088 per day and the remaining and unpaid previous charter was converted into equity as described in 4.2.2 "Debt to Equity Conversion".

4.2.8 Other

All condition precedent for the Restructuring was fulfilled in form satisfactory to the Bond Trustee as of the date of this prospectus.

5 THE ISSUE AND LISTING OF THE NEW SHARES

5.1 General information

5.1.1 Background

The background for the issue of the New Shares is described in Section 4.

The issue of the New Shares was announced on 26 May 2017 as part of the Restructuring of SeaBird. The issue of the New Shares were documented by an investor presentation (which was made public by announcement on 26 May 2017), and a restructuring term sheet.

5.1.2 Proceeds, expenses, and use of proceeds

As part of the Restructuring, SeaBird agreed to convert USD 32.5 million of outstanding inbededness including accured interest and lease obligations to equity at a share price of NOK 5.0 and a USDNOK exchange rate of 8.37. In total 54,389,711 New Shares were issued in return for reduced debt obligations, thus the Company had no cash proceeds from the issuance of New Shares.

Following the Restructuring the debt in Seabird was reduced by USD 22 million and lease obligations will be reduced by USD 10.4 million. The remaining debt under the SBX04 bond loan and the Glander credit facility was be a total of USD 5.0m and the remaining lease obligations (payable in kind until maturity) will be USD 2.4m.

Furthermore, SeaBird exchanged of all bonds outstanding under Tranche A of the SBX04 bond loan, with ISIN NO 001 0732043, in total USD 5 million, and the discharge of any interest accrued on such bonds in exchange for the transfer of title to multi-client libraries of to TGS-NOPEC Geophysical Company ASA ("TGS"), as the sole Tranche A bondholder. The charter hire under the M/V Munin Explorer bareboat charter party between the group and Ordinat was reduced to a new charter hire of USD 2,088 per day, which at the company's discretion can be accumulated and not paid until 30 June 2020.

Total expenses related to the transaction amounted to USD 0.9 million.

5.1.3 Advisors

ABG Sundal Collier ASA and Arctic Securities AS act as financial advisors to the Company. Advokatfirmaet Schjødt AS acts as Norwegian legal counsel to the Company.

5.1.4 Interests of natural and legal persons involved

The Managers and their affiliates may have interests in the New Shares as they have provided from time to time, and may in the future provide, investment and commercial services to the Company and its affiliates in the ordinary course of their respective businesses, for which they may have received and may continue to receive customary fees and commissions. The Managers, their employees and any affiliate may currently own existing Shares and Bonds in the Company.

The Managers have received a commission in connection with the debt conversion and the issue of the New Shares. The payment of such commission was dependent on completion of the Restructuring.

5.1.5 Publication of information

In addition to press releases, which will be posted on the Company’s web site, the Company will use the Oslo Børs information system to publish information relating to its securities.

5.2 The New Shares

The following main terms are applicable to the New Shares. A more detailed overview of the share capital of SeaBird Exploration Plc and the rights attached to the Shares is provided in Section 11.

Type and class of the New Shares	Ordinary shares of SeaBird Exploration Plc. The New Shares will be registered on the Company's ordinary ISIN being CY0101162119 on or about 8 August 2017 and automatically become listed and tradable on Oslo Børs under the trading symbol "SBX".
Legislation under which the New Shares are created	The New Shares will, upon the publication of this Prospectus, be issued as ordinary shares in SeaBird Exploration Plc pursuant to the Articles of Association and in accordance with the Cyprus Companies Law, Chapter 113.
Form of securities.................	The Company's register of shareholders is maintained by the Company and kept in physical form at its registered office. Cyprus law requires that the Company's primary register is kept in Cyprus. To achieve compatibility of the requirements under Cyprus company law as to the registration and transfer of shares with Norwegian requirements, the shares are in uncertificated form. Since the Company's primary shareholders' register is kept in Cyprus, the VPS is treated as an overseas supplemental register which is deemed to form part of the main register of shareholders. The VPS registrar for the Shares is DNB Bank ASA, Verdipapirservice, P.O. Box 1600, N-0021 Oslo, Norway.
Rights attached to the New Shares	The New Shares were entitled to any dividend declared by the Company from the date of their issuance which was on 3 August 2017. All ordinary shares of the Company are entitled to dividends, if so declared, and there are no particular restrictions applicable on payment of dividends to non-residents of Cyprus. Any dividends will be declared in USD; however, shareholders who have supplied the Norwegian Central Securities Depository with a NOK account will receive their dividend in NOK to such account. All ordinary shares of the Company are entitled to one vote in a general meeting of the shareholders. The general meeting of the Company has authorized the board of directors to revoke pre-emptive rights of shareholders to subscribe for new shares being issued within the authorized capital of the Company. All ordinary shares of the Company have the right to their pro-rata share in profits and any surplus in the event of liquidation.
Resolution	The resolutions pursuant to which the New Shares were issued was made by an extraordinary general meeting of the Company, held on 13 June 2017, where the following were resolved: *"That the shareholders consent to the proposed Restructuring as set out in the Restructuring Term Sheet, including the partial conversion of debt into equity, and the implementation by the Company of the same, if the conditions thereof are met."* Pursuant to this resolution, the board of directors resolved to issue the New Shares on 3 August 2017.
Issue date	On 3 August 2017, the Company issued 54,389,711 New Shares with a nominal value of USD 0.10 and these new ordinary shares will be registered in VPS (expected to take place on or about 8 August 2017), and admitted to trading on the Oslo Stock Exchange.

Restrictions on transferability..	The New Shares are freely transferable.
Rules on mandatory takeover bids, squeeze-out and sellout..	See Section 11.5.13.
Public takeover bids..............	The shares of the Company have not been subject to voluntary or mandatory takeover bids.
Withholding tax....................	Under current tax regulations applicable to the Company, no tax is being withheld in Cyprus in respect of dividends paid by the Company to non-Cyprus resident shareholders. No withholding tax is imposed as an effect of the issue of the New Shares nor by their listing.

5.3 Summary of the terms of the issue of the New Shares

The following main terms applied to the issue of the New Shares. The issue of the New Share has been completed and no further New Shares are being offered by means of this Prospectus or otherwise.

Conditions for the issue....	The issue of the New Shares is completed and irrevokable, and no further conditions apply for the issuance of the New Shares.
Amount of the offer	A total of 54,389,711 New Shares of the Company were issued in return for conversion of debt and lease obligations as part of the Restructuring. No existing shares were offered for sale by any shareholder.
Time period and application process	54,389,711 New Shares were offered to converting stakeholders as announced on 26 May 2017. On 6 June 2017 a bondholders meeting approved the proposed restructuring, on 13 June 2017 the EGM approved the restructuring, and all conditions of the restructuring were met on 1 August 2017, the shares was issued on 3 August 2017 and is expected to be registered in VPS on or about 8 August 2017.
Minimum and maximum application.....................	The New Shares were issued in connection a conversion of debt and lease obligations, hence no minimum or maximum application was applied.
Method of payment and settlement.....................	The 54,389,711 New Shares being was settled against the part conversion of liabilities at NOK 5.0 per New Share with a USDNOK exchange rate of 8.37. Settlement was made in VPS, the Norwegian Central Securities Depository.
Announcement...............	Announcement of the completion of the issue of the New Shares and registration in VPS is expected to take place on Oslo Børs on or about 8 August 2017.
Pre-emptive rights..........	No pre-emptive rights applied to the issue of the New Shares.
Categories of investors.....	The New Shares issued to current stakeholders as part conversion of debt and lease obligations. No specific tranche was being allocated to any category of investors.
Allocation to related parties and large investors	The following parties were allocated the New Shares as part of the Restructuring:

	Shares	Ownership in the Company after the restructuring
Holders of Tranche B Bonds	33,731,958	58.7%
Glander International Bunkering (Norway) AS	3,259,630	5.7%
Ordinat Shipping AS	16,611,343	28.9%
Z-Invest AS	786,780	1.4%
Sum	54,389,711	95%

	A significant part of the New Shares will be issued to holders of Tranche B Bonds, the identity of which is not known to the Company. The New Shares is expected to be registered VPS on or about 8 August 2017, thus it is expected that larger bondholders which will hold more than 5% will make an annoucment following such registration in VPS. See section 11.2 for an overview of know other larger share holders. No other New Shares were allocated to members of SeaBird's management, supervisory or administrative bodies in the issue of the New Shares.
Pre-allotment disclosure ...	As the issue of the New was done in connection with the Restructuring, hence parties receiving the New Shares have entered into agreements with the Company stating their allocation. The issue of the New Shares was not split into specific tranches (such as retail or employee tranches). Allocation to each investor was done by the board of directors of SeaBird Exploration Plc.
Notification of allocation ...	The New Shares were issued in connection with conversion of debt and lease obligations, bondholders will thus be informed of their exact allocation of shares through VPS, while Glander and Ordinat through mail.
Over-allotment / "green shoe"	No over-allotment was applied in the issue of the New Shares and no stabilisation measures were undertaken as part thereof.
Pricing...........................	All shares were issued through conversion of debt and lease obligations at a fixed share price of NOK 5.0 per share and a USDNOK exchange rate of 8.37.
Basis for pricing; reasons for revoked pre-emptive rights................	The share price applied in the issue of the New Shares represented a discount to the market price of the shares of SeaBird prior to the announcement of the Restructuring, being NOK 7.63 per share on 24 May 2017. The basis for deciding the share price was the negotiation with the parties converting liabilities into New Shares. The basis for revoking pre-emptive rights in the issue of the New Shares was in order to complete the Restructuring.
Potential disparity between the subscription price and cost to related persons.....	To the knowledge of SeaBird, no member of administrative, management or supervisory bodies or senior management have acquired shares in the Company during the past year, or have rights to acquire such shares, at a share price which is lower than the share price applied in the issue of the New Shares.
Managers	The managers of the issue of the New Shares were: ABG Sundal Collier ASA, Munkedamsveien 45E, N-0201, Oslo, Norway Arctic Secturities AS, Haakon VII´s gt 5, NO-0123, Oslo
Depository agent	DNB Bank ASA, Verdipapirservice, P.O. Box 1600, N-0021 Oslo, Norway.
Underwriting	The transaction was not underwritten.

5.3.1 Admission to trading and dealing arrangements

The following main terms apply to the listing of the New Shares.

Listing of the New Shares	The New Shares will become tradeable on Oslo Børs under the trading symbol "SBX" subsequent to the registration of the Shares in VPS expected to take place on or about 8 August 2017. No arrangements have been made for the trading of the New Shares on other regulated markets.
Market maker arrangements ...	The Company does not have arrangements with entities to provide market making or similar activities in respect of the Shares.
Stabilization arrangements	No price stabilization arrangements are in place or have been made in respect of the New Shares.

5.3.2 *Shares following the issue of the New Shares; Dilution*

As a consequence of the new issue of the New Shares, the number of issued Shares in the Company was increased from 3,065,434 to 57,455,145 Shares, each with a nominal value of USD 0.10. A description of the Shares is set forth in Section 11 herein.

Shareholders who did not participate in the issue of the New Shares were subject to a direct dilution of their ownership as set forth in the table below, which also sets forth the dilutive effect pursuant to the exercise of the Warrants:

	Prior to issue of the New Shares	After issue of the New Shares
Number of Shares...	3,065,434	57,455,145
% dilution..	-	94.7%

5.4 Transfer restrictions

5.4.1 *General*

No actions have been taken, and no actions are intended to be taken, to register the New Shares, the Warrants or the Bonds in any other jurisdiction than in Norway. The transfer of any of these securities in or into various jurisdictions may be restricted or affected by law in such jurisdictions.

No securities of the Company are being offered by means of this Prospectus. This Prospectus does not constitute an invitation to purchase any of the securities of the Company in any jurisdiction in which such offer or sale would be unlawful. No one has taken any action that would permit a offering of the securities of the Company to occur outside of Norway. Accordingly, neither this Prospectus nor any advertisement or any other material may be distributed or published in any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. The Company and the Managers require persons in possession of this Prospectus to inform themselves about and to observe any such restrictions. The securities of the Company may be subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under applicable securities laws and regulations. Any failure to comply with such restrictions may constitute a violation of the securities laws of any such jurisdiction.

The following is a summary of certain transfer restrictions that may apply to the securities of the Company pursuant to legislation in certain jurisdictions. The contents do not constitute an exhaustive description of all transfer restrictions that may apply in such jurisdictions, and similar or other restrictions may also follow from applicable laws and regulations in other jurisdictions.

5.4.2 *Transfer restrictions – United States*

The securities of the Company have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Terms defined in Rule 144A or Regulation S shall have the same meaning when used in this Section.

Each purchaser of the securities of the Company outside the United States pursuant to Regulation S will be deemed to have acknowledged, represented and agreed that it has received a copy of this Prospectus and such other information as it deems necessary to make an informed decision and that:

- The purchaser is authorised to consummate the purchase of the securities of the Company in compliance with all applicable laws and regulations.

- The purchaser acknowledges that the securities of the Company have not been and will not be registered under the Securities Act or with any securities regulatory authority or any state of the United States, and are subject to significant restrictions on transfer.
- The purchaser is, and the person, if any, for whose account or benefit the purchaser is acquiring the securities of the Company was located outside the United States at the time the buy order for the securities of the Company was originated and continues to be located outside the United States and has not purchased the securities of the Company for the benefit of any person in the United States or entered into any arrangement for the transfer of the securities of the Company to any person in the United States.
- The purchaser is not an affiliate of the Company or a person acting on behalf of such affiliate, and is not in the business of buying and selling securities or, if it is in such business, it did not acquire the securities of the Company from the Company or an affiliate thereof in the initial distribution of such securities.
- The purchaser is aware of the restrictions on the offer and sale of the securities of the Company pursuant to Regulation S described in this Prospectus.
- The securities of the Company have not been offered to it by means of any "directed selling efforts" as defined in Regulation S.
- The Company shall not recognise any offer, sale, pledge or other transfer of the securities of the Company made other than in compliance with the above restrictions.
- The purchaser acknowledges that the Company, the Managers and their respective advisers will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

Each purchaser of the securities of the Company within the United States pursuant to Rule 144A acknowledges, represents and agrees that it has received a copy of this Prospectus and such other information as it deems necessary to make an informed investment decision and that:

- The purchaser is authorized to consummate the purchase of the securities of the Company in compliance with all applicable laws and regulations.
- The purchaser acknowledges that the Securities of the Company have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and are subject to significant restrictions to transfer.
- The purchaser (i) is a QIB (as defined in Rule 144A), (ii) is aware that the sale to it is being made in reliance on Rule 144A and (iii) is acquiring such Securities of the Company for its own account or for the account of a QIB, in each case for investment and not with a view to any resale or distribution of the Securities of the Company, as the case may be.
- The purchaser is aware that the Securities of the Company are being offered in the United States in a transaction not involving any Offering in the United States within the meaning of the U.S. Securities Act.
- If, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Securities of the Company, as the case may be, such shares may be offered, sold, pledged or otherwise transferred only (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A, (ii) in accordance with Regulation S, (iii) in accordance with Rule 144 (if available), (iv) pursuant to any other exemption from the registration requirements of the U.S. Securities Act, subject to the receipt by the Company of an opinion of counsel or such other evidence that the Company may reasonably require that such sale or transfer is in compliance with the U.S. Securities Act or (v) pursuant to an effective registration statement under the U.S. Securities Act, in each case in accordance with any applicable securities laws of any state or territory of the United States or any other jurisdiction.

- The purchaser is not an affiliate of the Company or a person acting on behalf of such affiliate, and is not in the business of buying and selling securities or, if it is in such business, it did not acquire the Securities of the Company from the Company or an affiliate thereof in the initial distribution of such Shares.
- The Securities of the Company are "restricted securities" within the meaning of Rule 144A (3) and no representation is made as to the availability of the exemption provided by Rule 144 for resale of any Securities of the Company, as the case may be.
- The Company shall not recognise any offer, sale pledge or other transfer of the Securities of the Company made other than in compliance with the above-stated restrictions.
- The purchaser acknowledges that the Company, the Selling Shareholder, the Managers and their respective advisers will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements. No securities are being offered in any jurisdiction by means of this Prospectus.

5.4.3 Transfer restrictions – other jurisdictions

Similar or other restrictions may also exist for investors in other jurisdictions in respect of the securities of the Company.

6 DESCRIPTION OF SEABIRD

6.1 Group and industry overview

6.1.1 The SeaBird group

SeaBird is a global provider of marine acquisition for seismic data, and associated products and services to the oil and gas industry. SeaBird specializes in high quality operations targeting the high end of the 2D, source and niche 3D seismic sectors. Main focus for the company is client proprietary seismic surveys (contract seismic), and to a lesser extent seismic surveys for multi-client sales. Main success criteria for the company are an unrelenting focus on Health, Safety, Security, Environment and Quality (HSSEQ), combined with efficient collection of high quality seismic data.

SeaBird owns four vessels (Harrier Explorer, Aquila Explorer, Osprey Explorer and Northern Explorer) and charters one vessel (Munin Explorer) through a bareboat agreement. In addition, the Company has a joint marketing agreement with respect to one more vessel, the Voyager Explorer. The vessels, together with associated seismic equipment, make up SeaBird’s principal assets, and together with trained crews, make up its principal sources of income. A further description of the fleet and key assets is set forth in Section 6.5 "The fleet and main assets".

During the spring 2017, mainly as a result of market conditions having deteriorated over time to render SeaBird unable to meet its financial obligations, SeaBird completed the Restructuring described in Section 4.

The ultimate parent company of the SeaBird group, SeaBird Exploration Plc, is a public limited liability company incorporated in the Republic of Cyprus. An overview of the group structure is set forth in Section 6.3. SeaBird has been listed on the Oslo Stock Exchange since April 2006 under the ticker-code “SBX”.

6.1.2 Industry and business overview

A presentation of the seismic industry and the key drivers for market conditions in this industry is set forth in Section 8.

The seismic industry plays an important role in the exploration of the world’s hydrocarbon resources (oil and gas). Seismic surveys are undertaken to scan geological formations for patterns that can indicate opportunities for hydrocarbons in the ground, whether on land or under the sea bed, or to provide information about known formations of such hydrocarbons.

Seismic surveys make use of acoustic waves that are sent into the ground and which are reflected by the ground. The acoustic patterns reflected can be processed to provide information about the structure of the subsurface.

When making offshore seismic surveys, specialized vessels and equipment are used to send and receive these acoustic waves. The principal form of equipment used is so-called streamers, being long cables with recording equipment that are referred to as hydrophones.

Seismic surveys can be undertaken in several manners, giving different detail of information and at different cost. These types of surveys are often referred to as 2D, 3D and 4D surveys, referring to the number of dimensions that are surveyed. 2D seismic makes use of a single streamer and represents an efficient method to scan large areas at a competitive cost, while 3D seismic makes use of more streamers at a higher cost. 4D seismic makes use of several 3D surveys, adding time as the fourth dimension, and is more costly.

In addition to the seismic surveys undertaken by vessels and streamers, being mobile equipment, seismic surveys can also be done by means of stationary equipment placed on the sea bed, referred to as ocean bottom nodes. Such surveys are generally more costly than conventional seismic surveys undertaken by vessels.

The principal types of seismic surveys, and the equipment employed in each type of survey, can be summarized as follows:

- Conventional 2D vessels towing one streamer and an array of air-guns;
- Conventional 3D vessels towing from two to twenty streamers and an array of air-guns;
- Ocean bottom survey vessels operating air guns and deploying recording devices on the seafloor; and;
- Source vessels only operating air guns. These are used if there is a need to increase the distance between the recordings (2D or 3D vessel) or if there is a need for several sources (gun arrays) in different locations.

SeaBird's business is principally related to the ownership and operation of vessels used as 2D and/or 3D seismic vessels, or as source vessels. All of the vessels in the Group's fleet are capable of working both as seismic vessels and as source vessels. One of the vessels has 3D capability, while the remaining five vessels have 2D capability. SeaBird's engagement in 3D seismic is referred to as niche 3D, as the vessels are smaller and have less streamer capacity than the more advanced and expensive vessels that dominate the 3D market. SeaBird's engagement in 2D seismic is referred to as "high end", making reference to its ability to provide service to the major oil companies, which involves approval of HSSEQ systems as further set out in Section .6.. Companies without such approvals will not be able to have their vessels employed by such oil companies, but may find employment for their vessels with other seismic companies having such approvals, or with other clients that have less stringent demands to HSSEQ systems. An overview of the vessels and their specifications is set forth in Section 6.5 "The fleet and main assets".

SeaBird principally employs its vessels in so-called contract seismic, where the client becomes the sole owner of the seismic data being collected. An overview of the contract coverage for SeaBird's vessels is provided in Section 6.1.

SeaBird also collects seismic data for its own account (in whole or part), for later sales to third parties. This is referred to as multi-client seismic. Multi-client seismic carries a higher risk, as costs are carried with no certainty of their recovery through later sales. Multi-client seismic traditionally accounts for a smaller part of SeaBird's business. As a consequence of the financial restructuring of June 2017, SeaBird exchanged its multi-client library with TGS-NOPEC Geophysical Company ASA in exchange for the outstanding debt under SBX04 tranche A. Although SeaBird exchanged its multi-client library with TGS, carrying out multi-client surveys remain part of the company's strategy.

The processing of seismic raw data is a computer intensive process, and the analysis of such seismic data is a highly specialized and expertized operation. The majority of data collected by SeaBird's vessels is delivered for processing and analysis by its clients.

6.2 History

SeaBird was founded in 1996, when a predecessor company was formed to supply seismic vessel capacity to larger seismic service providers. From 2000, the business model was extended to offer seismic services directly to end customers and leverage the extensive competency developed in-house. SeaBird had at this stage constructed a team of highly experienced industry professionals with significant expertise in high-quality seismic operations.

SeaBird's shares were listed on Oslo Børs in 2006. The same year, the company acquired an ocean bottom node seismic company, a business which was subsequently divested in 2011. Since 2011, SeaBird has focused solely on marine seismic operation.

SeaBird currently has a global fleet of efficient vessels targeting the 2D, source and niche 3D seismic sectors. SeaBird believes it is one of the world's largest independent suppliers of 2D and source seismic services (both in terms of market share and number of vessels).

In January 2015, announced that agreement had been reached with certain lenders and creditors on the principal terms of a financial testructuring, being a consensual restructuring of the SeaBird group. The purpose of the Restructuring was to facilitate a comprehensive restructuring of the SeaBird group's balance sheet and provide new funding for SeaBird.

The 2015 restructuring followed announcements made in 2014 to the effect that SeaBird was in default of its existing bonds, certain debt obligations and certain other financial commitments, and required new sources of funds to continue its operations. Consequently, SeaBird had for several months been in close dialogue with its creditors and other stakeholders in pursuit of new funding, resulting in agreement in principle reached with several of the SeaBird group's stakeholders with respect to the 2015 restructuring.

In June 2017, SeaBird announced it had reached agreement concerning a restructuring of certain of its debt obligations. The majority of the debt is converted into new equity, while a smaller part is rolled over with 30 June 2020 as the new maturity date. The background to the Restructuring is further set out in Section 4 and the components of the Restructuring are further set out in Sections 4 and 5.

6.3 Legal and group structure

The Company serves as SeaBird's group parent company and is a public company limited by shares, registered under the Companies Law, Ch. 113 of the statute Laws of the Republic of Cyprus (as amended) and with registration number 259593 in the Registry of Companies, being a department of the Cyprus Ministry of Commerce, Industry and Tourism. The Company was originally incorporated on 28 August 2000 under the International Business Companies Act of 1984 chapter 291 of the laws of the British Virgin Islands, then under the name "GeoSea Holdings Limited". The Company re-domiciled to Cyprus on 18 December 2009 changing its name to SeaBird Exploration Plc. SeaBird and SeaBird Exploration are commercial names used to describe the group and its business.

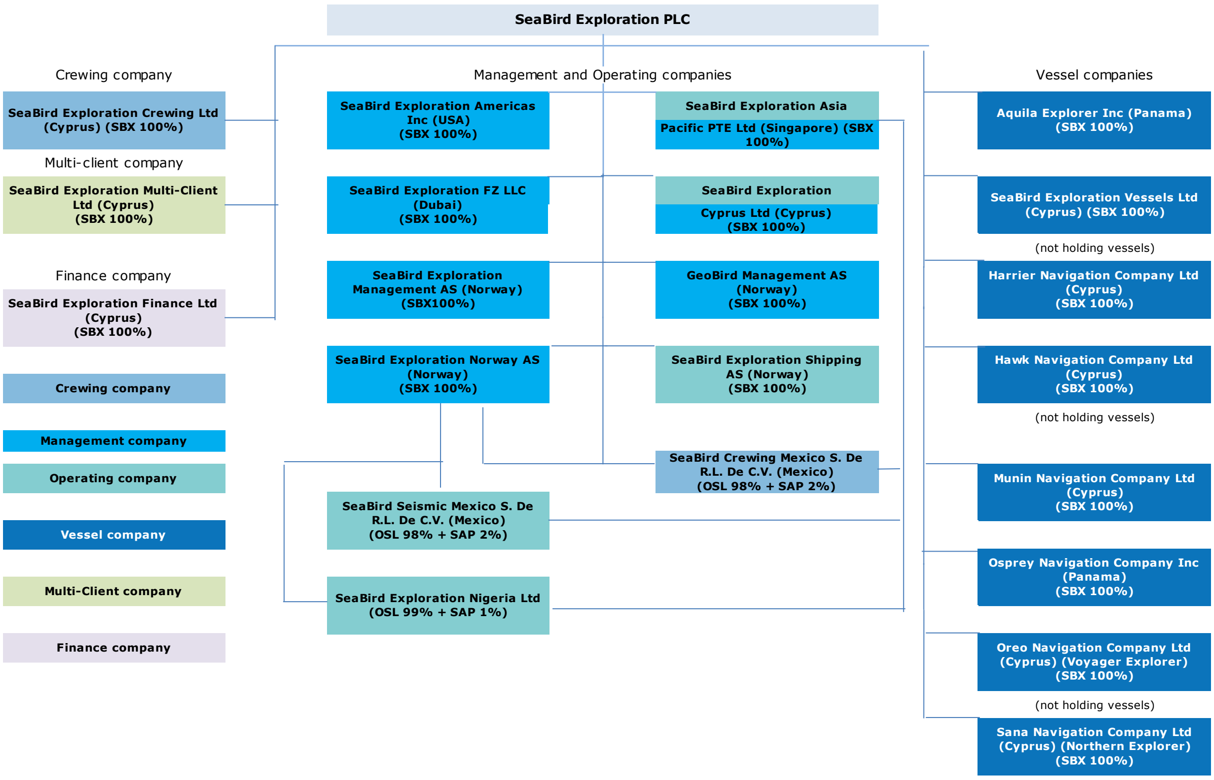
The Company has its registered office which is also the SeaBird group head office at 25, Kolonakiou Street Block B, Office 101, 4103 Linopetra, Limassol, Cyprus. SeaBird's web site can be found at www.sbexp.com.

Offices of the SeaBird group include:

- Limassol (Cyprus, head office): SeaBird Exploration Plc, 25, Kolonakiou Street Block B, Office 101, 4103 Linopetra, Limassol, Cyprus. Tel: +357 2527 0600, fax: +357 2527 0601, e-mail: corporate.limassol@sbexp.com
- Houston (Texas, USA): SeaBird Exploration Americas Inc., 820 Gessner, Suite 1275, Houston, TX 77024, USA. Tel: + 1 281 5561 666, e-mail: corporate.houston@sbexp.com
- Oslo (Norway): SeaBird Exploration Norway AS, Cort Adelers gate 16, P.O. Box 1302 Vika, 0112 Oslo, Norway. Enterprise no: 977 236 371. Tel: +47 2240 2700, fax: +47 2240 2701, e-mail: corporate.oslo@sbexp.com

- Singapore: SeaBird Exploration Asia Pacific Pte. Ltd., 1 Fullerton Road, #02-01 One Fullerton, Singapore 049213. Tel: +65 6832 5593, fax: +65 6408 3801, e-mail: corporate.sing@sbexp.com

The SeaBird group's operations are performed by a set of subsidiaries, a chart of which is set out below.



The table below sets forth an overview of the legal entities being active part of the SeaBird group. All subsidiaries are wholly owned.

Name	Registration	Function
Aquila Explorer Inc.	Panama	Vessel holding company
Seabird Exploration Crewing Limited	Cyprus	Crewing company
Geobird Management AS	Norway	Operating company
Harrier Navigation Company Limited	Cyprus	Vessel holding company
Munin Navigation Company Limited	Cyprus	Vessel holding company
Osprey Navigation Company Limited	Cyprus	Vessel holding company
Sana Navigation Company Limited	Cyprus	Vessel holding company
Seabird Crewing Mexico S. DE R. L DE C. V.	Mexico	Crewing company
Seabird Exploration Americas Inc.	USA	Management company
Seabird Exploration Asia Pacific Pte. Ltd	Singapore	Management / operating company
Seabird Exploration Cyprus Limited	Cyprus	Management / operating company
Seabird Exploration Finance Limited	Cyprus	Finance company
Seabird Exploration FZ-LLC	UAE	Management company

Seabird Exploration Multi Client Limited	Cyprus	Multi client company
Seabird Exploration Norway AS	Norway	Management company
Seabird Exploration Shipping AS	Norway	Operating company
Seabird Exploration Seismic Mexico S. DE R. L DE C. V.	Mexico	Operating company

In addition to the companies above, all of which have active functions in the SeaBird group as per the date of this Prospectus, there are also certain dormant/closed down/under closure subsidiaries as set out in note 13 to the parent company financial statements in the annual report 2016 (see Section 13.4).

Other than as set forth above, the SeaBird group does not have holdings in which it holds a proportion of the capital likely to have a significant effect on the assessment of its own assets and liabilities, financial position or profits and losses.

6.4 Vision, goals/objectives and strategy

The SeaBird group's vision is to be the most reliable and productive service provider in focus areas, based on low cost operations, experienced crews and unparalleled technology expertise in the high end of the 2D, niche 3D and source marine seismic markets and to be a complete seismic services provider, covering the full range of its client needs.

- Global market leader in SeaBird’s principal sectors for the oil and gas industry and multi-client companies
- Best in class maritime operation
- Unique competence in frontier markets and niche seismic
- Complex survey areas, shallow water and high risk
- Leading 2D seismic technology development
- Highly reputable HSSEQ program which differentiates SeaBird in its segment

The goal is to be a market leader in the high end of the seismic market within its niches, by building on its strong sides, retaining focus on cost without compromising on Health, Safety, Security, Environment and Quality (HSSEQ), and through building long term relationships with key clients and remaining conservative with regards to acquiring debt.

When using the term “high end” above, SeaBird makes reference to companies that are approved for employment by the major oil companies, which involves approval of HSSEQ systems. Companies without such approvals will not be able to have their vessels employed by such oil companies, but may find employment for their vessels with other seismic companies having such approvals, or with other clients that have less stringent demands to HSSEQ systems.

6.5 The fleet and main assets

The SeaBird fleet consists of the following vessels:

M/V Voyager Explorer

Building year: 2005

Seismic: 2D / 3D

Ownership: Joint marketing agreement since Q4 2016 following redelivery of the vessel to the lessor.

M/V Northern Explorer

Building year: 1987

Converted for seismic operation in: 1998

Upgraded: 2005

Seismic: 2D

Ownership: Owned by SeaBird

M/V Aquila Explorer

Building year: 1982

Converted for seismic operation in: 2007

Seismic: 2D

Ownership: Owned by SeaBird

M/V Harrier Explorer

Building year: 1979

Converted for seismic operation in: 2007

Seismic: 2D

Ownership: Owned by SeaBird

M/V Osprey Explorer

Building year: 1985

Converted for seismic operation in: 2006

Seismic: 2D

Ownership: Owned by SeaBird

M/V Munin Explorer

Building year: 1989

Converted for seismic operation in: 2007

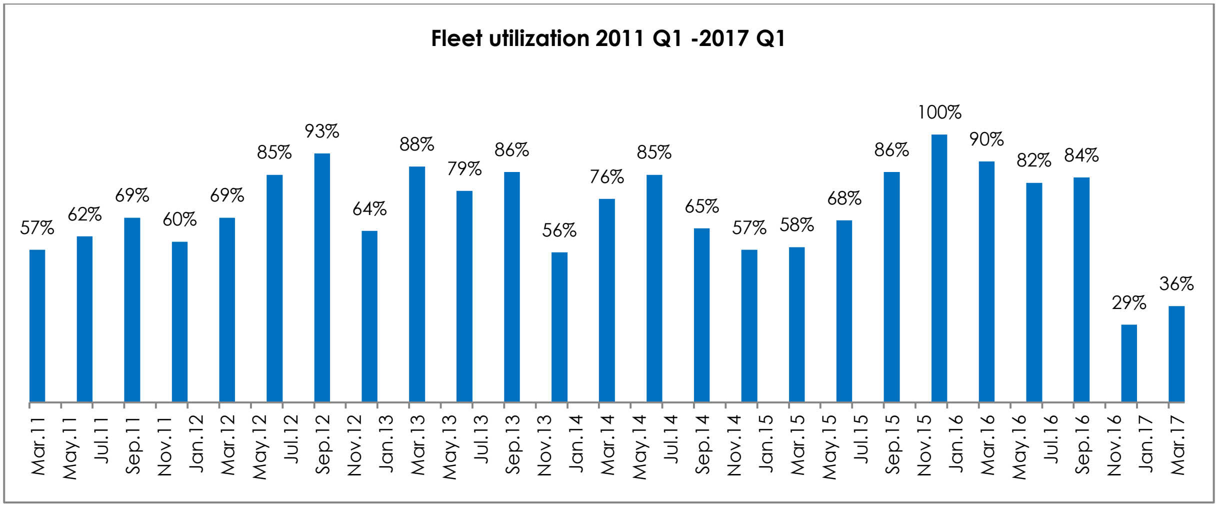
Seismic: 2D

Ownership: Bareboat charter until 30 June 2020

Bareboat charter details: Day rate of USD 2,088 until 30 June 2020, with the option of deferring payments (i.e. payment in kind) until expiry of charter.

6.5.1 Vessel utilization, chartering and contract coverage

The chart below provides an illustration of SeaBird's aggregate vessel utilization, calculated as a quarterly average, for the period since 2011.



One of the vessels in SeaBird's fleet is in lay-up as per the date of this Prospectus, being "Munin Explorer". "Munin Explorer" was laid-up in Q3 2015 and is currently expected to remain laid-up until market activity picks up and Seabird again sees the need for using the vessel for its operations.

Chartering of SeaBird's vessels is generally based on contracts with duration between one and three months, although contracts may be shorter or longer. As a consequence of the generally short contract duration, SeaBird is dependent on continuously finding and developing new contract opportunities. Utilisation will depend on the ability to secure new contracts in continuation of existing contracts in order to minimise idle periods. Geographic proximity of such new contracts is also of importance to minimise the time spend in transit between survey areas.

As per the date of this Prospectus, SeaBird has contracts or letters of intent for contracts for future employment contracts for its vessels corresponding to approximately 11 months of vessel utilization, representing aggregate contract revenue of approximately USD 16 million. In light of the 2014 and 2015 drop in oil prices, and the resulting uncertainty relating to investments by oil companies and service providers to the energy companies, the start-up of these contracts represents a material uncertainty for SeaBird. There can be no assurance that the contracts will not be delayed or cancelled, in which case SeaBird will have limited opportunities to take legal action against the respective contract parties.

In addition to the contracts described above, SeaBird is in advanced stage negotiations for various additional contracts. There can be no assurance that these additional and expected contracts will materialize, nor any certainty about the duration or amounts of such additional contracts.

6.5.2 Contract seismic and multi-client seismic; seismic library

SeaBird principally employs its vessels in so-called contract seismic, where the vessels are employed on fixed contracts for the campaign. When performed for an end-user client, the client becomes the sole owner of the seismic data being collected. An overview of the contract coverage for SeaBird's vessels is provided in Section 6.1.

SeaBird also collects seismic data for its own account (in whole or part), for later sales to third parties. This is referred to as multi-client seismic, and is a conceptually different business model than contract seismic.During the financial restructuring as agreed in June 2017, the Company handed over its multi-client library to TGS in exchange for its outstanding debt obligation under SBX04 tranche A. As of 31 March 2017 the multi-client library had a book value of USD 2.7 million. Please refer to section 4 "Background relation to the Restructuring" for further details. Although the

Company no longer owns a multi-client library, it is expected that the Company will engage in multi-client seismic surveys in the future dependent on market demand.

In the multi-client business model the seismic companies plan, acquire and process the data at their own risk, and offer the processed data for license to clients on a non-exclusive basis. Under this model the clients benefit from access to high quality data at a lower cost compared to acquiring the same data on a proprietary contract basis, but forfeit any exclusivity to the data. Such data is typically acquired over open acreage in anticipation of licensing by the relevant authority and is used by clients for risk evaluation and prospect identification prior to them making a bid for acreage. For the seismic companies the benefit comes from the potential for multiple sales that in total can exceed the revenue that would have been otherwise derived from a contract survey.

The risk aspects of the two models differ as contracted work is commenced against pre-defined revenue while the income from multi-client projects is speculative and contingent on external factors such as the attractiveness to clients of the associated acreage being offered for lease. However, it is common practice in the seismic industry that client pre-funding is sought by the seismic companies for their multi-client projects according to the companies' risk appetite, in order to mitigate these risks, sometimes up to or exceeding the full pre-funding of the survey equivalent to that of the contract model.

SeaBird's main activity is contract seismic, which accounted for 97% of revenues in 2016 (2015: 97%, 2014: 86%). Multi-client is mainly used to stabilize fluctuations in contract market. Contract work is lumpy subject to the demand from third parties, hence multi-client work is a way to fill the gaps between contracts and make the best use of the vessels. SeaBird often does multi-client work in collaboration with other third-party multi-client specialists.

6.5.3 Commercial and technical management of the vessels

SeaBird is handling both commercial and technical management of all the vessels in its fleet. Responsibility lies with SeaBird's Operations Department, through the Maritime and Seismic support departments.

6.5.4 New products and/or services

SeaBird has not introduced, and does not plan to introduce, significant new products or services.

The board of directors of the Company does not expect any major changes in SeaBird's principal activities in the foreseeable future.

6.5.5 Statements regarding competitive position

The statements made by SeaBird in this Prospectus regarding its competitive position are provided on a "going concern" basis and are not based on any assumptions of changes in its relative competitive position, other than as described in this Prospectus.

6.5.6 Environmental issues

SeaBird is not aware of environmental issues that currently affect, or may reasonably be expected to affect, the utilisation of its assets. SeaBird's business activities do not rely on environmentally hazardous cargoes or substances, with the exception of the fuel used by its vessels.

6.6 HSSEQ systems and policies

SeaBird' policies for QHSE (Quality Health, Safety & Security, and Environment) are developed to provide guidance and direction for all persons in the SeaBird group, at all levels, areas and spheres of its operations and offices. These policies have been detailed to provide a structured and practical approach in achieving its objectives, bringing value and applying ethics and moral in how SeaBird performs its work worldwide, be that on- or offshore.

The policies are fully integrated into its SeaBird's management system; which is based on a framework defined by IOGP (International Association of Oil & Gas Producers, an industry association). This is further aligned to its accreditations, covering: ISO 9001:2015 (Quality), ISO 14001:2015 (Environment), OHSAS 18001 (Occupational Health and Safety), ISM/ISPS (Maritime Document of Compliance), ISNetworld, Achilles and FPAL (Verification bodies). The systems are regularly audited for effectiveness by clients and annually by DNV-GL.

The system have been honed over a period of years to achieve robust end user functionality which adds value to the company by providing all the required processes and tools to support the company on and offshore at all sites.

6.7 Property, plant and equipment

SeaBird leases its offices from several parties, with such lease agreements being entered into on commercial terms and satisfactory to its needs. SeaBird has no owned premises. Offices in Norway are leased until 30 September (7^{th} floor of building) and 1 October 2017 (2^{nd} floor of building), while offices in Cyprus, Singapore, and Houston are office units leased from office hotel arrangements. No particular arrangements or infrastructure is required for SeaBird's office needs.

The majority of assets owned by SeaBird are seismic vessels (approximately USD 40 million book value), as set out in Section 6.5. In addition to the vessels, SeaBird's assets consist of seismic equipment (approximately USD 6 million book value). An overview of investments (historical, ongoing and planned) is provided in Section 10.1. The encumbrances on SeaBird's vessels are set out in Section 10.2.5.

6.8 Material contracts

6.8.1 Dependence on contracts and licences

An overview of the contract backlog for the employment of SeaBird's vessels is provided in Section 6.1. For the year 2016, TGS constituted the largest customer with 86% of group revenues.

SeaBird's business and profitability is dependent on entering into new operating contracts as existing contracts come to an end. These contracts are entered into in a competitive market based on bidding procedures against other seismic operators with capacitities and availabilities matching the requirements of the respective clients. Reference is made to Section 8 for a discussion of the competitive situation for SeaBird's vessels.

To the extent that SeaBird relies on third parties to perform services, SeaBird does not believe any such third party to be critical to its operation. Third party services are purchased in an open and competitive market, and are selected on the basis of price and quality.

For streamers and other seismic equipment, SeaBird relies on approvals from US authorities to be receiver of US controlled technology exported from the United States. Should such approvals be revoked, SeaBird would suffer a reduced selection of supplies and might not have access to the industry preferred technology.

SeaBird faces regulatory requirements from ISO (Organization for Standardization), flag states as well as class (in line with other maritime industries).

In the opinion of the Company, and except as forth above, SeaBird is not dependent on any particular licences, industrial, commercial or financial contracts or manufacturing processes to conduct its business.

6.8.2 Material contracts outside the ordinary course of business

SeaBird is not a party to any material contract other than contracts entered into in the ordinary course of business.

6.9 Changes in framework conditions

With the exception of factors customary to the seismic business, as described elsewhere in this Prospectus, SeaBird is not aware of any governmental, economic, fiscal, monetary or political policies or factors that have materially affected, directly or indirectly, its operations, or of proposed changes to such policies or factors that could materially affect its operations.

7 BOARD, MANAGEMENT AND CORPORATE GOVERNANCE

7.1 Board

7.1.1 Composition of the Board of Directors

Overall responsibility for the management of the Company and its subsidiaries rests with the board of directors.

Pursuant to the Articles, the board of directors of the Company shall have between two and nine members.

Directors serve for periods of one year at a time, and are elected or re-elected at the annual general meeting unless an extraordinary general meeting is called to elect new directors. The annual general meeting held on 10 May 2017 re-elected four directors as set forth in the table below.

Name	Position	Served since
Anette Malm Justad	Chairman	2015
Kitty Hall	Director	2012
Olav Haugland	Director	2015
Hans Petter Klohs	Director	2015

The Company's business address (Zavos Kolonakiou Shopping Centre, 25 Kolonakiou Street, Block B, Office 101, 4103 Linopetra, Limassol, Cyprus), serves as c/o address for each member of the board of directors.

Under the Code of Practice (as defined and further described in Section 7.5."Corporate governance") it is recommended, to ensure independence from special interests, that the majority of the members of the board should be independent of a company's executive personnel and material business contacts, and that at least two of the members of the board should be independent of the main shareholders. None of the directors of the Company are, or are affiliated with, executive personnel of the Company.

7.1.2 Brief biographies of the members of the Board of Directors

Set out below are brief biographies of the members of the board of directors of the Company, including their relevant management expertise and experience, an indication of any significant principal activities performed by them outside the Company and names of companies and partnerships of which a member of the board of directors is or has been a member of the administrative, management or supervisory bodies or partner the previous five years (not including directorships and management positions in subsidiaries of the Company), where for purpose of this overview "C" indicates the position of chairperson and "D" indicates director.

Annette Malm Justad – Chairman

Ms. Malm Justad was appointed to her position in 2015. She has a Master's degree in Chemical Engineering from the Norwegian University of Science and Technology (NTNU) and a Marster's degree in Technology Management from NTNU and MIT Sloan School of Management. Ms. Malm Justad has more than 25 years' international operational experience from industry and shipping companies, including five years of experience as a CEO of a Norwegian listed international ship supply company and head of purchasing of Yara International. She is now partner at Recore, a management consultant company specializing in restructuring and change management, and hold roles as non-executive director and chairman for public and private companies. She is a Norwegian citizen and resides in Norway.

Overview of current directorships, partnerships and management positions:

- *Recore (Partner), Port of London Authority (D), Pleat AS (D), Pleat Cooler AS (D), Pleat Evaporators AS (D), Store Norske Spitsbergen Kulkompani AS (C), Store Norske Spitsbergen Gruvekompani AS (C), Store Norske Gruvedrift AS (C), Awilco LNG ASA (D), American Shipping Company ASA (C), Alama AS (D), Norsk Grønnkraft (C), Småkraft AS (C), Homlungen AS (C)*

Overview of directorships, partnerships and management positions during past five years, no longer held:

- *Odfjell SE (D), Small Turbine Partner AS (D), Risvollen AS (D), KF Fjellsikring AS (D), Store Norske Gull AS (C), Petroleum Geo-Services ASA (D)*

Kitty Hall – Director

Mrs. Katherine ("Kitty") J. Martin (nee Hall) was appointed as a director of the Company in 2012. She has a BSc in Geology from the University of Leeds and an MSc in Stratigraphy from Birkbeck College, University of London. She has more than 35 years of experience from upstream oil industry including 25 years as Chief Executive of specialist geophysical contractors ARKeX Ltd (2004-2010) and ARK Geophysics Ltd (1986-2004), together with experience as a board member for both public and private service companies. Since 2016, she has been Chairman of the Petroleum Group of the Geological Society. She is a British citizen and resides in the United Kingdom.

Overview of current directorships, partnerships and management positions:

- *Petoleum Group of the Geological Society (C), Milton Keynes Parks Trust (trustee)*

Overview of directorships, partnerships and management positions during past five years, no longer held:

- *Aker BP (Det Norske Oljeselskap) (D), Petroleum Exploration Society of Great Britain (PESGB) (Vice President 2011-2013), ARKeX Ltd (D, President 2010-2011, Chief Executive 2004-2010), Sevan Drilling AS (D), Polarcus Ltd (D)*

Olav Haugland – Director

Mr. Haugland was appioned as a director of the company in 2015. He holds a Master of Science in Economics and Business Administration and is a state authorized public accountant. Mr. Haugland is a seasoned CFO with extensive international network and broad experience in the capital market from both equities and as bond issuer. He has broad business experience with some 80+ board membership and years of CFO responsibilities in the shipping and oil service with both public and private groups. Since June 2016, Mr. Haugland has held the position as CFO in Farstad Shipping ASA. Over the last decade, he has held various management positions in capital-intensive companies, including the offshore company Sinvest ASA and the shipping company Wilh. Wilhelmsen ASA. He is a Norwegian citizen, and resides in Norway.

Overview of current directorships, partnerships and management positions:

- *Farstad Shipping ASA (D)*

Overview of directorships, partnerships and management positions during past five years, no longer held:

- *Hansa Property Group (D), Sinvest ASA (D), Wilhelm Wilhelmsen ASA (D), Kistefos (D)*

Hans Petter Klohs – Director

Mr. Klohs was appointed as director of the company in 2015. He holds a BSc degree in Economics and Business Administration and an Mphil degree in International Finance. Mr. Klohs has exstensive senior executive management experience from Norwegian stock listed entities in both oil service and oil & gas, amongst other as CFO and later CEO in GC Rieber Shipping ASA for more than 10 years, CEO in Arrow Seismic ASA and Armada Seismic ASA and CFO in Rocksource ASA. His field of experience includes corporate funding, financial reporting, M&A, corporate finance, investor relations and business development. He is a Norwegian citizen, and resides in Norway.

Overview of current directorships, partnerships and management positions:

- *Seabed Solutions AS, Omega Subsea AS, Allegaten Eiendom AS, Carthea AS*

Overview of directorships, partnerships and management positions during past five years, no longer held:

- *GC Rieber Shipping ASA (D), Arrow Seismic ASA (D), Armada Seismic (D), Rocksource ASA, (D) Odfjell Drilling Ltd (D).*

7.1.3 Remuneration to the Board of Directors, and benefits upon termination

Aggregate remuneration to the board of directors was USD 285 930 for 2016, USD 254 644 for 2015, USD 238,209 for 2014.

No member of the board of directors is entitled to benefits upon termination.

7.1.4 Shares and options held by members of the Board of Directors

The table below sets forth shares, options and warrants held by each member of the board of directors (including shares held by spouses, dependent children or companies in which the person has a controlling influence), including the volume weighted average price of shares acquired during the last year.

Name	Shares
Annette Malm Justad	-
Kitty Hall	60
Olav Haugland	-
Hans Petter Klohs	-

7.1.5 Sub-committees of the Board of Directors

The board of directors has appointed an audit committee, currently consisting of the board members Mr. Haugland and Mr. Klohs. The main purpose of the audit committee is to oversee the following matters:

- the integrity of the Company's financial statements and other financial information provided to stockholders and others;
- SeaBird's system of internal controls; and
- the engagement and performance of the independent auditors.

The Company has no separate remuneration committee. The entire board is in charge of compensation, incentivation and retention matters for the employees. The nomination committe is in charge of making proposals for compensation to the board members and the nomination committee.

7.1.6 Nomination committee

The Company has a nomination committee elected by the general meeting, consisting of Thomas Aanmoen (Chairman), Birger Nergaard and Kjell Mathiassen. The general meeting also elects the leader of the nomination committee and determines its compensation.

The nomination committee of SeaBird shall consider and report to the board of directors for resolutions on the following matters:

- nominees for election as shareholder appointed members of the board of directors and the chairperson of the board of directors.
- nominees for election of the nomination committee.
- the proposed remuneration of the board of directors and the members of the nomination committee.

The report of the nomination committee shall be enclosed to the notice for the annual general meeting. The nomination committee shall operate in accordance with generally accepted principles for good corporate governance.

Having a nomination committee is not required pursuant to the Company's Memorandum or Articles, as it is not recognised as a corporate body in home state legislation.

7.2 Management

7.2.1 Overview of key management positions

The names and positions of the members of key management of the Company are set out in the table below. The Company's business address (Zavos Kolonakiou Shopping Centre, 25 Kolonakiou Street, Block B, Office 101, 4103 Linopetra, Limassol, Cyprus), serves as c/o address for each member of management unless otherwise stated.

Name	Position	Employed since
Christophe Debouvry	Chief Executive Officer	2016
Nils Haugestad	Chief Financial Officer	2012
Kjell Mangerøy	VP Business Development	2006
Steinar Fjeldbo	VP Operations	2014
Dag Grepperud	VP QHSE	2015

7.2.2 Brief biographies of the members of management

Set out below are brief biographies of the key management of the Company, including their relevant management expertise and experience, an indication of any significant principal activities performed by them outside the Company and names of companies and partnerships of which a member of management is or has been a member of the administrative, management or supervisory bodies or partner the previous five years (not including directorships and management positions in subsidiaries of the Company), where for purpose of this overview "C" indicates the position of chairperson and "D" indicates director.

Christophe Debouvry- Chief Executive Officer

Mr. Debouvry has held the position as Chief Executive Officer of the company since January 2016. He has over 25 years' experience in the oil services sector with a long track record in international offshore operations, strategy and finance. This includes years working with leading seismic company CGG Group where he was most recently CFO for CGG Services. After leaving CGG in 2010, he has in particular worked with Oaktree Capital Management on the build-up of the UK-based Harkand Group, an offshore service provider. Mr. Debouvry holds a Master of Science degree in Electrical Engineering and a Master of Business Administration degree from Insead. He is a French citizen and resides in Paris, France.

Overview of current directorships, partnerships and management positions:

- *None except from Company and subsidiaries*

Overview of directorships, partnerships and management positions during past five years, no longer held:

- *None*

Nils Haugestad – Chief Financial Officer

Mr. Haugestad has held the position as Chief Financial Officer of the company since April 2012. Mr. Haugestad has over 20 years' experience in investment banking, principal investments and corporate strategy. He came from the position as Chief Executive Officer and founding partner of Fokus Capital Ltd. Prior to this, Mr. Haugestad was Chief Operating Officer of Evolvence Capital Ltd. Mr. Haugestad has previously held a number of positions in New York with Citigroup, Citicorp Venture Capital, Credit Suisse, RBC Capital Markets and UBS. Mr. Haugestad holds a Bachelor of Science degree from the Wharton School, University of Pennsylvania and a Master of Business Administration degree from Harvard Business School. Mr. Haugestad is a Norwegian citizen and resides in Oslo, Norway.

Overview of current directorships, partnerships and management positions:

- *None except from Company and subsidiaries*

Overview of directorships, partnerships and management positions during past five years, no longer held:

- *None*

Kjell Mangerøy – VP Business Development

Mr. Mangerøy has held the position as VP Business Development in the company since February 2008. Prior to the appointment of VP Business Development, he held the position as VP Operations since 2006. Before joining SeaBird, he held the position of Business Development Manager (Africa) for PGS from 2001 to 2006 based in London and from 1995 to 2001, he held the position of Operations Manager in PGS based in Oslo. From 1985 to 1995, he worked for CGG on board vessels as Party Chief and later as Operations Manager based in London for three years before opening an office for CGG in Stavanger in 1992. From 1976 to 1985, he held various positions in several seismic and survey companies before joining CGG. Mr. Mangerøy has extensive experience from 35 years in the seismic industry. Mr. Mangerøy is a Norwegian citizen and resides in Limassol, Cyprus.

Overview of current directorships, partnerships and management positions:

- *None except from Company and subsidiaries*

Overview of directorships, partnerships and management positions during past five years, no longer held:

- *None except from Company and subsidiaries*

Steinar Fjeldbo – VP Operations

Mr. Fjeldbo joined SeaBird in February 2014, after 22 years in the seismic industry working for Geco-Prakla, WesternGeco, Reservoir Exploration Technology, Fugro GeoTeam and CGG. Nine of these years were offshore and the rest in operational management. Mr. Fjeldbo has a military and technical education from the Royal Norwegian Navy where he had six years of service, specializing in sonar and other technical equipment on submarines. Mr. Fjeldbo is a Norwegian citizen and resides in Sandefjord, Norway.

Overview of current directorships, partnerships and management positions:

- *None except from Company and subsidiaries*

Overview of directorships, partnerships and management positions during past five years, no longer held:

- *CGG (Vessel Manager, 2013), Fugro-Geoteam AS (Operations & Performance Manager 2012-2013, Vessel Director 2011-2012, Project Manager 2010-2012)*

Dag Grepperud – VP QHSE

Mr. Grepperud has held the position as VP QHSE since May 2015. He rejoined the same position that he held with SeaBird from 2006 to 2011. Mr. Grepperud has 19 years' experience from QHSE related positions in the marine and oil and gas industry. He held the position as Quality Assurance, Risk & Marine Assurance Manager with Technip Norge AS from 2011 until resuming with SeaBird in May 2015. Mr. Grepperud is an accredited ISM and ISO 9001 auditor and accredited Risk Manager. His background is Marine Operations and he graduated from the Royal Norwegian Naval Academy in 1992. Mr. Grepperud is a Norwegian citizen and resides in Oslo, Norway.

Overview of current directorships, partnerships and management positions:

- *None except for Company*

Overview of directorships, partnerships and management positions during past five years, no longer held:

- *None except for Company*

7.2.3 Remuneration and benefits to members of management

7.2.3.1 Total remuneration

The following amounts have been paid or set aside for salaries and other benefits for the members of key management of the SeaBird group, being defined as Christophe Debouvry (CEO from January 2016), Kjell Mangerøy (VP Business Development from February 2008), Dag Grepperud (VP QHSE from May 2015), Nils Haugestad (CFO from April 2012), and Steinar Fjeldbo (VP Operations from July 2014):

(figures in USD '000)	2016	2015	2014
Salaries and other short-term employee benefits	1,579	2,228	2,834
Bonus payments	57	-	-
Post employment benefits	31	425	25
Total key management compensation	**1,667**	**2,653**	**2,859**

7.2.3.2 Agreements providing benefits upon termination of employment

On a general basis, upon termination by the Company without legal cause or at change of control, the members of key management of the Company may receive up to one year benefit as contracted severance compensation.

7.2.4 Shares and options held by members of management

The table below sets forth shares held by each member of key management (including shares held by spouses, dependent children or companies in which the person has a controlling influence), including the volume weighted average price of shares acquired during the last year.

Name	Shares
Christophe Debouvry	-
Nils Haugestad	10
Kjell Mangerøy	3
Steinar Fjeldbo	-
Dag Grepperud	-

7.3 Loans and guarantees provided to directors or management

The Company does not have a policy for granting loans and guarantees and has not granted any loans or guarantees to any of the members of its board of directors, key management or other parties related to these groups.

7.4 Conflicts of interest and other disclosures

The Company believes that it has taken reasonable steps to avoid, and to mitigate effects of, potential conflicts of interests arising from the board members' and key management's private interests and other duties. There are no potential conflicts of interest between any duties to the Company of the members of the board or the senior management and their private interests and/or other duties.

During the last five years preceding the date of this Prospectus, no member of the board of directors or the key management has:

- had any convictions in relation to fraudulent offences;
- been officially publicly incriminated and/or sanctioned by any statutory or regulatory authorities (including designated professional bodies) or been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct the affairs of a company; or
- been associated with any bankruptcy, receivership or liquidation.

There are no family relationship between any member of the board of directors and the member of the executive management. It should be noted, for sake of good order, that a son of the Company's nomination committee member Mr. Mathiassen is employed by a SeaBird group company.

There are no arrangements or understandings with major shareholders, customers, suppliers or others, pursuant to which members of the board of directors or key management were selected to their positions in the Company.

No member of the board of directors or key management is subject to restrictions on their disposal of the Company's securities within any period of time.

7.5 Corporate governance

The Company and the board of directors has adopted and implemented corporate governance principles that are based on the Norwegian Code of Practice of Corporate Governance, as last published on 30 October 2014 (the "Code of Practice"). The Company's annual corporate governance report also fulfils the requirement in Corporate Governance Code of April 2014 issued by the Cyprus Stock Exchange.

The Company has disclosed its corporate governance principles in its annual report and on its website www.sbexp.com.

The Code of Practice is a "comply or explain" guideline and the board of directors will state and explain any deviation from the recommended guidelines in the annual report.

The Company is, in all material respects, in compliance with the Code of Practice. The nomination committee is not regulated in the Company's memorandum and articles of association, which is the custom in Cyprus.

7.6 Employees

7.6.1 Overview of employees

The table below shows the development in the average number of employees in SeaBird for the years 2016, 2015 and 2014.

	2016	2015	2014
Average number of employees	329	471	556

The table below shows provides an overview the geographical location of the employees in SeaBird as an average for 2016, divided into onshore and offshore employees.

	Onshore	Offshore	Total
Cyprus	32	270	302
Norway	23		23
Singapore	2		2
USA	2		2

Marine and seismic offshore staff is in general employed in the crewing subsidiary, SeaBird Exploration Crewing Limited. The remainder is on-shore staff.

7.6.2 Loans provided to employees

SeaBird has no loans outstanding to employees.

7.6.3 Pensions

SeaBird has a defined contribution pension scheme, and contributions for Company's subsidiaries in Norway and USA are expensed on a continuous basis. There are no specific amounts set aside or accrued by the Company or its subsidiaries to provide additional pensions, retirement or similar benefits upon termination of employment.

8 MARKET CONDITIONS

The demand for seismic surveys is in general correlated with the oil price. Since the second half of 2014 the oil price has dropped significantly from above USD 100 per barrel down to the current level of between USD 50 and 60 per barrel. With lower oil prices, new exploration and production projects became less profitable for the oil companies, which impact their spending on seismic services. As the oil companies have cut costs, the Company is now seeing a significant pickup in requests for quotes, and is reviewing a number of survey opportunities.

8.1 Marine geophysical services

Seismic data is conventionally collected by discharging a wave of acoustic energy just below the water's surface from energy sources towed behind a survey vessel. At rock layer boundaries, parts of the waves are reflected back to the streamers. Hydrophones detect and convert these reflections into digital data, which in turn are recorded onboard the survey vessel.

There are several seismic techniques that are being used to analyse potential sub-sea reservoirs. These can roughly be categorised as 2-, 3- and 4-dimentional analyses, as well as the developing electro-magnetic surveying. 2-dimentional seismic survey is the most cost efficient method, conducted by having a survey vessel towing a single streamer. The seismic survey will generate data which generally represents a vertical cross-section along the line tracked by the streamer, and is the preferred method for initial analysis of larger areas.

An alternative to this is simply to use more streamers to produce several parallel 2D cross-section data. This will later be processed to produce a 3D image of the subsurface, often used when initial 2D analyses indicate findings. Normally, one will use several streamers attached to one survey vessel, but where longer offset and wide azimuth analyses are required, several source vessels may be used. This process requires more sophisticated navigation equipment to ensure a precise determination of the positions of streamers and energy sources; hence it is a more costly approach.

A fourth dimension, evolvement over time, is used to efficiently determine the changes occurring in the reservoir as a result of hydrocarbon production or injection of water or gas into the reservoir by comparing the repeated datasets. Time-lapse or 4D seismic involves comparing the results of 3D seismic surveys repeated at considerable time intervals (e.g. before a field starts producing versus various post-production stages).

8.2 Drivers of demand for marine geophysical services

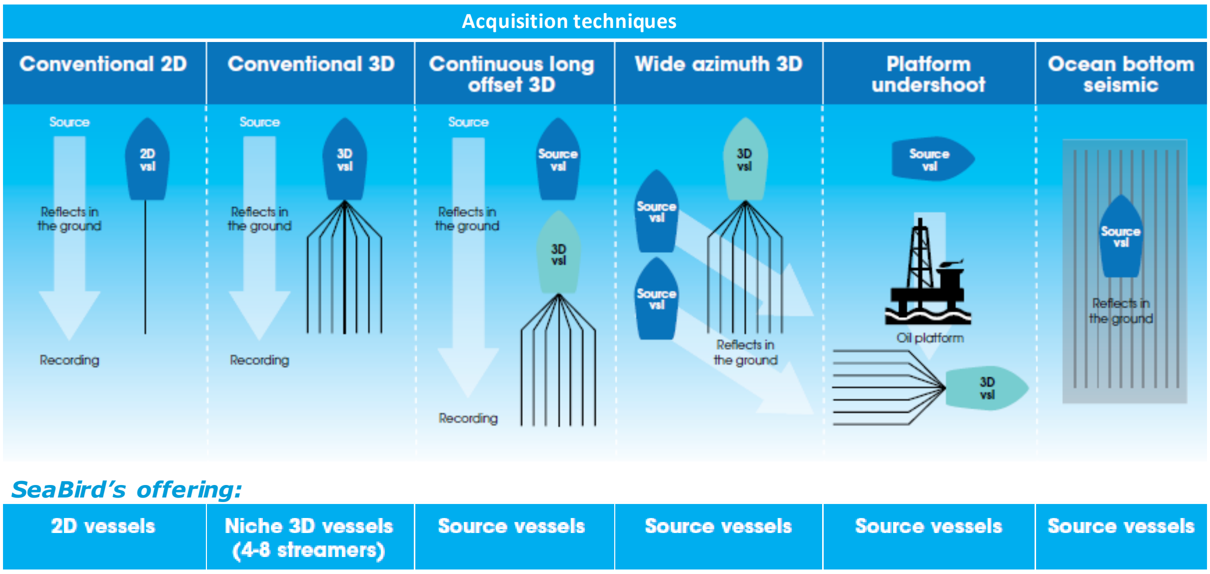
In addition to the technological developments that affect the cost, quality and reliability of marine seismic data, demand for marine geophysical services is driven by the oil industry's incentives to invest in exploration, development and production. The willingness to invest is a consequence of current revenues, acreage available for exploration and production combined with the global oil and gas demand/supply balance. These factors are, in turn, affected by various political and economic factors, such as global production levels, prices of alternative energy sources, government policies, and the political stability in the oil producing countries. In general the demand for geophysical services is therefore driven by:

- Future demand/supply balance for oil and gas
- Oil and gas companies' exploration and production spending

From the end of the 1990's, global E&P spending saw a decade of growth. This growth was capped by the economic recession that started in 2008. The result was a decrease in year-on-year global exploration and production (E&P) spending in 2009. The recession had a significant short-term impact on the global energy demand, illustrated by the severe drop in oil prices. At USD 30.28 per barrel, the oil price trough was reached in December 2008. In 2009 oil prices recovered on OPEC's above-average compliance to agreed-upon production targets, and trended upwards throughout the year. The positive trend in oil prices continued in 2010, with contract prices reaching USD 89 per barrel in December. Along with higher oil prices, oil companies invested more heavily in developing new resources, illustrated by a year-on-year increase in E&P spending for 2010. From 2011 to H1 2014 the oil price volatility has been significant, illustrated by oil prices ranging from USD 74 to USD 114 during the period. However in the second half of 2014 the oil price has fallen back from highs of around USD 110 down to a bottom of approximately USD 28 per barrel in January 2016. Following that the oil price, supported by OPEC production reductions, has inceased to the current level of USD~50 per barrel. The graph below illustrates the development in the oil price (West Texas Intermediate), from 2000 until June 2017 (source: Factset, June 2017).

8.3 SeaBird's main markets

SeaBird specializes in high quality operations within the high end of the source vessel and 2D market, as well as the niche 3D market (by means of a smaller vessel with 4-8 streamers). The exhibit below illustrates different marine seismic shooting techniques and SeaBird's related offering. As seen from the exihibit SeaBird is a service provider across all core seismic markets (source: SeaBird).



8.3.1 About the 2D market

2D seismic is critical for frontier exploration as it is less costly to cover a large area with 2D seismic compared with 3D seismic. 2D is then often used in frontier areas or when new areas are opened up for seismic exploration. Examples of these types of markets are Somalia, Gabon, Mozambique, Madagascar, Sierra Leone, Liberia, Panama, Myanmar, Falkland Islands, Arctic areas, and most importantly Mexico. As described in Section 6.1, a large part of the current backlog for SeaBird is a contract with TGS-NOPEC which relates to work in Mexico. In August 2014 Mexico passed a law framework that would end a 76-year state monopoly opening up for foreign oil companies and then also creating a need for seismic services in the country.

8.3.2 About the source vessel market

SeaBird also operates in the source markets. Demand for such vessels improved continuously in the latter part of the last decade. As oil exploration and development are moving into more complex structures the quality of the data is increasingly important. The seismic industry has developed several of techniques to improve the data quality when shooting complex geological structures. Source vessels are usually required in these advanced 3D surveys. SeaBird fills this need on a contract basis with the 3D seismic provider in charge.

8.3.3 About the niche 3D market

For smaller 3D surveys, and also for surveys involving longer transits, it might be benifical for the client to hire a smaller vessel with typically 4-8 streamer capability as these vessels are less costly to operate than the larger, more sophisticated and more expensive vessels that dominate the 3D market, having capacity for 12 or more streamers. While a vessel with fewer streamers uses longer time to cover an area, it is typically less costly to mobilise and transit; hence these vessels might prove economically benificial for smaller surveys. The market is a natural fit for Voyager Explorer, and is primarily targeted towards oil companies that require prequalification.

Currently this market is under pressure from the excess capacity and low rates in the 3D market.

8.4 Geographical markets

SeaBird has a global presence and is serving customers around the globe. Having a sizeble fleet is critical to be able to reduce transit and achieve economics of scale. Vessels are being moved between geographical areas; however it is obviously a benefit to have a vessel nearby when the company bids for contract work as that would reduce the time spent in transit and keeping cost down. A comment on the various geographical markets is given below.

8.4.1 Europe, Africa and the Middle East

The Northern Europe season is anticipated to remain slow as in recent years as a result of the current market outlook. Nevertheless, with licensing round awards scheduled for 2017 in the United Kingdom and Norway, seismic contract possibilities are expected to improve.

Seismic activity in the Mediterranean Sea has been lagging other offshore regions. Following the major Zohr discovery offshore Egypt, this region is now expected to progressively open up for new activity. We see the Mediterranean, and in particular Eastern Mediterranean, as an attractive potential area going forward. The activity level the Middle East is expected to be muted, while Africa is attracting renewed interest for potential projects.

8.4.2 Asia Pacific

SeaBird anticipates continued interest in Australasia, but a number of surveys have recently been postponed due to budget limitations, prefunding concerns and delays in environmental permitting. The activity level in the source market is anticipated to be resilient given oil companies continued interest in reservoir monitoring and ocean bottom seismic surveys in the region. In the long term, Asia Pacific is likely to remain an essential region for all types of seismic exploration.

8.4.3 North and South America

North and South America continues to be a resilient region with more stable market activity. The demand has in part been the result of recent legislative changes in Mexico. Seabird has recently also seen an uptick in market requirement for applications of dedicated source vessels in conjunction with ocean bottom seismic as well as 3D wide azimuth surveys in North America and Mexico. Activity in Brazil has been impacted by project delays and cuts in exploration spending, although Seabird believes that several new seismic projects could materialize in the short or medium term. Seabird also see Argentina as a country with both proprietary and upcoming multi-client project opportunities going forward.

8.4.4 Fleet location and key focus areas

The geographical location of the SeaBird fleet varies from time to time, depending on the location of the seismic campaigns being undertaken. As per mid May 2017, the vessels are located as follows: Munin Explorer warm-stacked in Bahamas, Harrier Explorer – Jamaica, Norther Explorer – Uruguay, Voyager Explorer – Singapore (under reactivation), Osprey Explorer – West Coast Africa and Aquila Explorer – Canary Islands.

The vessels are able to operate globally and seek employment in the key regions relevant for exploration of oil and gas reserves, including the US Gulf and South America, Northern America / Greenland, North Sea / Western Europe, Mediterranean, and West / East Africa.

8.5 Client base

Major oil companies have stringent requirements for their suppliers when it comes to HSSEQ systems and track record. SeaBird's leading HSSEQ systems, as described in Section 6.6 "HSSEQ systems and policies", prequalify the Company to work with most oil majors, which sets SeaBird apart from many of its smaller competitors. SeaBird's clients include national oil companies, independent oil companies and seismic companies. When working for seismic companies it is usually either as a vessel provider for companies doing multi client surveys without having any vessels (such as TGS-NOPEC), or as a source vessel provider.

Examples of the clients within the different catagories base are given below:

8.6 Competitors

SeaBird views itself as a market leader in the high-end 2D seismic services segment. SeaBird believes it has one of the largest fleet in this segment. The large 3D seismic companies including PGS, WesternGeco and CGG also have historically had vessels in this market but 2D and source work are not their primary focus.

With the exception of WesternGeco, the others typically had between 1-2 vessels in the 2D and source market. As the 3D market has weakened, these operators took low-end 3D vessels and put them to use as 2D vessels while awaiting a recovery in the 3D market. These vessels are typically too costly to operate efficently in 2D mode, but it has been a better alternative than laying them up.

During the last years, it has been a trend that these vessels have been laid-up or retired as market conditions in the 3D market have experienced a prolonged downturn, with reduced likelihood of the low-end 3D vessels returning to 3D operation. Today it is Seabird and BGP that are the only remaining companies with a global platforms and international focus in the 2D and Source market.

9 SELECTED FINANCIAL INFORMATION

9.1 Overview and basis of presentation

9.1.1 Financial information presented

The following consolidated financial figures have been derived from the Company's audited consolidated financial statements for 2016, 2015 and 2014, and the unaudited consolidated financial statements for Q1 2017 which have been incorporated into this Prospectus by reference (see Section 13.4).

9.1.2 Basis for presentation

The audited consolidated financial statements for 2016, 2015 and 2014 have been prepared in full compliance with IFRS. The unaudited consolidated financial statements for Q1 2017 have been prepared in accordance with the International Accounting Standard 34 "Interim Financial Reporting" (IAS 34).

The amounts from the financial statements are presented in USD, rounded to the nearest thousand, unless otherwise stated. USD is the reporting as well as the functional currency for SeaBird and its operations.

9.1.3 Accounting principles

The accounting policies applied in the preparation of the consolidated financial statements can be found in note 2 in the annual report 2016, incorporated by reference to this Prospectus (see Section 13.4).

9.2 Auditors and information being subject to audit

The auditor for the Company and the group companies since 2008, when the Company changed its principal place of business to Cyprus, is BDO Ltd (236 Strovolos Avenue, PO Box 25277, CY2048 Strovolos, Nicosia, Cyprus). BDO Ltd are members of the Institute of Certified Public Accountants of Cyprus, and are registered as Certified Public Accountants and Registered Auditors (CY). BDO Ltd is independent of SeaBird in all respects.

The group audit report for 2016 contained the following emphasis of matter: "Without qualifying our opinion, we draw attention to note 2.22 to the financial statements which sets forth the conditions, along with other matters which indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern."

The group audit report for 2015 contained the following emphasis of matter: "Without qualifying our opinion, we draw attention to note 2.22 to the financial statements which sets forth the conditions, along with other matters which indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern."

The group audit report for 2014 contained the following emphasis of matter: Without qualifying our opinion, we draw attention to note 2.22 to the financial statements which indicates that as at 31 December 2014 the Group's current assets totalled $47.3m whilst its current liabilities totalled $181.9m. As detailed in notes 17 and 29, the Group was in default of several of its borrowing facilities as at 31 December 2014 and has since announced the successful completion of the restructuring of these facilities and other liabilities. The Group also incurred a loss of $99.8m on continuing operations for the year ended 31 December 2014 including impairment charges totalling $38.3m. These conditions, along with other matters set forth in note 2.22 indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern.

BDO Ltd has not audited, reviewed or produced any report on any other information provided in this Prospectus.

9.3 Summary financial information

The table below provides a summary of the financial information given elsewhere in this Prospectus, including information incorporated by reference, and is qualified in its entirety by such other financial information. The table also sets forth selected key figures calculated on the basis of such financial information.

	Year ended 31 December			**Quarter ended 31 Mar**	
(USD millions unless otherwise stated)	**2016 Audited**	**2015 Audited**	**2014 Audited**	**2017 Unaudited**	**2016 Unaudited**
Statement of comprehensive income					
Total revenues	72.1	94.1	129.3	8.4	26.0
EBITDA	22.4	10.9	-7.9	-2.9	7.4
EBIT	-3.1	-17.6	-79.9	-6.3	3.6
Profit (loss) for the period	-7.9	38.6	-98.8	-7.7	1.8
Statement of financial position					
Total non-current assets	50.8	70.8	93.6	47.8	67.6
Total current assets	21.5	36.0	47.3	19.4	30.6
Total assets	72.2	106.8	141.0	67.3	98.3
Total equity	22.1	30.0	-40.9	14.4	31.8
Non-current liabilities	23.3	31.1	0.0	0.0	30.9
Current liabilities	26.9	45.7	181.9	52.9	35.6
Total equity and liabilities	72.2	106.8	141.0	67.3	98.3
Statement of cash flows					
Operating activities, net	20.7	-6.9	40.3	-5.2	6.1
Investing activities, net	-5.7	-5.8	-37.4	-0.6	-0.7
Financing activities, net	-6.2	12.0	-8.1	-0.5	-1.6
Net change in cash and equivalents	8.8	-0.7	-5.2	-6.3	3.8
Cash and equivalents at period end	15.0	6.3	7.0	8.8	10.1
Key figures					
Earnings per share (USD, diluted)	-2.6	14.9	-1,716	-2.5	0.6
Dividend per share (USD)	0	0	0	0	0
Equity ratio (%)	30.6%	28.1%	-29.0%	21.4%	32.3%

9.4 Condensed consolidated historical financial information

The sections below summarise the consolidated financial statements for the years ended 31 December 2016, 2015 and 2014 and the quarter ended 31 March 2017 with comparable figures for the quarter ended 31 March 2016. The figures presented do not reflect the effects of the Restructuring which took place in June 2017, and which is further described as a subsequent event in Section 9.7.1.

9.4.1 *Condensed consolidated statement of profit and loss*

All figures in USD 000's	**Year ended 31 December** **2016 Audited**	**2015 Audited**	**2014 Audited**
Revenues	72,074	94,127	129,268
Cost of sales	(41,913)	(69,756)	(107,988)
Selling, general and administrative expenses	(13,308))	(18,597)	(30,640)
Reversal of bad debt charges	4,509		
Other income (expenses), net	1,069	430	1,489
Restructuring gain on leases	-	4,713	-
Earnings before interest, tax, depreciation and amortization (EBITDA)	**22,431**	**10,917**	**(7,871)**
Depreciation	(12,829)	(16,046)	(21,244)
Amortization	(2,795)	(3,112)	(12,457)
Impairment	(9,856)	(9,362)	(38,310)
Earnings before interest and taxes (EBIT)	**(3,050)**	**(17,603)**	**(79,882)**
Finance expense	(5,469)	(4,860)	(16,978)
Other financial items, net	1,129	73	(787)
Restructuring gain	-	61,697	-
Profit/(loss) before income tax	**(7,390)**	**39,307**	**(97,647)**
Income tax	(611)	(963)	(2,171)
Profit/(loss) continuing operations	**(8,001)**	**38,344**	**(99,818)**
Net profit/(loss) discontinued operations	93	218	1,015
Profit/(loss) for the period	**(7,908)**	**38,562**	**(98,803)**
Profit/(loss) attributable to			
Shareholders of the parent	(7,908)	38,562	(98,803)
Earnings per share			
Basic	(2.58)	15.13	(1,715.89)
Diluted	(2.58)	14.92	(1,715.89)
Earnings per share from continued operations			
Basic	(2.61)	15.05	(1,733.52)
Diluted	(2.61)	14.84	(1,733.52)

Consolidated Statement of Comprehensive Income

All figures in USD 000's	**FY 2016 Audited**	**FY 2015 Audited**	**FY 2014 Audited**
Profit/(loss)	**(7,908)**	**38,562**	**(98,803)**
Other comprehensive income			
Net movement in currency translation reserve and other changes	11	34	216
Total other comprehensive income, net of tax	**11**	**34**	**216**
Total comprehensive income	**(7,897)**	**38,596**	**(98,587)**

Total comprehensive income attributable to			
Shareholders of the parent	(7,897)	38,596	(98,587)
Total	**(7,897)**	**38,596**	**(98,587)**

All figures in USD 000's	**Quarter ended 31 Mar**	
	2017 Unaudited	**2016 Unaudited**
Revenues	8,445	25,959
Cost of sales	(8,314)	(15,008)
Selling, general and administrative expenses	(3,090)	(3,891)
Reversal of bad debt charges	110	-
Other income (expenses), net	22	339
Restructuring gain on leases	-	-
Earnings before interest, tax, depreciation and amortization (EBITDA)	**(2,867)**	**7,399**
Depreciation	(3,080)	(3,411)
Amortization	(399)	(431)
Impairment	-	-
Earnings before interest and taxes (EBIT)	**(6,306)**	**3,557**
Finance expense	(1,172)	(1,353)
Other financial items, net	12	(170)
Restructuring gain	-	-
Profit/(loss) before income tax	**(7,465)**	**2,034**
Income tax	(416)	(236)
Profit/(loss) continuing operations	**(7,881)**	**1,798**
Net profit/(loss) discontinued operations	209	-
Profit/(loss) for the period	**(7,672)**	**1,798**
Profit/(loss) attributable to		
Shareholders of the parent	(7,672)	1,798
Earnings per share		
Basic	(2.50)	0.59
Diluted	(2.50)	0.59
Earnings per share from continued operations		
Basic	(2.57)	0.59
Diluted	(2.57)	0.59

Consolidated interim statement of comprehensive income

All figures in USD 000's	**Quarter ended 31 Mar**	
	2017 Unaudited	**2016 Unaudited**
Profit/(loss)	**(7,672)**	**1,798**
Other comprehensive income	-	-
Net movement in currency translation reserve and other changes	-	-
Total other comprehensive income, net of tax	**-**	**-**
Total comprehensive income	**(7,672)**	**1,798**
Total comprehensive income attributable to		
Shareholders of the parent	(7,672)	1,798
Total	**(7,672)**	**1,798**

9.4.2 *Condensed consolidated statement of financial position*

All figures in USD 000's	**Year ended 31 December**			**Quarter ended 31 Mar**	
	2016 Audited	**2015 Audited**	**2014 Audited**	**2017 Unaudited**	**2016 Unaudited**
ASSETS					
Non-current assets					
Property, plant and equipment	47,541	67,433	78,877	45,022	64,723
Multi-client library	3,099	3,340	14,685	2,699	2,916
Long term investment	120	5	82	120	5
	50,760	**70,778**	**93,644**	**47,841**	**67,644**
Current assets					
Inventories	1,275	3,091	4,463	1,226	3,081
Trade receivables	2,135	12,611	14,215	5,870	6,762
Other current assets	3,014	14,025	21,692	3,567	10,710
Cash and cash equivalents	15,047	6,252	6,972	8,782	10,087
	21,471	**35,979**	**47,342**	**19,445**	**30,640**
Total assets	**72,231**	**106,757**	**140,986**	**67,286**	**98,283**
EQUITY					
Shareholders' equity					
Paid in capital	218,690	218,690	189,125	218,690	218,690
Equity component of warrants	2,736	2,736	-	2,736	2,736
Equity component of convertible loan	-	-	6,296	-	-
Currency translation reserve	(407)	(407)	(407)	(407)	(407)
Share options granted	-	-	1,326	-	-
Retained earnings	(198,950)	(191,042)	(237,261)	(206,622)	(189,245)
	22,069	**29,976**	**(40,921)**	**14,397**	**31,774**
LIABILITIES					
Non-current liabilities					
Loans and borrowings	23,262	31,098	-	-	30,885
	23,262	**31,098**	**-**	**-**	**30,885**
Current liabilities					
Trade and other payables	12,330	25,371	63,631	13,516	17,615
Provisions	2,033	12,226	9,580	2,995	10,196
Loans and borrowings	7,355	2,644	102,217	31,078	2,448
Tax liabilities	5,182	5,442	6,479	5,300	5,366
	26,900	**45,683**	**181,907**	**52,889**	**35,625**
Total liabilities	**50,162**	**76,781**	**181,907**	**52,889**	**66,509**
Total equity and liabilities	**72,231**	**106,757**	**140,986**	**67,286**	**98,283**

9.4.3 Condensed consolidated statement of changes in equity

Column headings in respect of the table below are as follows:

A – Paid in capital

B – Equity component of convertible loan

C – Share options granted

D – Retained earning

E – Currency

F – Retained earnings

All figures in USD 000's	A	B	C	D	E	F	Total
Balance at 1 January 2014	**189,125**	**-**	**6,296**	**(392)**	**1,097**	**(138,460)**	**57,666**
Comprehensive income for the year							
Profit	-	-	-	-	-	(98,803)	(98,803)
Currency translation reserve	-	-	-	(14)	-	-	(14)
Total comprehensive income for the year	**-**	**-**	**-**	**(14)**	**-**	**(98,803)**	**(98,817)**
Contributions by and distributions to owners							
Share issue	-	-	-	-	-	-	-
Equity component of convertible loan	-	-	-	-	-	-	-
Share option granted/cancelled	-	-	-	-	229	-	229
Total contributions/distributions by/to owners	**-**	**-**	**-**	**-**	**229**	**-**	**229**
31 December 2014	**189,125**	**-**	**6,296**	**(407)**	**1,326**	**(237,261)**	**(40,921)**
Balance at 1 January 2015	**189,125**	**-**	**6,296**	**(407)**	**1,326**	**(237,261)**	**(40,921)**
Comprehensive income for the year							
Profit	-	-	-	-	-	38,562	38,562
Currency translation reserve	-	-	-	-	-	-	-
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**38,562**	**38,562**
Contributions by and distributions to owners							
Share issue	29,565	-	-	-	-	-	29,565
Equity component of warrants	-	2,736	-	-	-	-	2,736
Equity component of convertible loan	-	-	(6,296)	-	-	6,296	-
Share option granted/cancelled	-	-	-	-	(1,326)	1,360	34
Total contributions/distributions by/to owners	**29,565**	**2,736**	**(6,296)**	**-**	**(1,326)**	**7,656**	**32,335**
31 December 2015	**218,690**	**2,736**	**-**	**(407)**	**-**	**(191,042)**	**29,976**
Balance at 1 January 2016	**218,690**	**2,736**	**-**	**(407)**	**-**	**(191,042)**	**29,976**
Comprehensive income for the year							
Profit	-	-	-	-	-	(7,908)	(7,908)
Currency translation reserve	-	-	-	-	-	-	-
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**(7,908)**	**(7,908)**
Contributions by and distributions to owners							
Share issue	-	-	-	-	-	-	-
Equity component of warrants	-	-	-	-	-	-	-
Equity component of convertible loan	-	-	-	-	-	-	-

Share option granted/cancelled	-	-	-	-	-	-	-
Total contributions/distributions by/to owners	**-**	**-**	**-**	**-**	**-**	**-**	**-**
31 December 2016	**218,690**	**2,736**	**-**	**(407)**	**-**	**(198,951)**	**22,068**

9.4.4 Condensed consolidated statement of cash flows

All figures in USD 000's	Year ended 31 December 2016 Audited	2015 Audited	2014 Audited
Cash flows from operating activities			
Profit/(loss) before income tax	(7,390)	39,307	(97,647)
Adjustments for			
Restructuring gain	-	(66,411)	-
Depreciation, amortization and impairment	25,480	28,594	72,010
Movement in provision	(10,098)	2,560	-
Unrealized exchange (gain)/loss	124	(68)	566
Other items	(1,450)	-	5,102
Amortization of interest	-	4,054	8,935
Interest expense on financial liabilities	3,918	-	1,267
Paid income tax	(925)	(2,634)	(1,833)
(Increase)/decrease in inventories	1,816	1,373	(96)
(Increase)/decrease in trade and other receivables	21,582	9,339	6,518
Increase/(decrease) in trade and other payables	(12,377)	(23,023)	45,443
Net cash from operating activities	**20,680**	**(6,909)**	**40,265**
Cash flows from investing activities			
Capital expenditures	(3,310)	(5,555)	(7,828)
Other term investment	(115)	-	-
Multi-client investment	(2,257)	(244)	(29,560)
Net cash used in investing activities	**(5,682)**	**(5,799)**	**(37,388)**
Cash flows from financing activities			
Proceeds from issuance of ordinary shares	-	10,980	-
Receipts from borrowings	-	5,000	-
Repayment of borrowings	(3,274)	(1,510)	(5,110)
Movement in borrowings	-	-	414
Interest paid	(2,929)	(2,482)	(3,349)
Net movement in currency fluctuations	-	-	(15)
Net cash from financing activities	**(6,203)**	**11,988**	**(8,060)**
Net (decrease)/increase in cash and cash equivalents	**8,795**	**(720)**	**(5,183)**
Cash and cash equivalents at beginning of the period	**6,252**	**6,972**	**12,155**
Cash and cash equivalents discontinued operations	**-**	**-**	**-**
Cash and cash equivalents at end of the period	**15,047**	**6,252**	**6,972**

All figures in USD 000's	Quarter ended 31 Mar 2017 Unaudited	2016 Unaudited
Cash flows from operating activities		
Profit/(loss) before income tax	(7,465)	2,034
Adjustments for		
Depreciation, amortization and impairment	3,480	3,842
Other items	-	-
Movement in provision	(1,526)	(2,031)
Unrealized exchange (gain)/loss	(37)	164
Interest expense on financial liabilities	1,004	983
Paid income tax	(295)	(316)
(Increase)/decrease in inventories	48	10
(Increase)/decrease in trade and other receivables	(4,250)	9,000
Increase/(decrease) in trade and other payables	3,879	(7,564)
Net cash from operating activities	**(5,162)**	**6,123**
Cash flows from investing activities		
Capital expenditures	(561)	(701)
Multi-client investment	-	(8)

Long-term investment	-	-
Net cash used in investing activities	**(561)**	**(708)**
Cash flows from financing activities		
Proceeds from issuance of preference shares and warrants	-	-
Receipts from borrowings	-	78
Repayment of borrowings	8	(860)
Interest paid	(550)	(798)
Net movement in currency fluctuations	-	-
Net cash from financing activities	**(542)**	**(1,580)**
Net (decrease)/increase in cash and cash equivalents	**(6,265)**	**3,834**
Cash and cash equivalents at beginning of the period	**15,047**	**6,252**
Cash and cash equivalents discontinued operations	**-**	**-**
Cash and cash equivalents at end of the period	**8,782**	**10,087**

9.5 Segment information

9.5.1 Business segments

All SeaBird's seismic services and operations are conducted and monitored as one business segment, being seismic business. Within this segment, revenues are recorded as being originated from contract sales or sales from multi-client library.

All figures in USD 000's	**2016 Audited**	**2015 Audited**	**2014 Audited**
Revenue			
Contract	70,107	91,624	111,411
Multi-client	1,967	2,503	17,857
Total	**72,074**	**94,127**	**129,268**

9.5.2 Geographical segments

The table below provides an overview of the geographical distribution of SeaBird's operating revenues, assets, and capital expenditures.

All figures in USD 000's	**2016 Audited**	**2015 Audited**	**2014 Audited**
Revenue			
Europe, Africa & Middle East (EAME)	10,593	5,547	70,208
North & South America (NSA)	61,428	67,940	20,304
Asia Pacific (APAC)	52	20,640	38,756
Total	**72,074**	**94,127**	**129,268**
Segment Assets			
Europe, Africa & Middle East (EAME)	72,231	106,757	140,986
North & South America (NSA)	-	-	-
Asia Pacific (APAC)	-	-	-
Total	**72,231**	**106,757**	**140,986**
Capital Expenditure			
Europe, Africa & Middle East (EAME)	3,310	5,559	7,828
North & South America (NSA)	-	-	-
Asia Pacific (APAC)	**-**	**-**	**-**
Total	**3,310**	**5,559**	**7,828**

A substantial portion of the property and equipment is mobile due to SeaBird's world-wide operation. Asset locations at the end of a period are not necessarily indicative of the geographic distribution of the revenues generated by such assets during the period.

Geographic distribution of assets is based upon location of physical ownership. Goodwill is presented in the same geographic area as the underlying acquired assets. The geographic distribution of revenues is based upon location of performance.

Capital expenditure is based on the location of the company that is making the investment.

9.6 Comments to the statements and cash flows

The tables and information included below should be read in conjunction with the information included elsewhere in this Prospectus, including the financial statements and related notes of the SeaBird group which are incorporated into this Prospectus by reference (see Section 13.4).

9.6.1 The quarter ended 31 March 2017 compared to the quarter ended 31 March 2016

9.6.1.1 Financial result and operations

SeaBird reported consolidated revenues of USD 8.4 million for the quarter ended 31 March 2017, down from USD 26.0 million in the first quarter 2016.

The first quarter of 2017 was challenging with weak seismic market demand. Although there were signs of market improvement, total vessel utilization for the quarter was very low and the timing of a sustained market recovery is still highly uncertain.

Charter hire and operating expenses decreased to USD 8.3 million in the first quarter 2017, down from USD 15.0 million in the first quarter 2016. The decrease is predominantly due to fewer vessels in operation, relatively low project activity and implemented cost cutting efforts, partially offset by non-recurring charges in relation to the Munin Explorer.

Selling, general and administrative expenses were USD 3.1 million in the first quarter 2017 compared with USD 3.9 million in the first quarter 2016. The decrease is principally due to cost saving initiatives and reduced headcount.

Reversal of bad debt charges was USD 0.1 million in the first quarter 2017 compared to nil in the first quarter 2016.

Earnings before interest, taxes, depreciation and amortisation (EBITDA) were negative USD 2.9 million for the first quarter 2017, down from USD 7.4 million in the first quarter 2016. Depreciation and amortization were USD 3.5 million in the first quarter 2017, down from USD 3.8 million in the first quarter 2016, due to a reduced fleet.

9.6.1.2 Balance sheet

At 31 March 2017, cash and cash equivalents amounted to USD 8.8 million of which 0.3 million was restricted in connection with deposists and taxes, compared to USD 10.1 million at the end of the first quarter 2016. Net interest-bearing debt at 31 March 2017 was USD 22.3 million, down from USD 23.2 million at 31 March 2016.

Equity as of 31 March 2017 was USD 14.4 million, down from USD 31.7 million at 31 March 2016 reflecting that the company has had negative result in the period from 31 March 2017 to 31 March 2016.

Property, plant and equipment at 31 March 2017 was USD 45.0 million, down from USD 64.7 million at 31 March 2016, mainly due to impairment charges taken against vessel and equipment which were triggered by the current market weakness, along with normalized depreciation for the period.

Multi-client library at 31 March 2017 was USD 2.7 million, down from USD 2.9 million at 31 March 2016 as multiclient amortisations was higher than investements.

Current assets at 31 March 2017 was USD 19.5 million, down from USD 30.6 million at 31 March 2016. As mentioned above the utilization was very weak also compared to Q1 2016. With low utilization, fewer vessels in operation and thus lower revnues the trade recievables was reduced. The lower fleet size and ultiisation also impacted the inventories and other current assets. With the lower cash balance, current assests was reduced by USD 11.1 million between Q1 2016 and Q1 2017.

Non-current loans and borrowings at 31 March 2017 were nil, down from 30.8 million at 31 March 2016. The decrease was a result of reclassification of the loans with maturity in Q1 2018.

Current liabilities at 31 March 2017 were USD 52.9 million, up from USD 35.6 million at 31 March 2016, following the above mentioned reclasifiaction.

9.6.1.3 Cash flow statement

Net cash flow from operating activities was negative USD 5.2 million for the first quarter 2017 compared to positive USD 6.1 million for the first quarter 2016. The decrease is mainly due to reduced earnings for the fleet casued by weak utilization in the first quarter of 2017..

Net cash flow used in investing activities was USD 0.6 million for the first quarter 2017 compared to USD 0.7 million for the first quarter 2016. Capital expenditure for the first quarter 2017 amounted to USD 0.6 million with the majority of the capital cost incurred relating docking of Harrier.

Net cash flow from financing activities was negative USD 0.5m for the first quarter 2017 related to interest payments compared to negative USD 1.5 million for the first quarter 2016 when the company also repaid debt.

9.6.2 The financial year 2016 compared to 2015

9.6.2.1 Financial result and operations

SeaBird reported consolidated revenues of USD 72.1 million for the year ended 31 December 2016, down from USD 94.1 million in 2015. The decrease in revenues was mainly attributable to reduced fleet and weakened market demand. The Hawk Explorer was sold and delivered for decommissioning during Q4 2016. The company retained the vessel’s seismic equipment. The 3D vessel Voyager Explorer was redelivered to its owners on 12 September 2016. TGS represents the largest customer, contributing 83% of total revenues for the year. The contract with TGS ended in October 2016.

Charter hire and operating expenses decreased by 40% to USD 41.9 million in 2016, down from USD 69.8 million in 2015. The decrease is primarily due to fleet reduction, lowered crew headcount, stacking of vessels and cost savings initiatives.

Selling, general and administrative expenses were USD 13.3 million in 2016 compared with USD 18.6 million in 2015. The decrease is principally due to general cost savings initiatives and reduced onshore headcount during 2016.

Reversal of bad debt charges was USD 4.5 million in 2016 compared to USD 0.1 million cost in 2015. The USD 4.4 million of the reversal of bad debt related to a survey conducted in 2008/2009 which the Company did not receive payment for and was considered lost until the payment was made in 2016.

Both were provided for in prior years. During 2016 SeaBird Exploration did receive payments resulting in a reversal of the bad debt charges.

Earnings before interest, taxes, depreciation and amortisation (EBITDA) were USD 22.4 million for 2016, up from USD 10.9 million in 2015. Depreciation and amortization were USD 15.6 million in 2016, down from USD 19.2 million in 2015, a decrease of 18% predominantly due to lower multi-client sales amortization and lower depreciation associated to lower vessel book values and a reduced fleet. Total impairments were USD 9.9 million in 2016, compared to USD 9.4 million in 2015. The impairments were related to the retirement of the Hawk Explorer from the fleet.

9.6.2.2 Balance sheet

At 31 December 2016, cash and cash equivalents amounted to USD 15.0 million, compared to USD 6.3 million at the end of 2015. Net interest-bearing debt at 31 December 2016 was USD 15.6 million, down from USD 27.5 million at 31 December 2015.

Equity at 31 December 2016 was USD 22.1 million, down from USD 30.0 million at 31 December 2015 driven by the negative profits of the group.

Property, plant and equipment at 31 December 2016 was USD 47.5 million, down from USD 67.4 million at 31 December 2015, mainly due to impairment charges taken against vessel and equipment which were triggered by the current market weakness, along with normalized depreciation for the period.

Multi-client library at 31 December 2016 was USD 3.1 million, down from USD 3.3 million at 31 December 2015.

Current assets at 31 December 2016 was USD 21.5 million, down from USD 36.0 million at 31 December 2015, mainly as a result of reduced trade receivables following lower activity.

Non-current loans and borrowings at 31 December 2016 were USD 23.3 million, down from 31.1 million at 31 December 2015. The decrease was a result of reclassification of upcoming maturities to current liabilities.

Current liabilities at 31 December 2016 were USD 26.9 million, down from USD 45.7 million at 31 December 2015, mainly as a result lower trade payables.

9.6.2.3 Cash flow statement

Net cash flow from operating activities was negative USD 20.7 million for 2016 compared to negative USD 6.9 million for 2015. The increase is mainly due to increased earnings and that the cash flow was no longer dampered by the down payment of trade payables during 2015.

Net cash flow used in investing activities was USD 5.7 million for 2016 compared to USD 5.8 million for 2015. Capital expenditure for 2016 amounted to USD 3.3 million with the majority of the capital cost incurred relating the purchase of routine seismic and other equipment across the fleet, in addition to USD 2.2 million multi-client investment.

Net cash flow from financing activities was negative USD 6.2m for 2016 related to downpayment of loans compared to positive USD 12.0 million for 2015 when the company raised financing.

9.6.3 The financial year 2015 compared to 2014

9.6.3.1 Financial result and operations

SeaBird reported consolidated revenues of USD 94.1 million for the year ended 31 December 2015, down from USD 129.3 million in 2014. The decrease in revenues of USD 35.1 million was mainly attributable to reduced fleet utilization as a result of the weakened market demand experienced in throughout the year. This market softness was driven by the decline in oil price and more cautious spending by industry participants. The 3D vessels Voyager Explorer and Geo Pacific were laid up during the whole year and from March onwards, respectively. The Geo Pacific was redelivered to its owners at year-end. The Munin Explorer was laid up in quarter three following the completion of its source contract with Seabed Geosolutions.

Charter hire and operating expenses decreased by 35% to USD 69.8 million in 2015, down from USD 108.0 million in 2014. The main reason for the decrease was related to lower fleet utilization and reduced fleet size.

Selling, general and administrative expenses were USD 18.6 million in 2015 compared with USD 30.6 million in 2014. The decreaseis principally due to significant bad debt, restructuring advisory costs and restructuring charges taken in 2014 as well as savings related to the closing of the Dubai office and reduced onshore headcount during 2015.

Earnings before interest, taxes, depreciation and amortisation (EBITDA) were USD 10.9 million for 2015, up from negative USD 7.9 million in 2014. Depreciation and amortization were USD 19.2 million in 2015, down from USD 33.7 million in 2017 a decrease of 43% predominantly due to lower multi-client sales amortization and lower depreciation associated to lower vessel book values. Total impairments were USD 9.4 million in 2015, compared to USD 38.3 million in 2014. The impairments were related to vessel equipment of USD 0.9 million, and multiclient library of USD 8.5 million. This decrease is due to the significant vessel, multi-client and goodwill impairments taken in 2014 partially offset by multi-client impairments charged in 2015.

9.6.3.2 Balance sheet

At 31 December 2015, cash and cash equivalents amounted to USD 6.3 million, compared to USD 7.0 million at the end of 2014. Net interest-bearing debt at 31 December 2015 was USD 27.5 million, down from USD 95.2 million at 31 December 2014. During the first quarter, the company reached agreement on a financial restructuring to reduce indebtedness and provide additional funding. SeaBird issued new equity for a total of USD 11.6 million, issued a new three-year secured bond in two tranches to raise USD 5.0 million in cash and USD 24.3 million originating from a debt conversion of the existing SBX03 bond, the Perestroika convertible bond, charter hire and financial advisory payables. The company also issued a three-year secured credit facility of USD 2.4 million and a USD 2.1 million unsecured loan as a part of the restructuring. The company booked a total restructuring gain of USD 66.4 million.

Equity at 31 December 2015 was USD 30.0 million, up down from negative USD 40.9 million at 31 December 2014. The increase was a result of the above mentioned restructuring.

Property, plant and equipment at 31 December 2015 was USD 67.4 million, down from USD 78.9 million at 31 December 2014, mainly due to impairment charges taken against vessel and equipment which were triggered by the current market weakness, along with normalized depreciation for the period.

Multi-client library at 31 December 2015 was USD 3.3 million, down from USD 14.7 million at 31 December 2014. The decrease was a result of sales and impairments of the multi-client library during the year.

Current assets at 31 December 2015 was USD 36.0 million, down from USD 47.3 million at 31 December 2014, mainly as a result of reduced other current assets and trade receivables.

Non-current loans and borrowings at 31 December 2015 were USD 31.1 million, up from nil million at 31 December 2014. The increase was a result of the above mentioned restructuring and the fact that all loans were classified as current liabilities at 31 December 2014.

Current liabilities at 31 December 2015 were USD 45.7 million, down from USD 181.9 million at 31 December 2014, mainly as a result of reclassification of loans in 2014, the restructuring and increased trade payables.

9.6.3.3 Cash flow statement

Net cash flow from operating activities was negative USD 6.9 million for 2015 compared to USD 40.3 million for 2014. The decrease is mainly due to decreased earnings and down payment of trade payables during 2015 following non-payment of payables and a resulting accumulation of overdue payables at the end of 2014.

Net cash flow used in investing activities was USD 5.8 million for 2015 compared to USD 37.4 million for 2014, mainly due to reduced multi-client investment. Capital expenditure for 2015 amounted to USD 5.5 million with the majority of the capital cost incurred relating to the planned dry docking as well as the purchase of routine seismic and other equipment across the fleet.

Net cash flow from financing activities was USD 12.0m for 2015 compared to USD 8.0 million for 2014. Main finance activities for the year related to refinancing described above.

9.6.4 The financial year 2014 compared to 2013

9.6.4.1 Financial result and operations

SeaBird reported consolidated revenues of USD 129.3 million for the year ended 31 December 2014, down from USD 177.3 million (restated) in 2013. The decrease in revenues of USD 48.0 million was mainly attributable to reduced fleet utilization as a result of the weakened market demand experienced in the second half of the year. This market softness was driven by the decline in oil price and more cautious spending by industry participants. The niche 3D market is yet to recover, as such the Voyager was idle and the Geo Pacific spent the majority of the first nine months on multi-client activity.

Charter hire and operating expenses decreased by 15% to USD 108.0 million in 2014, down from USD 127.8 million in 2013. The main reason for the decrease was related to lower fleet utilization and the Geo Pacific being engaged in multi-client activity until early September 2014.

Selling, general and administrative expenses were USD 30.6 million in 2014 compared with USD 19.4 million in 2013. The increase was predominantly due to non-recurring bad debt charges against certain long-dated receivables, restructuring advisory costs and expenses associated with the office relocation from Dubai to Limassol and Oslo.

Earnings before interest, taxes, depreciation and amortisation (EBITDA) were negative USD 7.9 million for 2014, down from USD 31.6 million in 2013. Depreciation and amortization increased by 24% to USD 33.7 million in 2014, mainly due to higher multi-client sales amortization during the period. Impairments for 2014 were USD 38.3 million, which related to property, plant and equipment and multi-client survey impairments triggered by current market weakness.

9.6.4.2 Balance sheet

At 31 December 2014, cash and cash equivalents amounted to USD 7.0 million, compared to USD 12.2 million at the end of 2013. Net interest-bearing debt at 31 December 2014 was USD 95.2 million, marginally up from USD 87.1 million at 31 December 2013.

Equity at 31 December 2014 was negative USD 40.9 million, down from USD 57.6 million at 31 December 2013. The decrease was a result of non-recurring restructuring provisions, impairment charges and negative earnings during the year.

Property, plant and equipment at 31 December 2014 was USD 78.9 million, down from USD 122.8 million at 31 December 2013, mainly due to impairment charges taken against vessel and equipment which were triggered by the current market weakness, along with normalized depreciation for the period.

Goodwill at 31 December 2014 was nil, down from USD 1.3 million at 31 December 2013. The decrease was a result of a goodwill impairment that was performed in Q4 2014.

Multi-client library at 31 December 2014 was USD 14. 7 million, up from USD 7.1 million at 31 December 2013. The increase was a result of investments in the multi-client library during the year.

Current assets at 31 December 2014 was USD 47.3 million, down from USD 58.2 million at 31 December 2013, mainly as a result of reduced trade receivables and lower cash and cash equivalents.

Non-current loans and borrowings at 31 December 2014 were nil, down from USD 72.0 million at 31 December 2013. The reduction was a result of a reclassification of loans to current liabilities.

Current liabilities at 31 December 2014 were USD 181.9 million, up from USD 58.6 million at 31 December 2013, mainly as a result of reclassification of loans, increased trade payables and restructuring provisions.

9.6.4.3 Cash flow statement

Net cash flow from operating activities was USD 40.3 million for 2014 compared to USD 27.1 million for 2013. The increase is mainly due to increased trade payables and reduced trade receivables during 2014. Trade payables increased largely due to non-payment of payables and a resulting accumulation of overdue payables at the end of 2014. Trade receivables decreased during 2014 due to a bad debt provision that was charged to the company's profit and loss statement in Q4 2014 and a reduction in trade receivables as part of normal working capital fluctuations.

Net cash flow used in investing activities was USD 37.4 million for 2014 compared to USD 23.5 million for 2013, mainly due to increased multi-client investment resulting from the completion of five surveys during the period. Capital expenditure for 2014 amounted to USD 7.8 million with the majority of the capital cost incurred relating to the planned dry docking of Hawk Explorer and Osprey Explorer as well as the purchase of routine seismic and other equipment across the fleet.

Net cash flow from financing activities was USD 8.1m for 2014 compared to USD 6.2 million for 2013. Main finance activities for the year related to repayment of debt of USD 5.1 million and repayment of interest of USD 3.3 million.

9.7 Comments on changes subsequent to 31 March 2017, financial situation and trends

9.7.1 Changes subsequent to 31 March 2017

Subsequent to 31 March 2017, SeaBird has completed the Restructuring, being a consensual restructuring of the SeaBird group. The Restructuring facilitated a comprehensive restructuring of the SeaBird group's balance sheet.

The terms and financial impact of the Restructuring is set out in Sections 4 and 5.

9.7.2 Comments to financial situation

The Restructuring, as further outlined in Sections 4 and 5, significantly reduced debt and lease obligations of Seabird and extended the maturities with 3 years. The reason for doing the Restruturing was to be able to raise new equity. Seabird is of the opinion that it is highly likely that the company requires new equity to have adequate financial resources for its continued operation and for its ability to meet its financial obligations. See chapter 10 for further details.

As of 30 June 2017 the Company had USD 3.2 million in cash which where held in the following currencies:

Currency	Amount in currency in millions	USD in millions
NGN	414.3	1.3
USD	1.0	1.0
NOK	5.2	0.6
EUR	0.2	0.2

GBP	0.0	0.0
SGD	0.0	0.0
MXN	0.1	0.0
COP	6.4	0.0
SUM		**3.2**

Other than as described above, there has been no significant change in SeaBird's financial or trading position since 31 March 2017.

9.7.3 Trend information

The global seismic market is regarded as being soft. The significant decline in the oil prices that started in 2014 has caused oil companies to take a cautious spending approach, which has delayed start-ups of seismic campaigns and had a negative impact on seismic demand. Currently the company has limited backlog, as described in chapter 6.5.1.

During the last six to nine months the company has experienced increased tendering and market activity. However, conversion into contracts has taken time so the timing of a sustained market recovery is still uncertain. The Company expects the market activity to improve in the second half of 2017.

SeaBird has not experienced any other significant changes or trends that may have a material effect on the Company's prospects for the current financial year, after 31 March 2017.

10 INVESTMENTS AND CAPITAL RESOURCES

10.1 Investments

10.1.1 Principal investments from 2014 to the date of this Prospectus

The exhibit below illustrates SeaBird's principal investments during the years 2016, 2015, and 2014, as well as the interim periods ended 31 March 2016 and 2017. In order for an investment to be defined as a capital expenditure is that it completes the following criteria; (1) The investment must be larger than USD 5,000, (2) the investment has a useful life of at least 2 years and (3) the investment is not considered as a repair. Other than as mentioned below, no significant investments have been made in the period from year-end 2014 to the date of this Prospectus. The investments have been made in the ordinary course of the Company's business.

	Three months ended 31 March		Twelve months ended 31 December		
(USD '000)	2017	2016	2016	2015	2014
Capital expenditures	561	701	3,425	5,555	7,828
Multi-client investments (capitalised costs)...	-	8	2,257	244	29,560
Multi-client investments (capitalised depreciation)	-	-	446	-	2,802
Sum..	561	708	6,128	5,799	40,190

10.1.1.1 Investments three months ended 31 March 2017

Capital expenditures for Q1 2017 amounted to USD 0.6 million. Major capital cost items include the dry-docking for Harrier Explorer (USD 0.5 million).

Multi-client investments were USD 0.0 million in Q1 2017.

10.1.1.2 Investments twelve months ended 31 December 2016

Capital expenditures for 2016 amounted to USD 3.4 million. Major capital cost items include the dry-docking for Osprey Explorer (USD 1.9 million) and the continuous recording system for Northern Explorer (USD 0.3 million).

Multi-client investments were USD 2.7 million in 2016. Major projects during the year were a 2D survey in Iceland (USD 0.8 million, including capitalized depreciation of USD 0.1 million) and one 2D survey in the Barents Sea (USD 1.7 million, including capitalized depreciation of USD 0.3 million, net of partner contribution of USD 0.2 million).

Other term investment for 2016 amounted to USD 0.1 million.

Investments were lower than previous years due to a slow down in overall seismic industry activity.

10.1.1.3 Investments twelve months ended 31 December 2015

Capital expenditures for 2015 amounted to USD 5.6 million. Major capital cost items include the dry-dockings for Northern Explorer (USD 1.5 million), Aquila Explorer (USD 1.1 million) and Harrier Explorer (USD 1.6 million) and purchase of seismic equipment across the fleet (USD 0.3 million).

Multi-client investments were USD 0.2 million in 2015. Major projects during the year were a reprocessing of a 2D survey in the Philippines (USD 0.2 million).

Investments were lower than previous years due to a slow down in overall seismic industry activity.

10.1.1.4 Investments twelve months ended 31 December 2014

Capital expenditures for 2014 amounted to USD 7.8 million. Major capital cost items include the dry-dockings for Hawk Explorer (USD 1.8 million) and Osprey Explorer (USD 1.9 million) and a major purchase of seismic equipment across the fleet (USD 1.2 million).

Multi-client investments were USD 32.4 million in 2014. Major projects during the year were a 3D survey in West Africa (USD 23.7 million), two 2D surveys in the Philippines (USD 5.7 million), one 2D survey in Ireland (USD 1.1 million), one 2D survey in the UK (USD 1.8 million) and other 2D surveys (USD 0.1 million).

10.1.2 Future investments and other commitments

SeaBird expects to make capital expenditures in 2017 amounting to approximately USD 6.0 million, primarily related to maritime maintenance (USD 3.9 million) and seismic equipment (USD 1.6 million). The timing and amounts of such expenditures will depend on the contract situation and utilization of the vessels, as various maintenance and upgrading components can be postponed.

No investments are planned or committed for 2017 in respect of multi-client investments.

Given the low activity in SeaBird's markets, the Company expects to maintain a low investment level until demand for seismic services increases.

10.1.3 Sources of funds needed to fulfill capital expenditure requirements

In accordance with SeaBird's business plans, the planned capital expenditures will be financed from available cash in the SeaBird group.

10.2 Capital resources

SeaBird manages its capital structure and makes adjustments to it in light of changes in economic conditions. By managing capital efficiently, SeaBird believes that it will be able to continue as a going concern while maximising the return to shareholders.

10.2.1 Funding and treasury policies

Financial control and cash management systems enable SeaBird to manage and monitor liquidity needs. Forecasts are maintained and regularly updated to estimate short- and long-term financial requirements. Funding options are evaluated based on longer-term capital needs and involve a review of optimal financing alternatives in conjunction with a targeted capital structure.

10.2.2 Hedging policy and financial risk management

SeaBird has a policy of not hedging currency and interate risk. Please see note 30 of the annual report 2016 incorporated by reference to this Prospectus (see Section 13.4) for further details on SeaBird's financial risk management and risks related to financial instruments.

10.2.3 Overview of debt facilities, debt maturities and operating lease commitments

The table below sets forth an overview of SeaBird's borrowings as per 31 March 2017, including repayment schedule and anticipated interest payments for each period.

The table illustrates, for each borrowing facility, the amount outstanding at 31 March 2017, the amount outstanding after the Restructuring, and the expected amounts maturing for the remainder of 2017 (after the Restructuring) and in each of the years 2018 and 2019 and therafter, as well as expected interest payments and outstanding amounts for each period.

(figures in USD millions)

Name of facility	SBX04 A	SBX 04 B	Credit facility	Unsecured note	Munin lease (operational)
Currency	USD	USD	USD	USD	USD
Described in section	10.2.5.1	10.2.5.1	10.2.5.2	10.2.5.3	10.2.5.4
31 March 2017 balance	5.0	24.3	2.3	0.9	12.7
Debt converted to equity / redeemed	(5.0)	(19.8)	(1.9)	(0.2)	(10.4)
Outstanding post restructuring:	**-**	**4.6**	**0.4**	**0.7**	**2.4**
Downpayments 2017		-	-	(0.7)	-
Interest payments 2017		0.1	0.0	0	-
Outstanding at year-end 2017:		**4.7**	**0.5**	**0**	**2.4**
Downpayments 2018		-	-	-	-
Interest payments 2018		0.3	0.0	-	-
Outstanding at year-end 2018:		**5.0**	**0.5**	**-**	**2.4**
Downpayments 2019		-	-	-	-
Interest payments 2019		0.3	0.0	-	-
Outstanding at year-end 2019:		**5.3**	**0.5**	**-**	**2.4**
Downpayments after 2019		**(5.5)**	**(0.5)**	**-**	**(2.4)**

SeaBird expects to repay the respective debt facilities upon their maturity by means of available cash on hand and by refinancing in the bank or bond market, depending on the financial situation and available alternatives at the time of such maturity. All interest in the table above will be payable in kind and added to the outstanding loan balances until maturity 30 June 2020. Munin lease will be payable in kind until 30 June 2020, and the amount in the table reflects the total lease payments in the period from 1 June 2017 until 30 June 2020.

In light of the current liquidity outlook SeaBird might need additional capital to finance its operations ahead of the maturity of the debt in 2020.

10.2.4 Status on covenants

As per the date of this Prospectus, the Company and the SeaBird group is in compliance with all its debt covenants as an effect of the Company having entered into the Restructuring.

10.2.5 Description of debt facilities and lease arrangements

10.2.5.1 SBX04

As part of the 2015 restructuring, SeaBird issued a new bond loan referred to as SBX04, being a senior secured three year bond loan maturing on 3 March 2018. SBX04 was divided into two tranches, being a USD 5.0 million Tranche A which was subscribed by new lending and a USD 24.3 million Tranche B which was converted from the earlier SBX03, the Perestroika convertible loan and certain other liabilities. As a consequence of the restructuring as further described in section 4, only USD 4.6 million of Tranche B remains outstanding under SBX 04.

The key terms of SBX04 are:

- Borrower: SeaBird Exploration Finance Limited, a wholly-owned group company.

- Guarantors: SeaBird Exploration Plc and all material operating subsidiaries.
- Amount: USD 4.6 million
- Maturity: 30 June 2020.
- Amortization: No amortization until maturity date.
- Interest: 6.0%, payable in kind quarterly June 2017.
- Call option: Callable at par, in whole or in part, at any time.
- Financial covenants: No financial covenants.
- Security: Guarantees from group companies, share pledges in vessel controlling guarantors, mortgages over owned vessels, assignment of charters and survey contracts with a duration of more than 6 months, assignment of insurances, assignment of earnings, assignment of intra-group loans, bank account pledges and a floating charge. Reference is made to Clause 8.2 of the amended and restated bond agreement as of June 2017 in respect of SBX04. The security is shared among the SBX04 bondholders and the lender under the credit facility set out in Section 10.2.5.2 "Credit facility". The SBX04 bondholders have a senior right to recovery to all security.
- Further terms of SBX04 are set out in the bondholder agreement in respect of SBX04 is appended hereto.

10.2.5.2 Credit facility

As part of the 2015 restructuring, SeaBird issued a credit facility on terms materially identical to the terms in respect of SBX04 and with the same security as SBX04, except that there are no financial covenants. The credit facility was issued against settlement of other liabilities. Following implementation of the Restructuring as set out in section 4, the terms of the credit facility was amended.

The principal terms of such credit facility are:

- Amount: USD 0.4 million.
- Maturity: 30 June 2020.
- Amortization: No amortization until maturity date.
- Interest: 6.0%, payable in kind quarterly commencing June 2017.
- Call option: Callable at par, in whole or in part, at any time.
- Financial covenants: None.
- Security: The credity facility is secured with the same security as SBX04.

10.2.5.3 Unsecured note

As part of the 2015 restructuring, SeaBird further issued an unsecured note in the amount of USD 2.1 million. The unsecured note was issued against settlement of other liabilities.

The principal terms of the unsecured note are:

- Amount: USD 0.7 million.
- Maturity: January 2018.
- Amortization: Nine equal quarterly instalments, commenced 1 January 2016.
- Interest: 6.0%, payable quarterly commenced in April 2015.
- Call option: Callable at par, in whole or in part, at any time.

- Financial covenants: None.

10.2.5.4 Operating lease arrangements

SeaBird leases various vessels (the Munin Explorer) and seismic equipment under non-cancellable operating lease arrangements.

The terms of the leases in respect of Munin Explorer were amended as part of the Restructuring. As an effect of such amendments, the future aggregate minimum lease payments under such non-cancellable operating leases are approximately USD 0.4 million for the year 2017, approximately USD 1.9 million for the subsequent period until maturity 30 June 2020.

The terms under the Voyager Explorer are formed as a joint marketing agreement, whereby SeaBird markets the vessel and only pays for vessel usage when the Company has an actual contract designated for the vessel. The day rate paid when the vessel is active is determined contract by contract, and is subject to approval from both SeaBird and Koleth, the owner of Voyager Explorer. The provider of Voyager Explorer as well as SeaBird may terminate the joint marketing agreement with a notice in writing seven days in advance to the date of effective termination.

10.2.6 Restrictions on use of capital

The agreements in respect of SBX04 and the credit facility contain provisions whereby, upon the sale of material assets and certain other events, the proceeds shall be applied towards a mandatory prepayment of such loans, unless (in the event of the sale of a vessel) applied towards the acquisition of a replacement vessel.

The agreements also contain certain restrictions on granting financial support to or for the benefit of third parties (except for intragroup loans) which provide restrictions on SeaBird's free use of capital. As long as these covenants and undertakings are met, there are no restrictions put on SeaBird's use of capital.

10.2.7 Financial covenants and dividend restrictions

SeaBird currently has no financial covenants or dividend restrictions.

10.2.8 Credit ratings

No credit ratings are issued to SeaBird or its debt securities at the request of SeaBird, or with the cooperation of SeaBird in the rating process.

10.2.9 Other capital resources and working capital

SeaBird's working capital requirements will fluctuate depending on the contract coverage for its vessels.

Receivables in respect of vessel revenues are generally paid monthly in arrears of the actual performance of the service. There is a continuous focus on efficient handling of receivables to reduce the amount of capital being tied up.

Payables, which are generally related to various vessel expenses including bunkers, are partly paid in arrears of their actual delivery and partly based on pre-payments. Charter hires for leased vessels are due monthly at the beginning of the month. The charter hire related to the Munin charter agreement can at SeaBird's discretion be accumulated and not paid in cash before 30 June 2020.

SeaBird strives to have a modest working capital buffer which enables it to pay its expenses when due, while at the same time having the ability to withstand normal delays and idle periods between contracts.

10.2.10 Working capital statement

In the view of the board of directors of SeaBird Exploration Plc, the Company and the SeaBird group does not have sufficient working capital for its current requirements, being understood as the requirements for a minimum of 12 months from the date of this Prospectus. Seabird is of the opinion that it is highly likely that the company requires new equity to have adequate financial resources for its continued operation and for its ability to meet its financial obligations. In making such statement, the board of directors has taken into consideration the headroom between the existing working capital and the requirements which could occur in various scenarios related to its business operation, and in particular, in the event that additional contracts and other arrangements in respect of the employment of SeaBird's vessels are not entered into or existing contracts are cancelled or significantly delayed and alternative employment cannot be secured at satisfactory rates. In the event of such contracts being delayed, cancelled or not materializing, SeaBird could have a working capital shortfall which could result in the need for significant amounts of additional financing, which may not be available at that time. The timing of a potential shortfall would depend on the overall employment of SeaBird's vessels, but in the event of additional contracts not materializing or contracts being delayed, could occur during Q3 2017. The amount of such shortfall would depend on the overall and alternative employment of SeaBird's vessels, but could amount to approximately USD 20 million for a 12-month period. SeaBird has not as of today made specific alternative plans to cover such potential shortfall, although under those circumstances, alternatives may exist to sell or otherwise monetise certain assets or to make other financing arrangements such as raising equity capital. To facilitate and prepare the Company to be able to raise equity capital at a short notice, SeaBird has summoned an extraordinary general meeting to be held 17 August 2017 where the Company seeks approval to increase its authorized share capital with an additional 100 million shares. The ability to sell or otherwise monetise assets, being primarily made up of owned vessels, would require consent from lenders as all of such assets are held as security for loan arrangements, and may therefore not be available within a short time frame or at all. Should none of these financing arrangements be available at that time, such circumstance would have a significant negative effect on SeaBird's financing situation and its ability to continue operations.

10.2.11 Key ratios

The table below sets forth selected consolidated key ratios for SeaBird for the years 2016, 2015 and 2014 as well as for the three months ended 31 March 2017 and 2016.

	Three months ended 31 March		Twelve months ended 31 December		
Key ratio	2017	2016	2016	2015	2014
Working capital ratio (defined as current assets divided by current liabilities)	37 %	86 %	80 %	79 %	26 %
Interest coverage ratio (defined as EBIT divided by interest expense)	neg.	2.3x	neg.	neg.	neg.
Solidity (defined as total equity divided by total assets)..	21 %	32 %	31 %	28 %	-29 %

10.3 Capitalization overview

The table below sets forth an overview of SeaBird's capitalisation as 31 March 2017 and adjusted to reflect if the below-mentioned material changes, related to the Restructuring and the effects thereof, had been in place as at that time for comparative purposes.

(USD '000)	Note	31 March 2017	Adjustments	Adjusted per the date of this Prospectus
Total current debt				
Guaranteed		-		
Secured[1]	1	30,163	(30,163)	-
Unguaranteed / unsecured	2	22,726	(977)	21,749
Total		52,889	(31,140)	21,749
Total non-current debt (ex. current portion)				
Guaranteed		-	-	-
Secured	3	-	3,719	3,719
Unguaranteed / unsecured		-	-	-
Total		-	3,719	3,719
Shareholders' equity				
Share capital	4	307[2]	5,439	5,746
Legal reserves	5	218,383[3]	27,052	245,435
Other reserves	6	(204,293)[4]	(3,113)	(207,406)
Total		14,397	29,378	43,775

For purposes of the table above, the following items make up the amounts referred to as adjustments:

1. SBX 04 A repaid in return for Multi-Client library. USD 4.6 million of SBX04 B and USD 0.4 million of the Credit Facility rolled over to non-current liabilities with the remaining principal amounts converted into equity.
2. Ordinary repayment of USD 0.2 million under the unsecured note and settlement of Munin Explorer accounts payable of USD 0.8 million as a part of the restructuring transaction.
3. USD 4.6 million of SBX04 B and USD 0.4 million of the Credit Facility rolled over to non-current liabilities net fair value adjustment, net of a fair value adjustment of USD 1.3 million[5].
4. Issuance of 54,389,711 shares each with a par value of USD 0.1.
5. Share premium for shares issued under (4) (i.e. total amount of converted obligations less par value of new shares). Total amount converted split per stakeholder: SBX 04: USD 19.8 million par value + USD 0.4 million accrued interest, Credit Facility: USD 1.9 million par value and USD 0.0 million accrued interst, Munin Lease: remaining lease payments of USD 10.4 million. Total equity compensation of USD 32.5 million less USD 5.4 million par value of the shares.

[1] Please refer to section 10.2.5 for an overview of the pledged assets and security of the Company's debt
[2] Share capital (par value of shares)
[3] Additional paid in capital
[4] Equity component of warrants (USD 2,793), Currency translation reserve (negative USD 407) and retained earnings (negative USD 206,622)
[5] Interest-bearing debts and borrowings are recognized initially at fair value, net of directly attributable transaction costs incurred. Interest-bearing debts and borrowings are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the period of the borrowings using the effective interest method.

6. Residual change in other reserves reflecting the debt conversion resulting from USD 1.3 million estimated amortized cost fair value gain for restructured debt, USD 2.3 million gain on the settlement of SBX04 tranche A with the multi-client library and USD 6.6 million restructuring loss related to the restructuring of the Munin Explorer onerous lease.

10.4 Indebtedness overview

The table below sets forth an overview of SeaBird's net indebtedness as per 31 March 2017 and adjusted to reflect if the below-mentioned material changes, related to the Restructuring and the effects thereof, had been in place as at that time for comparative purposes.

	USD 000'		**31 March 2017**	**Adjustments**	**Adjusted as per the date of this prospectus**
A	Cash	1	8,782	(6,782)	3,000
B	Cash equivalents		-	-	-
C	Trading securities		-	-	-
D	**Liquidity (A+B+C)**		**8,782**	**(6,782)**	**3,000**
E	Current financial receivables		5,870	-	5,870
F	Current bank debt		-	-	-
G	Current portion of long term debt	2	31,078	(30,363)	715
H	Other current financial debt	3	21,811	(777)	21,034
I	**Current financial debt (F+G+H)**		**52,889**	**(31,140)**	**21,749**
J	**Net current financial indebtedness (I-E-D)**		**38,237**	**(24,358)**	**12,879**
K	Non-current bank loans		-	-	-
L	Bonds issued	4	-	3,719	3,719
M	Other non-current loans		-	-	-
N	**Non-current financial indebtedness (K+L+M)**		**-**	**3,719**	**3,719**
O	**Net financial indebtedness (J+N)**		**38,237**	**(20,640)**	**16,597**

For purposes of the table above, the following items make up the amounts referred to as adjustments:

1. Cash balance for the Company as of the date of 1 August 2017.
2. SBX 04 A repaid in return for Multi-Client library. USD 4.6 million of SBX04 B and USD 0.4 million of the Credit Facility rolled over to non-current liabilities with the remaining principal amounts converted into equity. Ordinary repayment of USD 0.2 million under the unsecured note.
3. Settlement of Munin Explorer accounts payable of USD 0.8 million as a part of the restructuring transaction.
4. USD 4.6 million of SBX04 B and USD 0.4 million of the Credit Facility rolled over to non-current liabilities, net of fair value adjustment of USD 1.3 million[6].

10.4.1 Contingent and other liabilities

The following items are regarded as contingent liabilities:

- SeaBird has a bareboat charter with Munin Explorer expiring 30 June 2020, with a day rate of USD 2,088 per day payable in kind until maturity date. In total, the remaining lease

[6] Interest-bearing debts and borrowings are recognized initially at fair value, net of directly attributable transaction costs incurred. Interest-bearing debts and borrowings are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the period of the borrowings using the effective interest method.

payments as of 1 June 2017 is USD 2.4 million. In addition to the lease payments, SeaBird is committed to pay costs associated with re-classing the vessel at redelivery. Currently, these costs are estimated in the range of USD 1.7 million

Other than as stated above, the Company is not aware of any material liability, direct or indirect, actual or contingent.

11 SHARES, SHARE CAPITAL AND SHAREHOLDER MATTERS

11.1 Shares and share capital

11.1.1 Share capital

As of the date of this Prospectus, the Company's authorized share capital is USD 6,800,000, divided into a maximum of 68,000,000 shares, each with a nominal value of USD 0.10. There are 57,455,145 issued and outstanding shares of the Company, including the New Shares, corresponding to a share capital of USD 5,745,514.50. All shares are of the same class.

The Shares have all been validly issued, registered and fully paid. The beneficial interests in the Shares are registered in VPS with ISIN CY0101162119, except (a) for six Shares held by nominees as mentioned in Section 11.3.1 below and (b) for the New Shares which will be registered on the above ISIN in VPS (and thus tradable on Oslo Børs) following approval and publication of this Prospectus. The Company's VPS account operator is DNB Bank ASA, Verdipapirservice, P.O.Box 1600, N-0021 Oslo, Norway.

11.1.2 Convertible securities

The Company does not have issued convertible securities. A former convertible bond was settled as part of the Restructuring in 2015.

11.1.3 Other obligations over unissued capital

The Company has issued the Warrants, each giving the right to subscribe for one share at a subscription price of NOK 100. The number of such Warrants in issue is 884,686 each giving the right within their expiration on 15 January 2018 to subscribe for one new Share at a subscription price of NOK 100. The Warrants are registered under ISIN CY0135682116 and listed on Oslo Børs.

No options are outstanding as of the date of this Prospectus.

11.1.4 Capital under option

No capital of any company in the SeaBird group is under option or is agreed, conditionally or unconditionally, to be put under option.

11.1.5 Stock exchange listing

The Company's shares are listed on Oslo Børs under the trading symbol "SBX". The New Shares become listed on Oslo Børs under the same ticker as the existing Shares with effect from the publication of this Prospectus. The Shares are not listed (and no application has been filed for listing) on any other stock exchange or regulated market than Oslo Børs.

Application for listing on the Warrants on Oslo Børs has been made. Stock exchange notification will be made upon their admission to listing.

11.1.6 Historical development in share capital and number of shares

The table below sets forth the historical development in the Company's share capital and the number of issued and outstanding Shares for the period between 1 January 2012 and the date of this Prospectus.

Date	Type of change	Change in share capital (USD)	Par value (USD)	Total share capital after change (USD)	Number of shares after change	Price per share
At 1 Jan 2012			0.01	3,142,597.23	314,259,723	
15 May 2012	1:10 consolidation		0.10	3,142,597.20	31,425,978	
3 Dec 2012	Capital increase	1,100,000	0.10	4,242,597.80	42,425,978	NOK 7.50
14 Feb 2013	Capital increase	150,000	0.10	4,392,597.80	43,925,978	NOK 7.50
4 Nov 2013	Capital increase	165,526.8	0.10	4,558,124.60	45,581,246	NOK 3.07
19 Dec 2013	Capital increase	1,200,000	0.10	5,758,124.60	57,581,246	NOK 3.00
2 Mar 2015	Capital increase	601,569.3	0.10	6,359,693.90	63,596,939 (1)	NOK 50/150
30 Apr 2015	Share capital reduction and share conversion	-295,025.5254	0.0001	306,542.7746	3,065,427,746	-
26 Nov 2015	Capital increase(2)	0.6254	0.0001	306,543.40	3,065,434,000	USD 0.0001
26 Nov 2015	1:1000 consolidation	-	0.10	306,543.40	3,065,434	-
3 Aug 2017	Capital increase (3)	5,438,971.10	0.10	5,745,514.50	57,455,145	NOK 5.00

(1) Consisting of 57,581,246 ordinary shares and 6,015,693 New Preference Shares, each converted into 500 ordinary shares on 30 April 2015.

(2) In order to make the total number of shares devisable by ten, 6,254 new shares in the Company were issued, each at par value.

(3) USD 32.5 million of outstanding indebtedness was converted into equity at a share price of NOK 5.0 and a USDNOK exchange rate of 8.37. Hence, 54,389,711 New Shares were issued in return for reduced debt obligations.

The Company's share capital as of 1 January 2016 and 31 December 2016, respectively, was USD 306,542.7746 and USD 306,542.7746, with the number of shares at the same dates were 3,065,427,746 and 3,065,427,746. No shares were issued against consideration in other assets than cash during the period covered by the historical financial information provided in this Prospectus; however, subsequent to year-end 2014 a total of 2,123,159,000 shares were issued as part of the Restructuring and as consideration for liabilities of the SeaBird group.

11.1.7 Authorisations to issue additional shares, etc.

Pursuant to the Memorandum of Association, the Company is authorised to issue a maximum of 68,000,000 Shares, each with par value of USD 0.10. Pursuant to the Articles, subject to any resolution of shareholders, Shares and other securities may be authorised for issue by the directors or by ordinary resolution of the shareholders. Furthermore, subject to the provisions of Cyprus law and the Articles, the board of directors may be authorised to acquire treasury Shares.

An authorization was provided to the board of directors by a shareholders' meeting on 5 March 2015, by which the board of directors was authorized to the issue of Shares for general corporate purposes, restructuring of debt, capitalization of the Company and incentive stock option programmes, on such price and other terms and to such persons as the board of directors may determine. Under such authorization, the shareholders also waived any pre-emption rights they may have to subscribe for new shares.

11.2 Shareholder structure

As of 31 July 2017, the Company had 2291 holders of its ordinary shares registered in the VPS. The following table provides an overview of the 20 largest shareholders of the Company as of said date.

#	Shareholder	Type	Domicile	Number of Shares	%
1	BANQUE LOMBARD ODIER & CIE SA	Nominee	Switzerland	477,720	15.6 %

2	NORDNET BANK AB	Nominee	Sweden	249,566	8.1 %
3	PERESTROIKA AS	Company	Norway	230,078	7.5 %
4	SANDQUIST PATRICIA RODRIGUES DA COSTA	Private investor	Norway	168,700	5.5 %
5	CLEARSTREAM BANKING S.A.	Nominee	Luxembourg	122,657	4.0 %
6	FUGRO NORWAY AS	Company	Norway	65,809	2.1 %
7	NORDNET LIVSFORSIKRING AS	Company	Norway	48,076	1.6 %
8	DANSKE BANK A/S	Nominee	Denmark	42,207	1.4 %
9	EUROCLEAR BANK S.A./N.V.	Nominee	Belgia	40,344	1.3 %
10	PEKON EIENDOMSINVEST AS	Company	Norway	40,245	1.3 %
11	VIK ERIK MARTIN	Private investor	Norway	33,931	1.1 %
12	AVANZA BANK AB	Nominee	Sweden	31,027	1.0 %
13	HAUGERUD MARTIN JOHANNES	Private investor	Norway	31,000	1.0 %
14	BARTUSEVICIUS MARIUS	Private investor	Norway	30,580	1.0 %
15	HUSSAIN AMJAD	Private investor	Norway	28,012	0.9 %
16	HAGEN TOR ARNE	Private investor	Norway	28,000	0.9 %
17	DAHL MULTISERVICE AS	Company	Norway	26,000	0.8 %
18	KANGAS REIJO JUKKA	Private investor	Norway	25,000	0.8 %
19	OLAV OLSEN HOLDING AS	Company	Norway	25,000	0.8 %
20	VMIT AS	Company	Norway	25,000	0.8 %
	Top 20 shareholders			1,768,952	57.71 %
	Others			1,296,482	42.29 %
	Total			3,065,434	100.0%

Neither the Company nor any of its subsidiaries hold any shares (treasury shares) in the Company.

Shareholders holding 5% or more of the Company's shares have an interest in the Company's share capital which is notifiable according to the applicable regulations, as described in Section 11.5.15. The Company is not aware of any persons or entities, except for those set out below, who, directly or indirectly, have an interest of 5% or more of the Shares as of the date of this Prospectus. The following persons or entities have notified of an interest of 5% or more of the Shares in the Company:

- AOG Investments Ltd.
- Perestroika AS
- Nordnet AB
- Patricia Rodrigues Da Costa Sandquist

The Company is not aware of any persons or entities who, directly or indirectly, jointly or severally, exercise or could exercise control over the Company. The Company has not taken specific steps to prevent the abuse of such control. The Company is not aware of any arrangements that may result in, prevent, or restrict a change in control over the Company.

The Company is not aware of any shareholders' agreements among its shareholders.

No shareholders of the Company are under lock-up arrangements for their Shares.

Following the implementation of the restructuring, the ownership in the company will be as set out below:

- Owners of SBX04B: 33,731,958 shares, 58.7% of shares
- Ordinat Shipping AS: 16,611,343 shares, 28.9% of shares
- Glander International Bunkering (Norway) AS: 3,259,630 shares, 5.7% of shares
- Z-Invest AS: 786,780 shares, 1.4% of shares
- Existing shareholders: 3,065,434 shares, 5.3% of shares
- Post restructuring total: 57,455,145 shares, 100% of shares

11.3 Shareholder rights and shareholder policies

11.3.1 Share classes and voting rights

The Company has one class of shares, and all shares give equal rights in every respect.

Each share is entitled to one vote at a general meeting of the shareholders of the Company, and no shareholders enjoy different voting rights. Subject to the provisions of Cyprus law and the Articles (see Section 11.5.9), resolutions at a general meeting of the shareholders are passed by a simple majority of the votes present and cast. Blank and invalid votes shall not be counted. In case of an equal vote, the proposal shall be deemed to have been rejected.

Six of the Company's issued Shares are not registered in VPS. This is due to Cyprus legislative provisions, relating to public companies. The six shares not registered in VPS are held by six individuals and are all registered in the register of members of the Company. As described below in section 11.4, the Shares are registered in the name of the VPS Registrar in the register of members of the Company in accordance with the laws of the Republic of Cyprus, and the beneficial shareholders will hold beneficial interests in those shares. The beneficial shareholders must look to the VPS Registrar to vote for their shares. Dividends in cash will be forwarded directly to the beneficial shareholders of the Company to the bank accounts registered on the VPS account of such shareholder.

The Articles do not give pre-emptive rights to subscribe for new shares, however, such rights may exist under Cyprus law, where new shares are issued for a consideration in cash, as mentioned in section 11.5 herein. Shares that the Company purchases or otherwise acquires may be cancelled or held as treasury shares.

11.3.2 Trading rights

The Company's Articles do not contain any limitations with regard to trading of the Shares.

11.3.3 Limitations on the right to own shares

Neither the Memorandum, the Articles nor current company legislation impose limitations with regard to who has the right to own Shares in the Company.

11.3.4 Shareholder and dividend policy

The Company will seek to treat all Shareholders equally in line with applicable regulations.

The Company intends to manage the SeaBird group's assets and business in a manner which provide the highest possible return at an acceptable risk, measured in terms of total dividends and increases in share price, on the capital invested in the Company over time. This is intended to make SeaBird an attractive investment, and to provide the basis for the Company to raise additional equity when this should be desirable.

The Company will strive to follow a dividend policy favourable to the Shareholders. The amount of any dividends to be distributed will be dependent on, inter alia, the Company’s investment requirements and rate of growth. As described in Section 10.2.7, the Company has currently no dividend restrictions.

According to the Company's Articles, dividends may only be declared and paid following a proposal by the board of directors and after the board has made a determinatino concerning the Company’s solvency in accordance with the Articles.

No dividends have been paid or proposed in respect of the years 2016, 2015 or 2014.

11.3.5 Information policy and investor relations

The Company endeavours to provide all market participants with timely and equal information.

Such information will take the form of annual reports, quarterly reports, stock exchange bulletins, press releases and investor presentations when appropriate. In addition to current notifications to Oslo Børs, the Company arranges investor presentations in connection with quarterly and annual financial reporting and on other selected occasions.

The Company also pursues an open information policy towards the media and stakeholders of the Company.

All information will be published through the Oslo Børs information system on www.newsweb.no and on the Company’s web page www.sbexp.com.

11.4 VPS registration of the Shares

11.4.1 Introduction

It is a legal requirement that shares that are to be admitted to listing on Oslo Børs are registered in a central securities depository licensed to operate in Norway or another share register approved by Oslo Børs, for practical purposes the VPS.

In order to facilitate registration with the VPS, all Shares of the Company (except for six, as described in Section 11.3.1) are registered in the name of the VPS Registrar, in accordance with terms set out in the Registrar Agreement entered into between the Company and the VPS Registrar. The Company’s VPS Registrar is DnB Bank ASA, Verdipapirservice, P.O.Box 1600, N-0021 Oslo, Norway.

The VPS Registrar shall register beneficial interest in the Shares in VPS (in Norwegian: “depotbevis”). Therefore, it is not the legal interest in the Shares, but the beneficial interests in the Shares issued by VPS Registrar that are registered in VPS and listed on Oslo Børs. The VPS Registrar is registered as the legal owner of the Shares in the register of members that the Company is required to maintain pursuant to Cyprus law and the Articles. The VPS Registrar, or its designee, holds the Shares as nominee on behalf of each beneficial Shareholder. The VPS Registrar will provide for the registration of each Shareholder’s beneficial ownership in the Shares in the VPS on each investor’s individual VPS account.

The beneficial ownership of the Shareholders will be registered in the VPS under the category of a “share” and the beneficial ownership will be listed and traded on Oslo Børs. Investors who purchase the Shares (although recorded as owners of the shares in the VPS) will have no direct shareholder rights in the Company, and will not be treated as a legal shareholder of the Company for the purpose of Cyprus law or the Articles. Each Share registered with the VPS will represent evidence of beneficial ownership of one Share. The Shares registered with the VPS will be freely transferable, with delivery and settlement through the VPS system.

Investors who purchase Shares must look solely to the VPS Registrar for the payment of dividends, for the exercise of voting rights attached to the Shares and for all other rights arising in respect of the Shares. The Registrar has agreed to provide for voting arrangements for the beneficial shareholders on the terms set out in the Registrar Agreement.

11.4.2 Voting and dividends

The VPS Registrar or its designee shall vote for the Shares it holds, or issue a proxy to vote for such Shares, only in accordance with each investor's instructions.

Any dividends will be paid by the Company directly to the VPS Registrar, which has undertaken, in turn, to distribute the dividends to the investors in accordance with the Registrar Agreement.

Investors who have a Norwegian address and investors who have supplied the VPS with details of a Norwegian bank account will receive dividends in NOK. Investors who have a non-Norwegian or address who have not provided details of a Norwegian bank account will receive dividends converted into either their local currencies or, if the VPS Registrar so elects, in USD. Dividends in cash will be forwarded directly to the holders of deposit rights to shares in the Company to the bank accounts registered on the VPS account of the holder of deposit rights. The Articles stipulate that unclaimed dividends on shares may be forfeited for the benefit of the Company after a period of three years after having been declared. Due to the VPS system with registration of bank accounts, this provision is unlikely to have practical effect. Interest does not accrue on declared dividends. All shareholders of the Company will have equal rights to dividends, with the exception on any shares in the Company held by the Company itself.

11.4.3 Non-cash distributions

Whenever the Company intends to distribute assets other than cash, the VPS Registrar will be notified in advance, and the VPS Registrar will in its reasonable discretion determine whether the distribution to investors is lawful and reasonably practicable.

The VPS Registrar will make the distribution net of taxes and governmental charges payable by investors under the terms of the Registrar Agreement. In order to pay the taxes and governmental charges, the VPS Registrar may sell all or a portion of the assets received.

11.4.4 Limitations on liability

The Registrar Agreement limits the Company's and the VPS Registrar's obligations to investors with respect to the Shares. Investors who purchase Shares in the Company should note that the Company and the VPS Registrar disclaim any liability for any loss attributable to circumstances beyond the VPS Registrar's control.

The VPS Registrar further disclaims liability for any losses suffered as a result of the VPS' errors or negligence, save to the extent that the VPS Registrar may hold the VPS liable for such losses.

11.4.5 Amendment and termination

Each of the Company and the VPS Registrar may terminate the Registrar Agreement at any time with 3 months written notice or immediately upon written notice of any material breach by the other party of the Registrar Agreement. The VPS Registrar may terminate the Registrar Agreement if the Company fails to fulfil the payment obligations and if such failure is not remedied before the 10th business day after the VPS Registrar gives the Company written notice of such failure. In the event that the VPS Registrar Agreement is terminated, the Company will use its reasonable best efforts to enter into a replacement agreement for purposes of permitting the uninterrupted listing of the Shares on Oslo Børs. There can be no assurance, however, that it will enter into such an agreement on substantially the same terms or at all. A termination of the Registrar Agreement could, therefore, adversely affect the listing of the Shares on Oslo Børs. If the Registrar Agreement is terminated and not replaced, the VPS Registrar will use reasonable efforts to cooperate with investors in converting their Shares that are listed on the VPS into Shares registered in the name of the respective Shareholder.

11.4.6 Notices

The Registrar Agreement provides that whenever the VPS Registrar receives any notice, report, accounts, financial statements, circular or other similar document relating to the affairs of the Company, including notice of a general meeting, the VPS Registrar shall ensure that a copy of such document is promptly sent to the registered address of each Shareholder along with any proxy card form or other relevant materials.

11.4.7 Requests for Shares

Subject to the prior written consent from the board of directors, a Shareholder may at any time require the VPS Registrar to procure the registration of the Shares of which the beneficial interests are registered in the VPS in such Shareholder’s name. The beneficial interests in the Shares will then first be transferred into the VPS Registrar's VPS account. Such Shares will no longer be admitted to trading on Oslo Børs.

11.5 Constitutional documents and Cyprus law matters

11.5.1 General introduction

The Company is incorporated in the Republic of Cyprus as a public company limited by shares.

The Company is primarily governed by the Companies Law, Cap 113 of the statute laws of the Republic of Cyprus (the “Companies Law”) and the Company’s Memorandum (the “Memorandum”) and Articles of Association (the “Articles”). In addition, it is governed by the terms of the Listing Agreement with Oslo Børs. Further, Oslo Børs’ continuing obligations for listed companies apply on certain matters.

11.5.2 Constitutional documents

The constitutional documents of the Company consist of the Memorandum and Articles of Association. The Memorandum deals with the objects and powers of the Company and the Articles deal primarily with the Company’s administration, internal regulation and the distribution of rights and authorities between the Company’s shareholders and the board of directors.

Under the Articles and the Companies Law the Memorandum and Articles may be amended by a Special Resolution of the Company’s general meeting, whereby the majority requirement is not less than three fourths of such Members as being entitled so to do vote in person or by proxy at a duly constituted meeting of the Company. An amendment of the objects and powers contained in the Company’s Memorandum would, in addition, require the sanction of the Court.

11.5.3 Objects and Purposes

The Company has full capacity rights, powers and privileges to undertake any of the matters mentioned in clause 3 in the Memorandum, which include, inter alia, any commercial activity relating to providing oil and gas exploration, production and participation, seismic data services onshore, transition zones and offshore, and general offshore energy related services and whatever else may be considered incidental or conductive thereto.

11.5.4 Shares and transfer of shares

The Shares, including the beneficial interests in such Shares held by the VPS Registrar may be transferred freely.

The transfer of a Share is effective when the name of the transferee is entered on the Register of Members. The transfer of the beneficial interests in such Shares held by the VPS Registrar is effective when the name of the transferee is entered on the VPS Register.

11.5.5 Purchase of own Shares

Subject to the Articles and the provisions of the Companies Law, the Company has the power to purchase any Shares in the manner set out in the Articles.

Under the Norwegian Public Companies Act, which does not apply to the Company, there are limited rights for a company to acquire its own shares. These limits are not reflected in identical terms in the Articles. However, there are fairly similar, albeit less stringent, limitations in said respect reflected in the Articles. These limitations include a shareholder approval requirement and a maximum 10% holding requirement.

11.5.6 Redemption provisions

A share in the Company may, according to the Company's Articles of Association, be issued with such preferred, deferred or other special rights or such restrictions, whether with regard to dividend, voting, return of capital or otherwise as the Company may from time to time by Ordinary Resolution (requiring a simple majority) determine. No such shares are however issued per date of this Prospectus.

Subject to section 57 of the Companies Law, it is possible for the Company to issue any class of its shares on terms that they shall be redeemed at the option of the Company. Section 57 (1) of the Companies Law provides inter alia, that:

a) no shares shall be redeemed except out of profits of the company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purposes of the redemption;

b) no shares shall be redeemed unless they are fully paid;

c) the premium, if any, payable on redemption, must have been provided for out of the profits of the company or out of the company's share premium account before the shares are redeemed;

d) where any shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the capital redemption reserve fund", a sum equal to the nominal amount of the shares redeemed, and the provisions of the Companies Law relating to the reduction of the share capital of a company shall, except as provided in section 57, apply as if the capital redemption reserve fund were paid-up share capital of the company.

In addition to the above and always subject to the provisions of the Companies Law, the Company may, pursuant to its Articles of Association, acquire its own shares if and in so far as the Company in General Meeting by a Special Resolution has authorised the board of directors to acquire such shares, provided in all cases, that the Company shall not purchase more than such number of such shares as shall result in the Company at any time holding more than 10 per cent of the Company's issued shares.

The authorisation may be given for no more than twelve months on each occasion, notwithstanding any other provisions.

The Law contains detailed provisions, relating to the conditions for the purchase by a Company of its own shares.

11.5.7 Rights to any surplus in the event of liquidation

According to the Company's Articles of Association, subject to any special rights conferred on the holders of any existing shares or class of shares, each share in the Company confers upon the

Members the right to an equal share in the distribution of the surplus assets of the Company on its liquidation.

At present, there is only one class of shares in the Company, hence, all shareholders have equal rights.

11.5.8 Conversion provisions

No conversion provisions exist in relation to the Company's shares, save that the Company may, by Ordinary Resolution and subject to the provisions of the Companies Law,

(a) convert any paid up shares into stock and reconvert any stock into paid up shares of any denomination,

(b) consolidate and divide all or any of its share capital into shares of a larger amount than its existing shares, and

(c) subdivide its existing shares, or any of them, into shares of a smaller amount than is fixed by its Memorandum of Association.

If, at any time, the Company's shares are divided into different classes, the rights attached to any class may only be varied, with the consent in writing of or by a Resolution passed at a meeting by the holders if not less than 50% of the Issued shares in that class.

11.5.9 General meetings

The board of directors decides the venue of the Company's general meeting, which can be anywhere, save that the Company's annual general meetings can be held anywhere other than Norway. This differs from Norwegian law, where, unless otherwise decided specifically in the articles of association, the venue of a general meeting is in the municipality where the Company has its registered office.

A general meeting must be held once every year and not less than 21 days' notice is required for the holding of an annual general meeting. Extraordinary general meetings shall be called by 21 days' notice at the least unless a special resolution, that shortens the notice period to 14 days, is approved in the immediately preceding annual general meeting, or at a general meeting that is conducted after that annual general meeting, in which case extraordinary general meetings, other than meetings for the passing of a special resolution, may be called by 14 days' notice. The notice of the meeting shall specify the time, place and agenda and other relevant information for the meeting. Notice of every meeting of shareholders shall be given to all shareholders entitled to receive such notice from the Company.

A general meeting may be called by the board of directors or at the requisition of the shareholders (members). A shareholders' requisition is a requisition of shareholders holding at the date of deposit of the requisition not less than 5% of the voting rights of the Company. The direct shareholder rights in the Company are, as described in Section 11.4, held by the VPS Registrar, and the holders of the deposit rights must therefore look to the VPS Registrar to exercise the right to convene a general meeting. Pursuant to the Registrar Agreement, the VPS Registrar has undertaken to request that a general meeting is held when this has been requested by holders of 5% or more of the registered rights to shares in the Company.

Shareholders may be represented at the general meeting in person or by proxy or, in case of a body corporate, by its duly authorised representative.

The holders of deposit rights, in accordance with the provisions set forth in the Registrar Agreement, must look to the VPS Registrar to exercise the votes attaching to the underlying shares. Under the Registrar Agreement, the VPS Registrar has undertaken to, whenever it receives notice of a general meeting in the Company, to give such information to the holders of beneficial interests in the Shares. Such notice will include the time and place of the meeting, the agenda and other relevant information, including the time within which the deposit holder is to provide the VPS

Registrar with its voting instructions. The holders of deposit rights will receive proxy forms, so that they may instruct the VPS Registrar or another person to attend and vote on their behalf, or they may elect to meet and vote their own deposit rights (in the latter case, technically by proxy from and given by the VPS Registrar for the number of shares corresponding to the number of deposit rights such shareholder have in the VPS).

For further information on the convening of general meetings, and attendance, proxy representation and voting therein, see Section 11.4, where the VPS registration and each shareholder's rights towards the VPS Registrar are described.

A resolution of a general meeting is passed by simple majority unless the Companies Law or the Articles specify otherwise.

A special majority of not less than three fourths of such Members as, being entitled so to do, vote in person or by proxy, is required for the passing of, inter alia, the following resolutions:

(a) for the amendment of the objects clause contained in the Company's Memorandum

(b) for the amendment of the Company's Articles

(c) for the change of name of the Company

(d) for the acquisition of the Company's own shares

(e) for the reduction of the Company's share capital

(f) for the voluntary liquidation of the Company

(g) for the re-domiciliation of the Company to another jurisdiction.

11.5.10 The Board of Directors

Pursuant to the Articles, the board of directors shall consist of not less than two and not more than nine persons. The necessary quorum for the transaction of business of the directors is not less than one half of the total number of directors, unless there are only two directors, in which case the quorum is two directors.

At least 50% of the directors must be individuals who are neither executive officers of, nor employed by, nor employees or directors of business partners of the Company – which is in accordance with Oslo Børs' listing requirements and has been set out in the Articles in order to ensure that the shareholders elect a board which will on a continuous basis comply with the regulations of Oslo Børs.

Each director shall hold office until the expiration of his term and until his successor shall have been elected and qualified.

A board meeting may be held in any part of the world. A director is deemed to be present at a board meeting if he participates by telephone or other electronic means.

Subject to any resolution of the shareholders to the contrary, the board may appoint one director as the chairman of the board, and may at any time elect another person as chairman of the board.

The purpose of the board of directors is to manage and conduct the business of the Company, and its power and rights are limited by the Companies Law and the Articles.

The board of directors has full power to charge any of the Company's assets and to borrow money without sanction by the general meeting. The Articles stipulate that the board of directors is responsible for the Company's management and may appoint or remove officers of the Company (other than members of the board of directors).

The board of directors may by power of attorney appoint a person or company as the Company's attorney with such power, authority and discretion as the board of directors thinks fit (provided however that this does not exceed the powers vested in the board of directors by the Articles). The board of directors may also authorise the attorney to sub-delegate any or all powers, authorities and discretions vested in him by the board of directors. Furthermore, the board of directors may, subject to the Articles, delegate certain of its powers to committees consisting of such member or members of the board of directors as it thinks fit. Every committee so formed shall conform to any regulations that may from time to time be imposed upon it by the board of directors. Under Norwegian law, the board of a company can delegate authority and appoint attorneys, but the authority and power that may be delegated or vested in an attorney is somewhat more restricted.

A director may be engaged by the Company for the purpose of performing services which go beyond his ordinary duties as a director, but he may not be the company's auditor. The director performing such services for the Company is entitled to such special remuneration as the board of directors may determine.

A director or a company owned by him may also enter into commercial agreement with the Company provided that the relevant director declares his interest in such contract at the board meeting where the contract is first considered. He shall not be counted in quorum and cannot vote in any case where he has declared an interest.

The Company may by an ordinary resolution, but following proposal from the board of directors and after the board has made a determination concerning the Company's solvency in accordance with the Articles, from time to time declare and pay dividends. Such dividends shall be paid pro rata on the Company's shares. These regulations are slightly different than what applies for dividends under Norwegian law.

11.5.11 Accounts

The Articles and the Companies Law contain regulations concerning accounting. According to the Articles the directors shall ensure that the accounts are kept. The Company shall also have internationally recognised independent auditors, who shall audit and prepare a report on the annual profit and loss account and balance sheet. The auditor shall receive notice of, and have the right to be present at, the Company's annual general meeting.

The audited accounts of the Company must be filed annually with the Cyprus Registrar of Companies, together with its annual return. The Shareholders will receive annually certain accounts and financial statements of the Company. Under Norwegian law, a company's accounts are made public and filed with the Norwegian Company Register.

11.5.12 Majority requirements

The applicable law of the Company contains rules requiring resolutions to be taken as special resolutions of the shareholders in certain cases, such as where the Memorandum or Articles are to be amended or where there is to be a reduction of the share capital. Such a concept has, however, also been implemented in the Articles, where it is specified the need for such to constitute valid shareholder resolutions in the above instances, as well as inter alia, where the Company purchases its own shares or in case of voluntary liquidation. A special resolution is defined as a resolution passed by a majority of not less than three fourths of such members as, being entitled so to do, vote in person or by proxy at a general meeting of which not less than twenty-one days' notice, specifying the intention to propose the resolution as a special resolution, has been duly given.

The issue of new shares, or any resolution of the shareholders passed to authorise the board of directors to issue new shares, are among the resolutions that will only require a simple majority vote (ordinary resolution) by the shareholders. The Articles do not give pre-emptive rights to subscribe for new shares, however, pursuant to the Companies Law, whenever the share capital of a public company is increased by consideration in cash, the new shares must be offered on a pre-emptive basis to existing shareholders in proportion to the capital represented by their shares. The right of pre-emption may be restricted or withdrawn only by a decision of the general meeting taken by a majority of two thirds of the votes or, when at least half of the share capital is represented, by a simple majority.

All shares in the Company provide equal rights pursuant to the Articles, and any amendments of shareholder rights will require a qualified majority of two thirds of the votes at the general meeting of the Company or, when at least half of the share capital is represented, a simple majority.

11.5.13 Mandatory takeover rules

11.5.13.1 Statutory provisions

The Company is partly subject to the mandatory take-over provisions as set out in the Norwegian Securities Trading act chapter 6, and partly to the provisions set out in the Public Takeover Bids for the Acquisition of Securities of Companies and Related Matters Law (Law 41(I)/2007) as amended by law 47(I)/2009 and 7(I)/2015 of Cyprus.

The threshold at which the mandatory bid obligations are triggered, including possible exemptions from the obligation to present a bid (including possible exemptions for subsequent sale of shares), is subject to Cyprus law, pursuant to which a mandatory takeover bid is required where a person indirectly or directly acquires a percentage of thirty per cent (30%) or more of the existing voting rights in the Company.

Reaching this threshold, the shareholder shall make an unconditional general offer for the purchase of the remaining shares in the Company. The offer is subject to approval before submission to the shareholders. The obligation to make an unconditional offer also applies where a shareholder, directly or indirectly, holds more than 30%, but less than 50%, of the voting rights in the Company without having triggered the bidding obligation (i.e. that the shareholder held such amount of shares prior to listing or have inherited such shares) and such shareholder intents to increase the said percentage. If the shareholder holds more than 50% of the voting rights, the Cyprus authorities might, subject to application from the relevant shareholder, exempt such shareholder from the bidding obligation, if the proposed acquisition does not affect the rights of the minority shareholders of the Company. The takeover supervisory authority with respect to the threshold is the Cyprus Securities and Exchange Commission.

Questions concerning consolidation of shareholdings in relation to the threshold at which the mandatory bid obligation is triggered are subject to Cyprus law. The bidding process, including questions concerning the compensation offered in connection with the bid, in particular the bid price, the bid procedure, information on the bidder's decision to present a bid, the content of the offer document and the publication of the bid, is subject to Norwegian law, i.e. the Securities Trading Act. The takeover supervisory authority with respect to these issues is Oslo Børs.

Where an agreement on acquisition of shares triggers the bid obligation, the shareholder shall without delay notify the takeover supervisory authority and the Company accordingly. The notification shall state whether a bid will be made to buy the remaining shares in the Company. The takeover supervisory authority shall make the notification available to the public.

The bid shall be made without undue delay and at the latest four weeks after the mandatory bid obligation was triggered, and shall encompass all the remaining Shares of the Company. The bid price must be at least as high as the highest price paid or agreed to be paid by the offeror in the six-month period prior to the date the above threshold was exceeded, but equal to the market price if the market price was clearly higher when the threshold was exceeded. In the event that the acquirer thereafter, but prior to the expiration of the bid period acquires, or agrees to acquire, additional shares at a higher price, the acquirer is obliged to restate its bid at that higher price. The bid shall state a time limit for shareholders to accept the bid, not to be shorter than four weeks or longer than six weeks.

The offeror is required to make an offer document complying with Norwegian law, and such document requires approval by the takeover supervisory authority (Oslo Børs) before the bid is made public.

In the mandatory bid, all Shares of the Company must be treated equally. The mandatory bid must be made in cash or contain a cash alternative at least equal in value to any non-cash offer. A shareholder who fails to make the required offer must within four weeks dispose of sufficient shares so that the obligation ceases to apply. Otherwise, the authorities may cause the shares exceeding the threshold to be sold. Until the mandatory bid is made the shareholder may not vote for shares exceeding the threshold, unless a majority of the remaining shareholders approve. The shareholder can, however, receive dividends. The authorities may impose a daily fine upon a shareholder who fails to make the required offer.

11.5.13.2 Articles of Association

In addition to the above, under the Articles, any person, who as a result of such person's own acquisition, or the acquisition by persons acting in concert with such person, including, inter alia, entities controlled by or controlling such person, as defined in applicable law, holds or is directly or indirectly interested in, whether solely or together with persons acting in concert with such person, such issued Shares, or VPS Shares, of the Company, as shall provide the said person with 30 per cent or more of the voting rights in the Company, such person shall:

- promptly notify the Oslo Stock Exchange and the Company; and
- make a mandatory unconditional offer for the purchase of the remaining issued Shares or beneficial interest in such shares in the Company.

It is further set out that mandatory provisions on bid obligations, and any exemptions thereto as set out in applicable law, shall supplement the above provision and shall prevail in case of any conflict.

11.5.14 Squeeze-out and sell-out

11.5.14.1 Statutory provisions

The squeeze-out rules are subject to Cyprus corporate legislation.

When a shareholder has made a public offer to all other shareholders in the Company and as a result of such public offer or after such a public offer has acquired (i) not less than ninety per cent (90%) of the capital carrying voting rights and (ii) not less than ninety per cent (90%) of the voting rights in the company, the shareholder has the right to claim that the remaining shareholders sell all their shares to such shareholder.

The squeeze-out right is exercisable within 3 months from the end of the public offer. The purchase price for the shares under the squeeze-out should be at least equal to the purchase price for the preceding public offer. In the event that the purchase price includes payment in kind, the selling shareholder has the right to demand cash payment.

When a shareholder has made a public offer to all the shareholders and as a result of such public offer or after such a public offer has acquired not less than ninety per cent (90%) of the capital carrying voting rights and not less than ninety per cent (90%) of the voting rights in the Company the remaining shareholders have a right to demand the purchase of their shares from the shareholder who has made the public offer.

The sell-out right is exercisable within 3 months from the end of the public offer and the purchase price should be at least equal to the purchase price applicable to the public offer. In the event that the purchase price involves payment other than cash the selling shareholder has a right to demand cash payment.

11.5.15 Notification obligations for acquisition of large shareholdings

11.5.15.1 General

The notification requirements for acquisition of large shareholdings are governed by Cyprus Law 190(I)/2007 as amended.

11.5.15.2 Acquisition or disposal of shares

According to the provisions of Cyprus law a shareholder who acquires or disposes shares (with attached voting rights) in a company, has an obligation to notify the company and the Cyprus Securities and Exchange Commission (via email at info@cysec.gov.cy) of the percentage of voting rights held provided that, as a result of such acquisition or disposal, this percentage (i) in the case of an acquisition, reaches or exceeds, or (ii) in the case of a disposal, reaches or falls below, the thresholds of five percent (5%), or ten percent (10%), or fifteen percent (15%), or twenty percent (20%), or twenty five percent (25%), or thirty percent (30%), or fifty percent (50%) or seventy five percent (75%) of the total voting rights of the issuer.

The obligation to notify is not applicable in the following circumstances:

(a) the shares are acquired for the sole purpose of clearing and settling of transactions at the latest of three working days following the transaction;

(b) a custodian holding shares in its custodian capacity, provided that the custodian can only exercise the voting rights attached to such shares only under instructions given in writing or by electronic means by the beneficiary of the shares;

(c) an acquisition or disposal of voting rights by a market maker, that reaches or exceeds the 5% threshold of the total voting rights of the issuer, provided that the market maker –

i. acts in its capacity as a market maker and in accordance with the provisions of the Investment Services and Activities and Regulated Markets Law, or where the Republic of Cyprus is not the home member state, in accordance with the law of that member state harmonising directive 2004/39/EC, and

ii. neither intervenes in the management of the issuer concerned nor exerts any influence on the issuer to buy such shares or back the share price

(d) shares of an issuer, which are held in the trading book of a credit institution or an investment firm, in accordance with Article 4, paragraph 1, point 86 of EU Regulation 575/2013, provided that –

i. the voting rights attached to such shares do not exceed 5% of the total of voting rights of the issuer, and

ii. the credit institution or the investment firm ensures that the voting rights attached to such shares are not exercised nor otherwise used to intervene in the management of the issuer

e) shares provided to or by the members of the European System of Central Banks in carrying out their functions as monetary authorities, including shares provided to or by members of the European System of Central Banks under a pledge or repurchase or similar agreement for liquidity granted for monetary policy purposes or within a payment system, provided that the transactions last for a short period and that the voting rights attaching to such shares are not exercised.

There is no regulation of the notification obligations for large shareholdings in the Company's Articles.

11.5.15.3 Acquisition, disposal or right to exercise voting rights

In addition, a person who is entitled to acquire, to dispose of or to exercise voting rights of the Company, has an obligation to notify the Company and the Cyprus Securities and Exchange Commission of the percentage of voting rights held, provided that as a result of the acquisition or of the disposal or of the exercise or of the events changing the breakdown of voting rights of the Company, that percentage reaches, exceeds or falls below the thresholds mentioned above in any of the following cases or in a combination of them:

(a) Voting rights held by a third party, with whom that person has concluded an agreement, which obliges the contractual parties to adopt, by concerted exercise of the voting rights they hold, a lasting common policy towards the management of the Company

(b) voting rights held by a third party under an agreement concluded with that person providing for the temporary transfer for consideration of the exercise of voting rights in question•

(c) voting rights attached to shares which are lodged as collateral with that person, provided that person controls the voting rights and declares its intention to exercise them•

(d) voting rights attached to shares in which that person has the life interest •

(e) voting rights which are held, or may be exercised within the meaning of paragraphs (a), (b), (c) and (d), by an undertaking controlled by that person•

(f) voting rights attached to shares deposited with that person which the person can exercise at its discretion in the absence of specific instructions from the shareholder

(g) voting rights held by a third party in its own name on behalf of that person•

(h) voting rights which that person may exercise at its discretion as a proxy of the shareholder in the absence of specific instructions given from the shareholder.

The notification shall be effected as soon as possible but not later than within the next working trading day.

12 TAX MATTERS

Set out below is a summary of certain Norwegian and Cyprus tax matters related to an investment in the Company. The summary regarding Norwegian and Cypros taxation is based on the laws in force in Norway and Cypros as at the date of this Prospectus, which may be subject to any changes in law occurring after such date. Such changes could possibly 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 the shares in the Company. Shareholders who wish to clarify their own tax situation should consult with and rely upon their own tax advisers only. Shareholders resident in jurisdictions other than Norway and Cyprus and shareholders who cease to be resident in Norway or Cyrpus for tax purposes (due to domestic tax law or tax treaty) should specifically consult with and rely upon their own tax advisers with respect to the tax position in their country of residence and the tax consequences related to ceasing to be resident in Norway or Cyprus for tax purposes.

The Company has recently been in dialogue with Norwegian tax authorities regarding its tax domicile and the Norwegian tax authorities has advised the Company that its tax domicile has changed from Cyprus to Norway. The summary below is based on the assumption that the Company is resident in Norway for tax purposes.

Please note that for the purpose of the summary below, a reference to a Norwegian or non-Norwegian shareholder refers to the tax residency rather than the nationality of the shareholder.

12.1 Norwegian tax matters

12.1.1 Taxation of dividends

Norwegian Personal Shareholders

Dividends received by shareholders who are individuals resident in Norway for tax purposes ("**Norwegian Personal Shareholders**") are taxable as ordinary income in Norway for such shareholders at a current rate of 24% to the extent the dividends exceed a statutory tax-free allowance (Nw.: Skjermingsfradrag). The tax basis is adjusted upward with a factor of 1.24 before taxation, implying that dividends exceeding the tax free allowance are effectively taxed at a rate of 29.76%.

The tax-free allowance is calculated on a share-by-share basis. The allowance for each share is equal to the cost price of the share multiplied by a risk free interest rate determined based on the interest rate on Norwegian treasury bills (Nw.: statskasseveksler) with three months maturity plus 0.5 percentage point, and adjusted downwards with the tax rate. The allowance is calculated for each calendar year, and is allocated solely to Norwegian Personal Shareholders holding shares at the expiration of the relevant calendar year.

Norwegian Personal Shareholders who transfer shares will thus not be entitled to deduct any calculated allowance related to the year of transfer.

Any part of the calculated allowance one year exceeding the dividend distributed on the share ("excess allowance") may be carried forward and set off against future dividends received on, or gains upon realisation of, the same share, and will be added to the basis for the allowance calculation. Excess allowance cannot result in a deductible loss.

Norwegian Corporate Shareholders

Dividends distributed from the Company to shareholders who are limited liability companies (and certain similar entities) resident in Norway for tax purposes ("**Norwegian Corporate Shareholders"),** are effectively taxed at a rate of 0.72% (3% of dividend income from such shares is included in the calculation of ordinary income for Norwegian Corporate Shareholders and ordinary income is subject to tax at a flat rate of 24%).

Non-Norwegian Personal Shareholders

Dividends distributed to shareholders who are individuals not resident in Norway for tax purposes ("**Non-Norwegian Personal Shareholders**"), are as a general rule subject to withholding tax at a rate of 25%. The withholding tax rate of 25% is normally reduced through tax treaties between Norway and the country in which the shareholder is resident. The withholding obligation lies with the company distributing the dividends and the Company assumes this obligation.

Non-Norwegian Personal Shareholders resident within the EEA for tax purposes may apply individually to the Norwegian tax authorities for a refund of an amount corresponding to the calculated tax-free allowance on each individual share (please see "Taxation of dividends – Norwegian Personal Shareholders" above). However, the deduction for the tax-free allowance does not apply in the event that the withholding tax rate, pursuant to an applicable tax treaty, leads to a lower taxation on the dividends than the withholding tax rate of 25% less the tax-free allowance.

If a Non-Norwegian Personal Shareholder is carrying on business activities in Norway and the shares are effectively connected with such activities, the shareholder will generally be subject to the same taxation of dividends as a Norwegian Personal Shareholder, as described above.

Non-Norwegian Personal Shareholders who have suffered a higher withholding tax than set out in an applicable tax treaty may apply to the Norwegian tax authorities for a refund of the excess withholding tax deducted.

Non-Norwegian Personal Shareholders should consult their own advisers regarding the availability of treaty benefits in respect of dividend payments, including the possibility of effectively claiming refund of withholding tax.

Non-Norwegian Corporate Shareholders

Dividends distributed to shareholders who are limited liability companies (and certain other entities) not resident in Norway for tax purposes ("**Non-Norwegian Corporate Shareholders**"), are as a general rule subject to withholding tax at a rate of 25%. The withholding tax rate of 25% is normally reduced through tax treaties between Norway and the country in which the shareholder is resident.

Dividends distributed to Non-Norwegian Corporate Shareholders resident within the EEA for tax purposes are exempt from Norwegian withholding tax provided that the shareholder is the beneficial owner of the shares and that the shareholder is genuinely established and performs genuine economic business activities within the relevant EEA jurisdiction.

If a Non-Norwegian Corporate Shareholder is carrying on business activities in Norway and the shares are effectively connected with such activities, the shareholder will generally be subject to the same taxation of dividends as a Norwegian Corporate Shareholder, as described above.

Non-Norwegian Corporate Shareholders who are exempt from withholding tax or have suffered a higher withholding tax than set out in an applicable tax treaty may apply to the Norwegian tax authorities for a refund of the excess withholding tax deducted.

Nominee registered shares will be subject to withholding tax at a rate of 25% unless the nominee has obtained approval from the Norwegian tax authorities for the dividend to be subject to a lower withholding tax rate. To obtain such approval the nominee is required to file a summary to the tax authorities including all beneficial owners that are subject to withholding tax at a reduced rate.

The withholding obligation in respect of dividends distributed to Non-Norwegian Corporate Shareholders and on nominee registered shares lies with the company distributing the dividends and the Company assumes this obligation.

Non-Norwegian Corporate Shareholders should consult their own advisers regarding the availability of treaty benefits in respect of dividend payments, including the possibility of effectively claiming refund of withholding tax.

12.1.2 Taxation of capital gains on realisation of shares

Norwegian Personal Shareholders

Sale, redemption or other disposal of shares is considered a realisation for Norwegian tax purposes. A capital gain or loss generated by a Norwegian Personal Shareholder through a disposal of shares is taxable or tax deductible in Norway. Such capital gain or loss is included in or deducted from the Norwegian Personal Shareholder's ordinary income in the year of disposal. Ordinary income is taxable at a current rate of 24%. The tax basis is adjusted upward with a factor of 1.24 before taxation/deduction, implying an effective taxation at a rate of 29.76 %.

The gain is subject to tax and the loss is tax deductible irrespective of the duration of the ownership and the Norwegian Personal Shareholder's percentage interest in the Company prior to the disposal.

The taxable gain/deductible loss is calculated per share as the difference between the consideration for the share and the Norwegian Personal Shareholder's cost price of the share, including costs incurred in relation to the acquisition or realisation of the share. From this capital gain, Norwegian Personal Shareholders are entitled to deduct a calculated allowance provided that such allowance has not already been used to reduce taxable dividend income. Please refer to "Taxation of dividends – Norwegian Personal Shareholders" above for a description of the calculation of the allowance. The allowance may only be deducted in order to reduce a taxable gain, and cannot increase or produce a deductible loss, i.e. any unused allowance exceeding the capital gain upon the realisation of a share will be annulled.

If the Norwegian Personal Shareholder owns shares acquired at different points in time, the shares that were acquired first will be regarded as the first to be disposed of, on a first-in first-out basis.

Norwegian Corporate Shareholders

Norwegian Corporate Shareholders are exempt from tax on capital gains derived from the realisation of shares qualifying for participation exemption, including shares in the Company (under the assumption that the Company is considered tax resident in Norway). Losses upon the realisation and costs incurred in connection with the purchase and realisation of such shares are not deductible for tax purposes.

Non-Norwegian Personal Shareholders

Gains from the sale or other disposal of shares by a Non-Norwegian Personal Shareholder will not be subject to taxation in Norway unless (i) the shares are effectively connected with business activities carried out or managed in Norway, or (ii) the shares are held by an individual who has been a resident of Norway for tax purposes with unsettled/postponed exit tax.

Non-Norwegian Corporate Shareholders

Capital gains derived by the sale or other realisation of shares by Non-Norwegian Corporate Shareholders will not be subject to taxation in Norway unless (i) the shares are effectively connected with business activities carried out or managed in Norway, or (ii) the shares are held by an individual who has been a resident of Norway for tax purposes with unsettled/postponed exit tax.

12.1.3 Net wealth tax

The value of shares is included in the basis for the computation of net wealth tax imposed on Norwegian Personal Shareholders. Currently, the marginal net wealth tax rate is 0.85% of the value assessed. The Shares will be included in the net wealth with 90 % of their listed value as of 1 January in the assessment year. (i.e. the year following the relevant fiscal year).

Norwegian Corporate Shareholders are not subject to net wealth tax.

Non-resident shareholders are generally not subject to Norwegian net wealth tax, unless the Shares are held in connection with business activities carried out or managed from Norway.

12.1.4 Norwegian CFC-legislation

If a company resident in a low tax jurisdiction is subject to direct or indirect control by Norwegian resident shareholders, Norwegian CFC-legislation ("NOKUS") will be applicable. In this context, Norwegian control means that Norwegian resident shareholders have direct or indirect ownership of shares totalling 50% or more, or otherwise is in a position where they have effective control of a company's share capital. Under the NOKUS rules, Norwegian resident shareholders are subject to annual taxation in Norway for their proportionate part of the taxable net income of the foreign company (subject to Norwegian tax regime) and irrespective of distribution of dividends.

12.1.5 Other Norwegian tax issues relevant for foreign companies

Companies registered and resident for tax purposes abroad will normally not be tax liable to Norway. Tax residency is decided on the basis of the place of effective management of the company. If the company is effectively managed from Norway, through board decisions etc, there is a risk that questions regarding tax residency will arise. Please note that residency rules in Norway currently are under review, and the Government has proposed to expand the recidency definition to include all companies incorporated in Norway. The proposal is however, at date, not approved by the Norwegian Parliament and hence not yet effective.

Companies conducting parts of their business in Norway may also be tax liable to Norway through a permanent establishment in Norway. International shipping companies <u>may be</u> partly exempted, but only as long as Norwegian shareholders own 34% or less of the shares of the company in question. Permanent establishment issues may arise if too much business activity relating to the company is administered or performed in Norway.

Tax liability to Norway according to the rules mentioned above is affected by the way the companies operate, and is therefore subject to the companies' own control.

12.1.6 Duties on transfer of shares

No stamp or similar duties are currently imposed in Norway on the transfer of shares, whether on acquisition or disposal.

12.2 Cyprus tax matters

As a company not resident in Cyprus, the Company will be subject to corporate tax at the rate of 12.5% only on income accrued or derived from a business activity which is carried out through a permanent establishment in Cyprus and on certain income arising from sources in Cyprus, such as income from property situated in Cyprus, including rents and royalties. All dividends and other amounts/payments paid by the Company to shareholders in respect of Shares that they hold will not be liable to income tax in Cyprus.

The Company may, in addition, be subject to Special Contribution for Defence tax in Cyprus at the rate of 17% on dividend income received from a company which is not resident in Cyprus, if the company paying the dividends derives more than 50% of its profits from investment activities which are taxed abroad at a substantially lower rate than the tax rate payable in Cyprus. There are no capital gains taxes, capital transfer taxes, estate duties or inheritance duties payable by the Company in Cyprus with respect to the Shares.

Dividend income is not subject to income tax in Cyprus except where it is considered as income from hybrid instruments where in such a case is taxable in Cyprus. Furthermore, payments of dividends by Cyprus tax residents to non-residents are exempt from Cypriot withholding tax.

13 ADDITIONAL INFORMATION

13.1 Related party transactions

All related party transactions have been entered into on an arm's length basis.

The Company had no related party transactions during the year of 2017, 2016 and 2015. In 2015, the company was leasing the Munin Explorer from Ordinat Shipping. Ordinat Shipping AS was not a major shareholder as per 31 December 2015 (less than 5% of ordinary shares), and Ordinat Shipping AS was not considered to be a related party as per the 31 December balance sheet date.

In 2014, the company was leasing the Munin Explorer from Ordinat Shipping AS which was indirectly owned by John Olav Økland (22.8%) and the rest by the Økland family. Ordinat Shipping AS was a major shareholder and Mr. Økland was a member of the board of directors of SeaBird Exploration Plc until his resignation 6 November 2014. Ordinat Shipping AS was not a shareholder and Mr. Økland was not a board member at the commencement of the charter agreement. In Q4 2013, SeaBird extended the bareboat charter for the Munin Explorer from 1 November 2014 to 31 October 2019. In connection with the bareboat extension, the charter rate was reduced from $20,271 per day to $12,000 per day, commencing 1 February 2014. The charter rate will escalate with 2% per year throughout the charter period, in accordance with the original agreement. The company also chartered the 3D vessel Geo Pacific from Fugro, through a subsidiary of Ordinat Shipping AS initially on a three-year bareboat charter from January 2013 to December 2015 with four one-year options to extend the contract between the company and the subsidiary of Ordinat Shipping AS. Furthermore, SeaBird has purchased options on the vessel in year three and, as far as the lease is extended, year four. As a post balance day event in 2014, the concerned parties Fugro, Ordinat Shipping AS and SeaBird, had agreed to replace the existing charter parties. The new agreement reduced the charter hire and released Ordinat Shipping AS from its obligations towards SeaBird as Charterer and Fugro as Head Owners. The amount of charter hire recognized in cost of sales to related parties during 2014 was $12.1 million (2013: $14.8 million).

13.2 Disputes, legal proceedings and other matters

SeaBird received a notice from the Internal Revenue Service in the USA in 2013 with requests to file tax returns and consequently a demand for paying tax for certain companies for previous years. The potential tax liability is uncertain and could potentially result in extra tax cost. SeaBird has accrued for USD 1.2 million for this potential tax liability as per the 31 March 2017 balance sheet date.

SeaBird recently received a demand for paying tax in Colombia relating a project in 2014. The estimated tax liability is USD 1.9 million as of the date of the prospectus. SeaBird has accrued for USD 1.8 million for tax liabilities and accrued interest in Colombia as per the 31 March 2017 balance sheet date.

SeaBird has initiated legal proceedings against the Norwegian Central Tax Office for Large Enterprises in relation to a potential refund of taxes paid from SeaBird companies and branches in Norway. SeaBird is expecting that the legal proceedings will be held at the Oslo City court during the second half of 2017. The potential recovery of taxes (tax refunds) is estimated to amount to USD 0.5 million. SeaBird has not accrued any tax receivable relating to the tax appeal in Norway as per the 31 March 2017 balance sheet date.

As of the date of this Prospectus, SeaBird is not and has not been for the past 12 months involved in any other legal, governmental or arbitration proceedings (including any such proceedings which are pending or threatened of which the issuer is aware) which may have, or have had in the recent past, significant effects on its's financial position or profitability.

13.3 Documents on display

Copies of the following documents will be available for inspection at the Company's registered office (SeaBird Exploration Plc, World Trade Center, Ariadne House, 333, 28th October Street, 3106 Limassol, Cyprus) during normal business hours from Monday to Friday each week (except public holidays) for a period of 12 months from the date of this Prospectus:

i. the Memorandum and Articles of Association of the Company;

ii. all reports, letters, and other documents, historical financial information, valuations and statements prepared by any experts at the issuer's request any part of which is included or referred to in the registration document;

iii. the 2016, 2015 and 2014 annual financial statements ;

iv. the 2017 first quarter financial statement;

13.4 Documents incorporated by reference

The following table sets forth an overview of documents incorporated by reference in this Prospectus. No information not appearing in the table below is incorporated by reference. Where parts of a document is referenced, and not the document as a whole, the remainder of such document is either deemed irrelevant to an investor in the context of the requirements if this Prospectus, or the corresponding information is covered elsewhere in this Prospectus.

Section in Prospectus	Disclosure requirement	Reference document and web address	Pages in reference document
9 and 10	Audited historical financial information (Annex I, Section 20.1), including summarised financial information (Annex I, Section 20.6.1), and including accounting policies (Annex I, Section 20.1)	Financial statements Q1 2017 http://hugin.info/136336/R/2102087/797199.pdf	9-17
		Financial statements 2016 – the group: http://hugin.info/136336/R/2088560/788383.pdf	30-63
		Directors' report 2016 – the group: http://hugin.info/136336/R/2088560/788383.pdf	26-29
		Financial statements 2015 – the group: http://hugin.info/136336/R/1995669/735243.pdf	30-76
		Directors' report 2015 – the group: http://hugin.info/136336/R/1995669/735243.pdf	26-29
		Financial statements 2014 – the group: http://hugin.info/136336/R/1906533/678818.pdf	29-58
		Directors' report 2014 – the group: http://hugin.info/136336/R/1906533/678818.pdf	26-27
9.2	Audit report (Annex I, Section 20.4.)	Auditors' report 2016 – the group: http://hugin.info/136336/R/2088560/788383.pdf	76-79
		Auditors' report 2015 – the group: http://hugin.info/136336/R/1995669/735243.pdf	77-78
		Auditors' report 2014 – the group: http://hugin.info/136336/R/1906533/678818.pdf	73-74

13.5 Confirmation regarding sources

The information in this Prospectus that has been sourced from third parties has been accurately reproduced and as far as the Company is aware of and able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. The source of third party information is identified wherever used. This Prospectus contains market data, industry forecasts and other information published by third parties, including information related to the sizes of markets in which SeaBird operates. The information has been extracted from a number of sources. The Company has estimated certain market share statistics using both its internal data and industry data from other sources. Although the Company regards these sources as reliable, the information contained in them has not been independently verified. Therefore, the Company does not guarantee or assume any responsibility for the accuracy of the data, estimates, forecasts or other information taken from the sources in the public domain. This Prospectus also contains assessments of market data and information derived therefrom that could not be obtained from any independent sources. Such information is based on the Company's own internal assessments and may therefore deviate from the assessments of competitors of the Company or future statistics by independent sources.

13.6 Statement regarding expert opinions

This Prospectus does not refer to expert opinions.

13.7 Cautionary note regarding forward-looking statements

This Prospectus and the documents incorporated by reference herein contain forward-looking statements, making reference in particular to statements made in Sections 6, 8, and 9.7. All statements other than statements of historical facts are statements that could be deemed forward-looking statements, including statements preceded by, followed by or that include the words "estimate," "plan," project," "forecast," "intend," "expect," "anticipate," "believe," "think," "view," "seek," "target," "goal," or similar expressions; any projections of earnings, revenues, expenses, synergies, margins or other financial items; any statements of the plans, strategies and objectives of management for future operations, including integration and any potential restructuring plans; any statements concerning proposed new products, services, developments or industry rankings; any statements regarding future economic conditions or performance; any statements of belief; and any statements of assumptions underlying any of the foregoing.

Such forward-looking statements, whether expressed or implied, are subject to risks and uncertainties which could cause the actual results of the Company or its consolidated subsidiaries to differ materially from those implied by such forward-looking statements, due to a number of factors, many of which are beyond SeaBird's control. If any of these risks or uncertainties materialize or any of these assumptions proves incorrect, results of SeaBird could differ materially from the expectations in these statements. The Company does not undertake any obligation to update these forward-looking statements, except as required by law.

No forward-looking statements contained in this Prospectus should be relied upon as predictions of future events. No assurance can be given that the expectations expressed in these forward-looking statements will prove to be correct. Actual results could differ materially from expectations expressed in the forward-looking statements if one or more of the underlying assumptions or expectations proves to be inaccurate or is unrealized. 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.

Readers are cautioned not to place undue reliance on the forward-looking statements contained in this Prospectus, which only represent the best judgment of the Company's management as of the date of this Prospectus. Except as required by applicable law, the Company does not undertake any responsibility to update forward-looking statements, whether as a result of new information, future events or otherwise. Readers are advised, however, to consult any further public disclosures made by the Company, such as filings made with Oslo Børs or press releases.

14 DEFINITIONS AND GLOSSARY OF TERMS

When used in this Prospectus, the following terms shall have the meanings set out below, unless the context otherwise requires. Words importing the plural shall be construed to include the singular and vice versa.

Company related terms

Articles of Association, or the Articles	The articles of association of the Company in force as at the date of this Prospectus.
Company	SeaBird Exploration Plc, a limited liability company incorporated in the Republic of Cyprus under the Companies Law, CAP. 113 (as amended) of the statute laws of the Republic of Cyprus with its registered office at 333, 28th October Street, Ariadne House, Limassol, Cyprus.
General Meeting...	The general meeting of the Company.
Group	SeaBird Exploration Plc together with its consolidated subsidiaries.
SeaBird..	SeaBird Exploration Plc
Memorandum	The memorandum of association of the Company in force as at the date of this Prospectus.

Terms related to this prospectus, and to the securities and transactions giving rise thereto

New Shares...	The 54,389,711 Shares being admitted to trading by means of this Prospectus.
SBX04	SeaBird Exploration Finance Limited First Lien Callable Bond Issue 2015/2018.
Bonds...	SBX04
Warrants...	The 884,687,500 warrants being admitted to trading by means of this Prospectus, each giving the right until their expiration on 15 January 2018 to subscribe for one Share at NOK 0.10.
Prospectus	This prospectus dated at the date of its front cover.
Share(s)	"Shares" means the ordinary shares in the capital of SeaBird Exploration Plc, each having a nominal value of USD 0. 1 (or, where the context so requires or permits, beneficial interests in such Shares held by the VPS Registrar) and "Share" means any one of them.
Restructuring...	The consensual restructuring of the SeaBird group, as announced on 26 May 2017.
EGM	An extraordinary general meeting of the Company as held on 13 June 2017.
Managers...	ABG Sundal Collier ASA, and Arctic Securities AS

Industry related terms

2D:	Two dimensional (a term used to describe a type of seismic survey)
3D:	Three dimensional (a term used to describe a type of seismic survey)
4C/4D:	Four components / four dimensional (a term used to describe a type of seismic survey
4D:	Four dimemensional (a term used to describe a type of seismic survey)
Contract seismic:	Seismic activity undertaken for the account and risk of a client, and where the client becomes the owner of the seismic data being collected.
Multi-client seismic, or MC:	Seismic activity undertaken for the account and risk (in whole or in part) of the seismic company, and where such seismic company has the right to multiple sales of the seismic data.
HSSEQ:	Systems and procedures related to Health, Safety, Security, Environment, and Quality.
OBN:	Ocean Botton Nodes (a term used for equipment related to a type of seismic survey).
OPEC:...	Organization of Petroleum Exporting Countries.
Wide azimuth	A seismic survey method used to capture a broader wavefield of the reflected sound waves than conventional seismic surveys, thereby generally requiring additional equipment.

Legal and other terms

CET:	Central European Time.
Code of Practice:	Norwegian Code of Practice of Corporate Governance, as last published on 30 October 2014.
Companies Law:	The Companies Law, CAP. 113 (as amended) of the statute laws of the Republic of Cyprus and other applicable company legislation in force in Cyprus.
EEA	The European Economic Area
EU	The European Union
EUR	Euros, the official currency of the eurozone.
Foreign Personal Shareholders:	Shareholders who are individuals not resident in Norway for tax purposes.
Non-Norwegian Shareholder:	A shareholder not resident in Norway for tax purposes.
Norwegian Corporate Shareholders:	Shareholders who are limited liability companies (and certain similar entities) resident in Norway for tax purposes.
Norwegian FSA:	The Financial Supervirosy Authority of Norway (Nw.: Finanstilsynet)
Norwegian kroner or NOK:	Norwegian kroner, the lawful currency of Norway.
Norwegian Personal Shareholders:	Shareholders who are individuals resident in Norway for tax purposes.
Norwegian Securities Trading Act:	Norwegian Securities Trading Act of 29 June 2007 no. 75. (*Norwegian: "verdipapirhandelloven"*).
Oslo Børs:	The stock exchange operated by Oslo Børs ASA.
Prospectus Directive:	Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003, as amended by Directive 2010/73/EU as the case may be.
Q1, Q2, Q3, Q4:	The three months period ending 31 March, 30 June, 30 September, and 31 December, respectively.
Registrar Agreement:	The agreement entered into by the Company and the VPS Registrar relating to the VPS registration of beneficial interests in the Shares.
Rule 144A:	Rule 144A under the U.S. Securities Act.
SGD	Singapore dollars, the lawful currency of the Republic of Singapore.
Shareholder(s):	Persons or legal entities registered in the VPS register as owner of an interest in a Share.
Stock Exchange Regulations:	The Norwegian Stock Exchange Regulations of 29 June 2007 No. 876.
Takeover Bids Directive:	Directive 2004/25/EC of the European Parliament and of the Council of 21 April 2004 on takeover bids
UK:	United Kingdom.
U.S. Securities Act:	U.S. Securities Act of 1933, as amended.
U.S. dollars, USD or $:	U.S. dollars, the lawful currency of the United States of America.
VPS:	Verdipapirsentralen, the Norwegian Central Securities Depository.
VPS Registrar:	DNB Bank ASA, Verdipapirservice, P.O.Box 1600, N-0021 Oslo, being the party maintaining a record of the Company's Shares in VPS and providing services related thereto under the Registrar Agreement.

SeaBird Exploration Plc

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