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**MINUTES OF
ANNUAL GENERAL MEETING IN
PHILLY SHIPYARD ASA**

On Wednesday April 13, 2016 at 14:00 the Annual General Meeting in Philly Shipyard ASA was held at Advokatfirmaet BA-HR DA, Tjuvholmen allé 16, 0252 Oslo.

The following items were on the agenda:

1. OPENING OF THE ANNUAL GENERAL MEETING, INCLUDING APPROVAL OF THE NOTICE AND AGENDA

The Annual General Meeting was opened and chaired by Arild Støren Frick, appointed by the Board of Directors and the Chairman of the Board to open and chair the General Meeting. Audun Stensvold, Deputy Chairman, was present.

The Company's auditor, the auditing firm KPMG, represented by state-authorized public accountant Tom Myhre and partner Charlie Lea, and DNB Verdipapirservise were also present.

The record of attending shareholders showed that 10,598,835 shares, corresponding to 87.29% of the issued shares, were represented. The list of attending shareholders is set out on page 6. The voting result for each respective item is set out on pages 7–9.

No objections were made to the notice and the agenda, and the General Meeting was declared duly constituted.

2. ELECTION OF A PERSON TO CO-SIGN THE MINUTES ALONG WITH THE MEETING CHAIR

Attorney Pernille Woxen Burum was elected to co-sign the minutes along with the meeting chair.

3. PRESENTATION OF BUSINESS ACTIVITIES

Audun Stensvold gave a presentation of the business activities, the important occurrences in the Group in 2015 and the main figures from the 2015 annual accounts.

After the presentation, the meeting chair opened for questions and comments.

4. APPROVAL OF THE 2015 ANNUAL ACCOUNTS OF PHILLY SHIPYARD ASA, GROUP CONSOLIDATED ACCOUNTS AND THE BOARD OF DIRECTORS' REPORT

The annual accounts and the Board of Directors' report were reviewed.

The General Meeting adopted the following resolution:

The General Meeting approves the annual accounts for 2015 for Philly Shipyard ASA, the group consolidated accounts and the Board of Directors' Report.

5. CONSIDERATION OF THE BOARD OF DIRECTORS' DECLARATION REGARDING STIPULATION OF SALARY AND OTHER REMUNERATION TO THE EXECUTIVE MANAGEMENT OF THE COMPANY

The General Meeting adopted the following resolution:

The General Meeting supports the Board of Directors' statement regarding establishment of salary and other benefits for the executive management pursuant to the Public Limited Liability Companies Act section 6-16a.

6. CONSIDERATION OF THE STATEMENT OF CORPORATE GOVERNANCE

The General Meeting considered the Board of Directors' statement of Corporate Governance.

7. STIPULATION OF REMUNERATION TO THE MEMBERS OF THE BOARD OF DIRECTORS AND THE AUDIT COMMITTEE

The General Meeting adopted the following resolution:

In accordance with the proposal from the Nomination Committee, the General Meeting approves that the remuneration rates for members of the Board of Directors and the Audit Committee for the period from the 2015 Annual General Meeting up to the 2016 Annual General Meeting shall be as follows:

- *NOK 320,000 to the Chairperson of the board.*
- *NOK 215,000 to each of the other board members.*
- *NOK 45,000 to the Chairperson of the audit committee.*
- *NOK 35,000 to each of the remaining audit committee members.*

8. STIPULATION OF REMUNERATION TO THE MEMBERS OF THE NOMINATION COMMITTEE

The General Meeting adopted the following resolution:

In accordance with the proposal from the Nomination Committee, the General Meeting approves that the remuneration rate for members of the Nomination Committee for the period from the 2015 Annual General Meeting up to the 2016 Annual General Meeting shall be NOK 33,000 for each member.

9. APPROVAL OF REMUNERATION TO THE AUDITOR FOR 2015

The General Meeting adopted the following resolution:

The remuneration to the auditor of USD 31,000 ex. VAT for the audit of the Company's 2015 annual accounts is approved. In addition, the Group has paid fees to KPMG of USD 11,000 ex. VAT for services other than audit.

10. ELECTION OF MEMBERS TO THE BOARD OF DIRECTORS

The General Meeting adopted the following resolution:

In accordance with the proposal from the Nomination Committee, Audun Stensvold and Amy E. Humphreys are re-elected as members of the Board for a period of two years.

The Board of Directors of Philly Shipyard ASA will then consist of the following members:

- *Jim Miller (Chairman)*
- *Audun Stensvold (Deputy Chairman)*
- *Elin Karfjell*
- *Amy E. Humphreys*

11. AUTHORIZATION TO THE BOARD OF DIRECTORS FOR PAYMENT OF DIVIDENDS

The General Meeting adopted the following resolution:

The General Meeting grants the Board of Directors authorization to resolve payment of dividends based on the Company's annual accounts for 2015. The authorization is valid up to the Annual General Meeting in 2017.

12. AUTHORIZATION TO THE BOARD OF DIRECTORS TO PURCHASE OWN SHARES IN CONNECTION WITH ACQUISITIONS, MERGERS, DE-MERGERS OR OTHER TRANSACTIONS

The General Meeting adopted the following resolution:

1. *The Board of Directors is authorized to acquire and pledge own shares with a total nominal value of NOK 12,574,766.*
2. *The authorization is valid up to the Annual General Meeting in 2017, but no longer than June 30, 2017.*
3. *Own shares shall be acquired for a consideration of minimum NOK 1 and maximum NOK 600 per share.*
4. *The Board of Directors is free to decide the method of acquisition and disposal of own shares. The authorization can be used in situations as described in the Securities Trading Act section 6-17.*
5. *The authorization can only be used for the purpose of utilising the company's shares as transaction currency in acquisitions, mergers, de-mergers or other transactions.*

13. AUTHORIZATION TO THE BOARD OF DIRECTORS TO PURCHASE OWN SHARES FOR THE PURPOSE OF INVESTMENT OR SUBSEQUENT SALE OR DELETION OF SUCH SHARES

The General Meeting adopted the following resolution:

1. *The Board of Directors is authorized to acquire and pledge own shares with a total nominal value of NOK 12,574,766.*
2. *The authorization is valid up to the Annual General Meeting in 2017, but no longer than June 30, 2017.*
3. *Own shares shall be acquired for a consideration of minimum NOK 1 and maximum NOK 600 per share.*
4. *The Board of Directors is free to decide the method of acquisition and disposal of own shares. The authorization can be used in situations as described on the Securities Trading Act section 6-17.*
5. *The authorization can only be used for the purpose of investment or subsequent sale or deletion of such shares.*

14. AUTHORIZATION TO THE BOARD OF DIRECTORS TO INCREASE THE SHARE CAPITAL FOR NEW SHIPBUILDING PROJECTS OR OTHER FUTURE INVESTMENTS WITHIN THE COMPANY'S SCOPE OF OPERATIONS

The General Meeting adopted the following resolution:

1. *The Board of Directors is authorized to increase the share capital by up to NOK 12,574,766.*
2. *The authorization is valid up to the Annual General Meeting in 2017, but no longer than June 30, 2017.*
3. *The pre-emptive rights of the existing shareholders pursuant to section 10-4 of the Public Limited Liability Company's Act may be derogated from.*
4. *The authorization includes share capital increase against non-cash contributions, rights to assume special obligations on behalf of the Company in addition to resolution of merger and demerger, cf. the Public Limited Liability Company's Act section 13-5 and 14-6 (2). The authorization can be used in situations as described in the Securities Trading Act section 6-17.*
5. *The authorization can only be used to raise equity capital for new shipbuilding projects or other future investments within the Company's scope of operations.*

* * *

There were no further items on the agenda. The Chairman of the meeting thanked the participants for their attendance, and the General Meeting was thereafter adjourned.

Oslo, April 13, 2016

(sign.)

Arild Støren Frick, Chairman

(sign.)

Pernille Woxen Burum, co-signer

Total Represented

ISIN:	<u>NO0010395577 PHILLY SHIPYARD ASA</u>
General meeting date:	13/04/2016 14.00
Today:	13.04.2016

Number of persons with voting rights represented/attended : 1

	Number of shares	% sc
Total shares	12,574,766	
- own shares of the company	466,865	
Total shares with voting rights	12,107,901	
Represented by advance vote	7,237,631	59.78 %
Sum own shares	7,237,631	59.78 %
Represented by proxy	40,021	0.33 %
Represented by voting instruction	3,321,183	27.43 %
Sum proxy shares	3,361,204	27.76 %
Total represented with voting rights	10,598,835	87.54 %
Total represented by share capital	10,598,835	84.29 %

Registrar for the company:

DNB Bank ASA

Signature company:

PHILLY SHIPYARD ASA

Protocol for general meeting PHILLY SHIPYARD ASA

ISIN:	<u>NO0010395577 PHILLY SHIPYARD ASA</u>
General meeting date:	13/04/2016 14.00
Today:	13.04.2016

Shares class	FOR	Against	Poll in	Abstain	Poll not registered	Represented shares with voting rights
Agenda item 1 Opening of the annual general meeting, including approval of the notice and agenda.						
Ordinær	10,598,835	0	10,598,835	0	0	10,598,835
votes cast in %	100.00 %	0.00 %		0.00 %		
representation of sc in %	100.00 %	0.00 %	100.00 %	0.00 %	0.00 %	
total sc in %	84.29 %	0.00 %	84.29 %	0.00 %	0.00 %	
Total	10,598,835	0	10,598,835	0	0	10,598,835
Agenda item 2 Election of a person to co-sign meeting minutes along with meeting chair.						
Ordinær	10,598,835	0	10,598,835	0	0	10,598,835
votes cast in %	100.00 %	0.00 %		0.00 %		
representation of sc in %	100.00 %	0.00 %	100.00 %	0.00 %	0.00 %	
total sc in %	84.29 %	0.00 %	84.29 %	0.00 %	0.00 %	
Total	10,598,835	0	10,598,835	0	0	10,598,835
Agenda item 4 Approval of the 2015 annual accounts of Philly Shipyard ASA, group consolidated accounts and the Board of Directors report.						
Ordinær	10,598,835	0	10,598,835	0	0	10,598,835
votes cast in %	100.00 %	0.00 %		0.00 %		
representation of sc in %	100.00 %	0.00 %	100.00 %	0.00 %	0.00 %	
total sc in %	84.29 %	0.00 %	84.29 %	0.00 %	0.00 %	
Total	10,598,835	0	10,598,835	0	0	10,598,835
Agenda item 5 Consideration of the Board of Directors declaration regarding stipulation of salary and other remuneration to the executive management						
Ordinær	10,598,835	0	10,598,835	0	0	10,598,835
votes cast in %	100.00 %	0.00 %		0.00 %		
representation of sc in %	100.00 %	0.00 %	100.00 %	0.00 %	0.00 %	
total sc in %	84.29 %	0.00 %	84.29 %	0.00 %	0.00 %	
Total	10,598,835	0	10,598,835	0	0	10,598,835
Agenda item 7 Stipulation of remuneration to the members of the Board of Directors and the Audit Committee						
Ordinær	10,598,835	0	10,598,835	0	0	10,598,835
votes cast in %	100.00 %	0.00 %		0.00 %		
representation of sc in %	100.00 %	0.00 %	100.00 %	0.00 %	0.00 %	
total sc in %	84.29 %	0.00 %	84.29 %	0.00 %	0.00 %	
Total	10,598,835	0	10,598,835	0	0	10,598,835
Agenda item 8 Stipulation of remuneration to the members of the Nomination Committee.						
Ordinær	10,598,835	0	10,598,835	0	0	10,598,835
votes cast in %	100.00 %	0.00 %		0.00 %		
representation of sc in %	100.00 %	0.00 %	100.00 %	0.00 %	0.00 %	
total sc in %	84.29 %	0.00 %	84.29 %	0.00 %	0.00 %	
Total	10,598,835	0	10,598,835	0	0	10,598,835
Agenda item 9 Approval of remuneration to the auditor for 2015.						

Shares class	FOR	Against	Poll in	Abstain	Poll not registered	Represented shares with voting rights
Ordinær	10,598,835	0	10,598,835	0	0	10,598,835
votes cast in %	100.00 %	0.00 %		0.00 %		
representation of sc in %	100.00 %	0.00 %	100.00 %	0.00 %	0.00 %	
total sc in %	84.29 %	0.00 %	84.29 %	0.00 %	0.00 %	
Total	10,598,835	0	10,598,835	0	0	10,598,835
Agenda item 10 Election of members to the Board of Directors.						
Ordinær	10,598,835	0	10,598,835	0	0	10,598,835
votes cast in %	100.00 %	0.00 %		0.00 %		
representation of sc in %	100.00 %	0.00 %	100.00 %	0.00 %	0.00 %	
total sc in %	84.29 %	0.00 %	84.29 %	0.00 %	0.00 %	
Total	10,598,835	0	10,598,835	0	0	10,598,835
Agenda item 11 Authorization to the Board of Directors for payment of dividends.						
Ordinær	10,598,835	0	10,598,835	0	0	10,598,835
votes cast in %	100.00 %	0.00 %		0.00 %		
representation of sc in %	100.00 %	0.00 %	100.00 %	0.00 %	0.00 %	
total sc in %	84.29 %	0.00 %	84.29 %	0.00 %	0.00 %	
Total	10,598,835	0	10,598,835	0	0	10,598,835
Agenda item 12 Authorization to the Board of Directors to purchase own shares in connection with acquisitions, mergers, de-mergers etc.						
Ordinær	10,588,129	10,706	10,598,835	0	0	10,598,835
votes cast in %	99.90 %	0.10 %		0.00 %		
representation of sc in %	99.90 %	0.10 %	100.00 %	0.00 %	0.00 %	
total sc in %	84.20 %	0.09 %	84.29 %	0.00 %	0.00 %	
Total	10,588,129	10,706	10,598,835	0	0	10,598,835
Agenda item 13 Authorization to the Board of Directors to purchase own shares for the purpose of investment or subsequent sale or deletion.						
Ordinær	10,588,129	10,706	10,598,835	0	0	10,598,835
votes cast in %	99.90 %	0.10 %		0.00 %		
representation of sc in %	99.90 %	0.10 %	100.00 %	0.00 %	0.00 %	
total sc in %	84.20 %	0.09 %	84.29 %	0.00 %	0.00 %	
Total	10,588,129	10,706	10,598,835	0	0	10,598,835
Agenda item 14 Authorization to the Board of Directors to increase the share capital for new shipbuilding projects or other future investments						
Ordinær	10,588,129	10,706	10,598,835	0	0	10,598,835
votes cast in %	99.90 %	0.10 %		0.00 %		
representation of sc in %	99.90 %	0.10 %	100.00 %	0.00 %	0.00 %	
total sc in %	84.20 %	0.09 %	84.29 %	0.00 %	0.00 %	
Total	10,588,129	10,706	10,598,835	0	0	10,598,835

Registrar for the company:

DNB Bank ASA

Signature company:

PHILLY SHIPYARD ASA

Share information

Name	Total number of shares	Nominal value	Share capital	Voting rights
Ordinær	12,574,766	10.00	125,747,660.00	Yes
Sum:				

§ 5-17 Generally majority requirement

requires majority of the given votes

§ 5-18 Amendment to resolution

Requires two-thirds majority of the given votes

like the issued share capital represented/attended on the general meeting