

Hi Ragnar and Dan,

Kindly read the contents of my below emails to the Liquidator for the Thule Estate, Mr. Ståle Sommernes.

For your information, Mr. Sommernes refuses to address these issues, which leaves me no other alternative than to direct my questions to you. I am particularly interested in your response to the apparant breach of the Pledge Agreement clause 13, and whether or not Norsk Tillitsmann and QVT, as the main instructing bondholder agreed that it would be acceptable to enter into discussions with messrs. Howarth and Gurney, ref enclosures to this effect. From the response received from Richards Sjøqvist of BAHR (enclosed), I assume on behalf of NTM, it would seem that there was consensus between NTM and QVT on this issue. Please confirm if this is a correct assumption?

In my questionnaire to you, Dan, previously this spring (when you were in Oslo during the World Ski Championships), I asked you about your cooperation with messrs. Howarth&Co, but to this date I have received no reply. In light of the above evidence, I ask you once again: What was the extent of your discussions and negotiations with messrs. Howarth, Sheik Faisal and others in Sjarjah?

I would also like to know if the discussions you have had with messrs. Howarth, no doubt including the lawfirm of Chadbourne & Parke, ref enclosed invoices, is the reason why your lawyers in Norway, Wikborg & Rein so far have not responded to my question wheteher or not your "Thule Victim Recovery" BWI company will persue Chadbourne and Parke and Mr. Greenwald, who essentially continued the process carried out by Clyde&co to disrupt and hinder Thule to get the illegal and criminal share transfer nullified and restored correctly. As you are well aware of there is a large damage claim raised against Wiersholm and Clyde&Co in Norway on TVR's behalf. As you should know, I am the one who, as Chairman of Thule, initatied this legal process. Kindly explain if/how you intend to include Chadbourne and Parke in this or similar lawsuit given that you apparently have also cooperated with these same people in your efforts to bankrupt Thule and seize the shareholder values for yourself/instructing bondholders and NTM?

Finally and since the Liquidator refuses to address the issue of responsibility in connection with the lack of maintenance on the Thule rigs, see email below, I also need to address this issue one more time with the two of you. Once you took control of the Thule assets, effectively end june 2009, did NTM and QVT, as the main instructing bondholder agree that you would simply not carry out proper maintenance and let the rigs deteriorate instead.

I am sure you understand that in the ongoing and upcoming legal processes, myself, the guarantors and others, and particularly the courts will need to have a clear understanding of the above issues, not least if NTM and the instructing bondholders were in agreement about how these various issues were handled. It has to do with accountability and responsibility.

I am told that it is Richard Sjøqvist in BAHR and you, Dan, that more or less discuss, suggest and implement the strategy for NTM and the instructing bondholders. if that is correct, I have no

problem if the two of you together respond on behalf of NTM and Ragnar Sjoner, and instead of Sommernes who refuses to answer my questions. As strange as this behavior is from the Liquidator, who should have the final financial outcome of the Estate as his main priority, I suppose I have to accept that Mr. Sommernes interests lie elsewhere?

Regards,

Hans E Olav  
former chairman and shareholder in Thule Drilling

----- Opprinnelig melding -----

**Emne:**Re: Pledge agreement cl 13 and related matters

**Dato:**Tue, 11 Oct 2011 18:36:13 +0200

**Fra:**Hans Olav <[heolav@gmail.com](mailto:heolav@gmail.com)>

**Til:**Ståle Sommernes <[ss@rosom.no](mailto:ss@rosom.no)>

**CC:**Christian F. Johansen <[christian.flemmen@elden.no](mailto:christian.flemmen@elden.no)>, [gsl@kvale.no](mailto:gsl@kvale.no), John Paulsen <[jpa@kvale.no](mailto:jpa@kvale.no)>

With reference to my below emails kindly answer the following questions:

1. Have you done or will you be doing your own independent and objective evaluation of the various matters raised in these emails? Yes or no?
2. Have you discussed these matters with NTM/instructing bondholders? If so what was the nature of your discussions?
3. Do you agree that these matters represent potentially large damage claims against among others Norsk Tillitsmann/instructing bondholders? Yes or no?

If your answers to the above questions are that you essentially have done nothing and intend to do nothing, please confirm if this is because of your financial dependance on NTM and instructing bondholders?

4. Furthermore and if you have done nothing, please confirm that you assume full financial and legal responsibility for not doing so.

Hans E. Olav  
former chairman and shareholder in Thule Drilling

Den 04.10.2011 16:11, skrev Hans Olav:

To: Liquidator Thule Bankruptcy Estate

With reference to my memo "Kommentarer til Bo- og Revisjonsrapport" ("Memo") dated 31st August 2011, as well as my email below dated 24th May, 2011, I would like to draw your attention to the following sequence of events:

1. During the period end June/beginning July 2009, NTM/instructing bondholders effectively seized control over Thule Drilling and its rig owning subsidiaries. On 9th July 2009, Thule issued a press release, which in my Memo is said to mark the point in time when Thule's efforts to reach an amicable solution with NTM/instructing bondholders ceased to have any chance of succeeding; i.e. NTM/instructing bondholder's actions to take control at the exclusion of Thule (shareholders) was a clear and deliberate choice on their part.
2. In my Memo I have explained why the Accountant for the Thule Bankruptcy Estate, in his "Revisjonsrapport", at best is misleading the Court in Norway when he suggests that the arrest made by Royal Oyster Group on 7th October 2009 "was the most damaging incident in terms of value destruction in Thule, now also for the Liquidating Estate and the bondholders".
3. Ref 2) above, keep in mind that the bondholders arrested Thule Power 6 months prior to the ROG arrest, at a time when ROG was in final negotiations with Chevron regarding a long term charter for Thule Power, and only 3-5 months away from TP being completed. Also keep in mind that the ROG arrest took place 3 months after NTM/instructing bondholders effectively seized control of the Thule assets (end June 2009) having made their own choice not to pursue an amicable solution with Thule any further.
4. The above sequence of events is described and documented in my Memo to the Liquidator. NTM's/instructing bondholders deliberate choice effectively deteriorated the values in Thule; finally to a stage where no value was left. The Memo documents how Thule practically "begged" NTM/instructing bondholders not proceed down this path of destruction.
5. It follows from this that the Accountant for the Estate and also the Liquidator, either purposely or out of neglect, has failed to describe appropriately why and when the value destruction in Thule took place and where the responsibility for this has to be placed. I believe the evidence shows that the Accountant and the Liquidator purposely attempts to place the responsibility for the destruction of value on "all others" except NTM/instructing bondholders, and it is done for financial reasons, i.e. NTM/instructing bondholders are apying their bills.
6. Kindly refer to my email to NTM on 10th July 2009 (enclosed) in which NTM/instructing bondholders are requested by Thule to seize communications with the criminal elements Howarth, Gurney, others.
7. Kindly also refer to the reply from NTM on 10th July 2009, in which Richards Sjøqvist in

BAHR on behalf of NTM in essence rejects my request.

8. The above email exchange is precipitated by an email from Risc dated 6th July 2009 (enclosed). This email refers to ongoing discussions between NTM/instructing bondholders and Michael Howarth, Sheik Faisal etc. and it describes a profitsplit scheme apparently put in place between the two parties.

9. Enclosed please find copies of two invoices from the lawfirm Chadbourne & Parke (CP) to Michael Howarth, in which among others the following can be deduced:

9.1. Michael Howarth (and his co-fraudsters) are working on what CP calls "development of settlement approach to bondholders".

9.2. CP are discussing settlement issues regarding outstanding fees Michael Howarth owes the lawfirm Hjort&Co in Norway.

These invoices describe events taking place and/or being planned more or less during this same timeperiod

Interestingly enough Harald Hjort of Hjort&Co later represented NTM in the supreme court case regarding NTM's right sue (on behalf of Thule bondholders). On this occasion, however, it is fair to assume that Hjort&Co is providing Michael Howarth, probably others associated with Howarth with legal advise in respect to matters of detriment to Thule Drilling. Keep in mind that at this juncture CP is representing Howarth (most likely with the assistance of the Sjarjah lawfirm Al Tamimi) in the "share nullification case", i.e. the illegal and criminal theft of the shares in QGM BVI. It is this case that is at the center of attention with respect to the lawsuit filed against Clyde&Co and Wiersholm, in which Hjort&Co represents Wiersholm. I have asked Harald Hjort for an explanation to all of this, but I have received no response.

10. It should be mentioned that after having lost the "standing to sue case" twice in the lower courts in Oslo, NTM/BAHR decided that in the hearing before the Norwegian Supreme court, Harald Hjort of Hjort&Co would represent NTM. There may of course be a perfectly logical reason for this? I would simply like to know what that reason is?

It would seem that there are some conflict of interest issues here, but I would not venture a definite opinion at this stage. I would, however like to find out how all of the above described actions regarding cooperation and alliances among NTM/instructing bondholders and their various lawyers with messrs. Howarth relates to the following clause in the Pledge agreement with Thule bondholders/NTM dated 4th August 2008. Clause 13, has the following wording:

....quote....

The Loan Trustee may delegate by power of attorney or in any other manner all or any of the powers, authorities and discretions which are for the time being exercisable by it under this Pledge Agreement to any person or persons upon such terms and conditions (including the power to sub-delegate) as it may think fit, always subject to prior written notice. During the

period until and including 15 November 2008, no delegation or assignment of authority may be made to QGM Group LLC, its past and present employees, directors and sponsors, including but not limited to Tony Bromham, Chris Walton, Jacob Schimberg, Clark Murray, Michael Howarth, Scot Frickman, Sultan Bastaki as well as John Gurney and Sheik Faisal and each and every past and present Noteholder/Bondholder. The same limitation shall apply in relation to persons and legal entities that are being instructed or controlled by any of the aforementioned. From 15 November 2008 the Loan Trustee may delegate its powers to any person in its sole discretion and without any prior notice, except to Tony Bromham, Chris Walton, Jacob Schimberg, Clark Murray, Michael Howarth, Scot Frickman, and John Gurney, or any persons and legal entities that are being instructed or controlled by any of the aforementioned. Any delegation to Sultan Bastaki or Sheik Faisal shall only take effect upon prior consultation with Thule.

.....unquote.....

it would appear that NTM/instructing bondholders actions leading up to and after effectively taking control of Thule and its subsidiaries, indeed subsequent events attempting to circumvent Thule's agreement with the Royal Oyster Group in an effort to secure all the asset value for NTM/instructing bondholders, is in breach of the Pledge Agreement, clause 13? If not a clear breach, it is certainly in violation of the duty of responsibility NTM/instructing bondholders has to Thule Drilling as determined by the Norwegian Supreme Court. In no way, shape or form is it possible to look at this evidence and claim that either Thule's BOD, administration, even ROG bear any responsibility for the destruction of share- and bondholder value in Thule Drilling. It should be placed with NTM/instructing bondholders.

I respectfully suggest that based on all the information and documentation you have had in your possession for the last 13 months, including my above mentioned memo, you need to consider carefully how to proceed with your further work as the Trustee for the Thule bankruptcy Estate, if only for the sake of avoiding being held responsible at some stage for gross negligence and/or willful misconduct. In my opinion that is pretty much the situation you find yourself in now.

Hans E. Olav  
former chairman and shareholder in Thule.

Den 24.05.2011 16:13, skrev hans eirik olav:

Att: Ola Nygård, Norsk Tillitsmann ASA

Att: Mr. Savas Polydorou, Board member in Chekovo Limited, Favignat Holdings Limited and Voldar Investments Limited.

Att: Mr. Marios Lazarou, Board member in Chekovo Limited, Favignat Holdings Limited

and Voldar Investments Limited.

Att: Mr. Charalambos Hadjiyangou, Board member in Chekovo Limited, Favignat Holdings Limited and Voldar Investments Limited.

Att: Mr. Panayiotis Makrides, Board member in Chekovo Limited, Favignat Holdings Limited and Voldar Investments Limited.

Att: Cyproliaison Ltd of Costakis Pantelides Ave., Nicosia, Cypress, Company Secretary for above companies

Att: Ståle Sommernes, Thule Bankruptcy Estate

Copy: Gunnar Stake Larsen, Kvale & Co.

Sirs,

The undersigned does not have the email address of the abovementioned Board members and Company Secretary, and therefore kindly request that Norsk Tillitsmann (NTM) ensures that this email is distributed to the entire Board of Directors referred to above.

On 24th June 2009 Thule Drilling ASA received a Notice of Enforcement/Special Written Resolution from Norsk Tillitsmann ASA (NTM) in which, among other things, a new Board of Directors was put in place in Chekovo Limited, Favignat Holdings Limited and Voldar Investments Limited, owners of Thule Power, Thule Force and Thule Energy respectively. On 26th June 2009 NTM subsequently issued a letter "on behalf of Thule Drilling ASA" whereby the Secretary for these same companies was replaced.

Subsequently, on 1st July 2009, NTM appointed Noble Denton as project manager for "Thule Power" (Chekovo Ltd) disengaging all firms and individuals representing Chekovo. My understanding is that Noble Denton has been retained throughout the past couple of years despite Thule's advise that Noble Denton willfully and intentionally overcharged Thule for services never carried out, among others by issuing fraudulent invoices. You are, long since, in receipt of documentation evidencing this.

At the beginning of 2009, the Net Asset Value in Thule Drilling was estimated to be in excess of USD 200 million. On 24th March 2009 an arrest order was issued and processed in the UAE courts by NTM in connection with the rig "Thule Power". Among other things, this arrest order and subsequent legal actions taken by NTM, instructing bondholders and the (new) BOD in Chekovo effectively destroyed the possibility of completing Thule Power and the final negotiations with Fode (Chevron) regarding a long term charter employment for Thule Power. As you will recall and as the documentation will confirm, Thule tried to convince NTM and the instructing bondholders that Thule

should be given the opportunity to complete Thule Power (at that time "mechanical complete" from the MIS yard) in order to either find employment (Chevron) or a sale or both (ROG agreement). Thule's position then was that in spite of our disagreements, the only logical alternative to preserve and protect both share- and bondholder value would be to complete the rig and find a permanent home/employment for her. As the documentation confirms, this proposal was flatly rejected by NTM and the instructing bondholders.

At such time (spring 2009), the estimated completion time for Thule Power was 4-5 months at a cost of approx. USD 7-10 million. Evidence supports that the instructing bondholders interfered in negotiations towards Fode/Chevron and that they did so for the same reason that they interfered and attempted to circumvent Thule's sales agreement with Royal Oyster Group, i.e. to secure all asset value in Thule for themselves. All of this is well documented and therefore well known to NTM and the (instructing) bondholders. I assume it is also well known to the Thule Bankruptcy Estate. That, however is not my main concern in writing to you today. My main concern is the total disregard for maintenance in the period since NTM arrested the rig and replaced the BOD in the owning companies with its own people.

At the end of January 2010 lawyers representing the "instructing bondholders" confirmed in writing to the undersigned that the value deterioration in Thule Drilling had been substantial since the time of the arrest of Thule Power and the appointment of the new BOD had taken place, among other things that the completion time for Thule Power was significantly longer (9-12 months), and that the estimated cost for completion had increased from USD 7-10 million to USD 40-50 million. At present, it is fair to conclude that conditions on the Thule Power has deteriorated even further, as is the case for the other Thule rigs/hulls and associated equipment. In the 2 year period since NTM and the new BOD have had the responsibility for Thule Power maintenance and upkeep, as well as the responsibility for Favignat Holdings Ltd and Voldar Investment Ltd., the value deterioration has been devastating.

To elaborate on the above issue of maintenance, I am in receipt of a report which, among other things, states as follows:

1. Since the time of the court order having been implemented to give Noble Denton responsibility to maintain the rig Thule Power (spring 2009), only superficial maintenance routines have been carried out by Noble Denton. However, Noble Denton did energise the Rig approx. June 2010, because the hull was partially submerged & not fully jacked up (as per arrival condition). They jacked the hull clear of the water, to avoid further corrosion.
2. Since about June 2010 no routine maintenance has been carried out. The only provision has been to provide watchmen for 24hr gangway security.
3. In view of the 12-month period since any significant tests or maintenance has been carried



out to the systems used to jack-up the Rig and the 26-month period since any work was done on the drilling equipment (which is significantly longer than when Thule were initially denied access by QGM) then the condition of electrical equipment is likely to have deteriorated significantly more than the initial experience and may well be non-recoverable. It is difficult to quantify the time required to refurbish/complete the Rig at this stage, but 9-12 months is a reasonable estimate, because of the Lead Time required for re-assessment of the scope of work, identification & delivery times for new equipment or spare parts. A cost estimate of approx. 50-60 million is reasonable, in view of the time period involved and the cost of Technical Managers etc.

4. To complete Thule Energy and Thule Force would virtually mean starting again from scratch, because the original engineering company / personnel have gone. It would be difficult to pick up the threads from the engineering information available. It is likely that a new owner would consider it more reliable and cost effective to start again.

5. Furthermore, the equipment delivered to the Yard has not been maintained and is out of warranty. Any potential owner would want reliability of operations, therefore full overhaul of all major equipment would be required. This would mean returning it to the manufacturer i.e. Jebel Ali or the USA for renewal of major components, which is likely to be a similar cost to buying new equipment. If these Rigs were completed at the same Yard, then they would need to be staggered by at least 6-months and each Rig would require approx. 24 months duration, which would mean an overall time period of approx. 30 months.

The report concludes that following value deterioration has taken place last 24-26 months, i.e. since the arrest by NTM and the new BOD put in place in the owning companies also by NTM:

Thule Power : Completion time has increased from 4-5 months then to 9-12 months now at an increased cost of about USD 50-55 million.

Thule Energy: Completion time has increased from 15-18 months then to 24+ months now at an increased cost of about USD 100 million

Thule Force: Same as Thule Energy

In other words, and since the arrest order by NTM and changing of the BOD by NTM in the owning companies (Chekovo, Favignat and Voldar) the complete lack of maintenance has resulted in a loss of approximately USD 250 million.

My concern is twofold. First of all I respectfully request a full and detailed report explaining what NTM and the BOD of Directors in Chekovo Ltd., Favignat Holdings Ltd, and Voldar Investment Ltd. have done during the past 2 (two) years with respect to maintenance of the assets belonging to these respective companies? If NTM and/or the current BOD of these companies reject my request for a detailed explanation of this total neglect of maintenance, I hereby request the Trustee for the Thule estate to make this same request on behalf of the Thule bankruptcy estate, as this deterioration in value represents a potentially large damage claim. The damage claim should probably be for the benefit of the former shareholders, Guarantors and management in Thule Drilling ASA, who have spent all of their time and resources attempting to salvage share- and bondholder value in Thule Drilling, sadly in vain, and who are now being subjected to various meritless legal actions from NTM/instructing bondholders as a result thereof.



Secondly, I kindly request that NTM and the BOD of these same companies issue a confirmation to the undersigned that in accordance with the existing agreements and their duty of responsibility as managers/owners and BOD of these companies, assume full responsibility for the lossess incurred as a result of lack of maintenance during the past two years. If NTM and the BOD reject my request, I hereby request the Trustee for the Thule Bankruptcy Estate to ensure that such confirmation of resposibility is obtained and, in any event, acted upon in the appropriate legal manner.

It is my understanding that Moduspec will be inspecting the rig(s) shortly, and as one of the defendants in The NTM/Guarantor case, I hereby request a copy of this inspection report immediately on completion of same.

Regards,

Hans E. Olav  
former Chairman of Thule Drilling ASA  
Shareholder, creditor and defendant in pending legal action