

BOARD OF DIRECTORS' STATEMENT ON REMUNERATION TO THE CEO AND EXECUTIVE OFFICERS

In accordance with §6-16a of the Norwegian Public Limited Liability Companies Act, the Board of Directors of Norwegian Energy Company ASA ("Noreco" or the "company") has prepared a statement related to the determination of salary and other benefits for the CEO and other executive officers. When the sales that are currently presented as Held for Sale (Sale of the Norwegian oil field Enoch to CapeOmega and sale of the Norwegian E&P business including operatorships, staff contracts and other contracts related to the operation to Detnor) are completed, Noreco will only have a Group-CEO and no other executive officers.

The guidelines, set out below for the Group-CEO's salary and other benefits, is for the coming fiscal year and will be presented to the shareholders for their advisory vote at the Annual General Meeting on 26 May 2016. The total compensation package for the Group-CEO shall be competitive, reflect the responsibilities and effort required, reward success and ensure alignment of interest with shareholders.

The remuneration package for the Group-CEO includes fixed and variable elements. The fixed element consist of an annual base salary of NOK 1.8 million (approximately half the level of the two previous CEOs of the group) and other benefits, such as free mobile phone and life, accident and sickness insurance in accordance with normal practice in the industry.

The Group-CEO, is in entitled to a 3 months' redundancy payment as opposed to previous practice of 12 months' base salary, in addition to salary in the termination period if the employment is terminated.

Variable elements of remuneration may be used or other special supplementary payment may be awarded than those mentioned above if this is considered appropriate. At an Extraordinary General meeting held at 21 January 2016, the General assembly authorized the Board of Directors to grant options to buy or subscribe up to a total of 200,000 shares in the Company, 100,000 of which were granted to the Group-CEO.

Remuneration to the Group-CEO will be evaluated regularly by the Remuneration and Corporate Governance Committee and the Board of Directors to ensure that salaries and other benefits are kept, at all times, within the above guidelines and principles.