



EMAS Offshore Limited
(Incorporated in Singapore)
(UEN/Company Registration Number: 200702224N)

**ANNOUNCEMENT IN RELATION TO THE VESSELS
“LEWEK TOUCAN” AND “LEWEK PELICAN”**

1. **NOTICE OF DEMAND IN RESPECT OF BAREBOAT CHARTER OF THE “LEWEK TOUCAN”**
- 1.1 The Board of Directors (the “**Board**”) of Emas Offshore Limited (the “**Company**”, together with its subsidiaries and associated companies, the “**Group**”) refers to the announcement made by the Company on 17 March 2017 (“**17 March Announcement**”) in respect of the notice of termination given in respect of “*Lewek Toucan*” and “*Lewek Pelican*”. All capitalised terms not defined shall have the same meaning as set out in the 17 March Announcement.
- 1.2 Further to the 17 March Announcement, the Board wishes to announce that a notice of demand dated 22 March 2017 (“**Toucan NOD**”) was issued by Seabird Penguin Offshore Limited (“**Toucan Owner**”) to Emas Offshore Pte Ltd (“**Toucan Charterer**”) wherein the Toucan Owner:
 - (a) alleged that the Toucan Charterer owes an aggregate sum of US\$35,341,502 (“**Toucan Debt**”) to the Toucan Owner pursuant to the termination of the Toucan Charter; and
 - (b) demanded that the Toucan Charterer remit the sum of US\$7,441,501 to the Toucan Owner within 10 business days of the date of the Toucan NOD.
- 1.3 The Toucan Owner further stated in the Toucan NOD that it intends to keep the following sums and apply such sums to cover its losses and damages under the Toucan Charter:
 - (a) US\$20,900,000 under the Guarantor’s Credit Agreement dated 17 March 2016 entered between the Toucan Owner and the Company; and
 - (b) US\$7,000,000 under the Charterers’ Credit Agreement dated 17 March 2016 entered between the Toucan Owner and the Toucan Charterer(collectively, the “**Toucan Specified Sums**”).
- 1.4 The Toucan Owner indicated that to the extent that the Toucan Specified Sums are, for whatever reason, unable to be applied in accordance with the manner stated above, the Toucan Owner would reserve the right to pursue the Toucan Charterer for the full value of the Toucan Debt, in addition to any further sums which the Toucan Owner may notify the Toucan Charterer are due and owing pursuant to the termination of the Toucan Charter.
- 1.5 The Toucan Owner continued to reserve its rights to make a demand against the Company in respect of the Toucan Guaranteed Obligations.

2. NOTICE OF DEMAND IN RESPECT OF BAREBOAT CHARTER OF THE “LEWEK PELICAN”

- 2.1 Further to the 17 March Announcement, the Board further wishes to announce that a notice of demand dated 22 March 2017 (“**Pelican NOD**”) was issued by Seabird Pelican Offshore Ltd. (“**Pelican Owner**”) to Emas Offshore (M) Sdn. Bhd. (“**Pelican Charterer**”) wherein the Pelican Owner:
- (a) alleged that the Pelican Charterer owes an aggregate sum of US\$18,463,574 (“**Pelican Debt**”) to the Pelican Owner pursuant to the termination of the Pelican Charter; and
 - (b) demanded that the Pelican Charterer remit the sum of US\$10,063,574 to the Pelican Owner within 10 business days of the date of the Pelican NOD.
- 2.2 The Pelican Owner further stated in the Pelican NOD that it intends to keep the sum of US\$8,400,000 (“**Pelican Specified Sum**”) under the Charterers’ Credit Agreement dated 19 May 2016 entered between the Pelican Owner and the Pelican Charterer and apply the Pelican Specified Sum to cover its losses and damages under the Pelican Charter.
- 2.3 The Pelican Owner indicated that to the extent that the Pelican Specified Sum is, for whatever reason, unable to be applied in accordance with the manner stated above, the Pelican Owner would reserve the right to pursue the Pelican Charterer for the full value of the Pelican Debt, in addition to any further sums which the Pelican Owner may notify the Pelican Charterer are due and owing pursuant to the termination of the Pelican Charter.
- 2.4 The Pelican Owner continued to reserve its rights to make a demand against the Company in respect of the Pelican Guaranteed Obligations.

3. GENERAL

- 3.1 The Toucan Charterer and the Pelican Charterer are seeking legal advice in respect of the Toucan NOD and Pelican NOD (collectively, the “**Notices of Demand**”) and the Company is assessing the impact of the Notices of Demand against the Group as well as assessing the correctness of the sums specified in the Notices of Demand. Further announcements will be made by the Company and the Board via SGXNET and Newsweb as and when there are any material developments in compliance with the listing rules of the Singapore Exchange Securities Trading Limited and the Norwegian Securities Trading Act.
- 3.2 When in doubt as to the action they should take, shareholders and potential investors should consult their financial, tax or other advisers.

This announcement is subject to disclosure in accordance with section 5-12 of the Norwegian Securities Trading Act.

By Order of the Board

Shannon Ong
Company Secretary
30 March 2017