

CIRCULAR DATED 9 JULY 2015

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If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

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Investments Limited

(Incorporated in the Republic of Singapore)
(Company Registration Number: 198700983H)

CIRCULAR TO SHAREHOLDERS

In relation to

THE RATIFICATION OF THE DISPOSAL OF CERTAIN SUBSIDIARIES OF THE COMPANY, COMPRISING

(I) JIL LIMITED, AMETHYST CAPITAL LTD, TURQUOISE OFFSHORE PTE LTD, JASPER OFFSHORE (CYPRUS) LTD, NEPTUNE MARINE & DRILLING PTE LTD, JASPER EXPLORER PLC, JASPER COSMOPOLITAN PTE LTD, JASPER MANAGEMENT SERVICES PTE LTD AND JASPER (CONGO) PTE LTD (COLLECTIVELY, THE “RETAINED GROUP”); AND

(II) JASPER EXPLORER PTE LTD AND JASPER DRILLING PTE LTD

FOR A CONSIDERATION OF US\$1 AND THE TRANSFER TO THE COMPANY OF THE BONDS IN A PRINCIPAL FACE AMOUNT OF US\$3 MILLION HELD BY JIL LIMITED, RESULTING IN THE RETAINED GROUP BEING HELD BY BW ASSET MANAGEMENT LTD, AND JASPER EXPLORER PTE LTD AND JASPER DRILLING PTE LTD BEING HELD BY GREEN STAR DRILLING LIMITED

IMPORTANT DATES AND TIMES

Last date and time for lodgement of Proxy Form : 22 July 2015 at 10.00 a.m.

Date and time of Extraordinary General Meeting : 24 July 2015 at 10.00 a.m. (or soon thereafter following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 9.30 a.m. on the same day and at the same place)

Place of Extraordinary General Meeting : 10 Collyer Quay
#27-00 Ocean Financial Centre
Singapore 049315

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DEFINITIONS

In this Circular, the following definitions apply throughout unless the context otherwise requires or stated:

“Acceleration Letter”	:	The letter issued by the Trustee to Jasper Explorer dated 13 November 2014 in connection with the acceleration of the Bonds
“Act”	:	The Companies Act, Chapter 50, of Singapore
“Additional Disposal Subsidiaries”	:	JIL Limited, Amethyst Capital Ltd, Turquoise Offshore Pte Ltd, Jasper Offshore (Cyprus) Ltd, Neptune Marine & Drilling Pte Ltd, Jasper Cosmopolitan Pte Ltd, Jasper Management Services Pte Ltd and Jasper (Congo) Pte Ltd
“Articles of Association”	:	The articles of association of the Company
“Board”	:	The board of Directors of the Company
“Bonds”	:	The US\$165,000,000 13.5 per cent senior secured bonds issued by Jasper Explorer pursuant to a bond agreement dated 26 May 2011, as amended and restated from time to time
“Bondholders”	:	The holders of the Bonds
“BWAM”	:	BW Asset Management Ltd
“BWAM Fee”	:	The sum of US\$100,000 paid to BWAM as a one-off non-refundable payment to cover the fees, costs and expenses of BWAM in connection with the winding up of the entities in the Retained Group, as set out in section 2.2 of this Circular
“BWAM SPV”	:	Klemzig Financial Ltd
“BVI Bonds”	:	The Bonds in a principal face amount of US\$6 million held in the name of JIL Limited as at the date of the Framework Agreement
“Cancellation”	:	The cancellation of the Remaining Net Payables owed by BWAM SPV to the Company under the Intercompany Loans, as set out in section 2.2 of this Circular
“CDP”	:	The Central Depository (Pte) Limited
“Circular”	:	This circular to shareholders dated 9 July 2015
“Company”	:	Jasper Investments Limited
“Completion”	:	The completion of the Disposal in accordance with the terms and conditions of the Framework Agreement
“Consideration”	:	The consideration for the Disposal and the Cancellation, comprising (i) US\$1 and (ii) the transfer to the Company of the Consideration BVI Bonds, as set out in section 2.2 of this Circular
“Consideration BVI Bonds”	:	50% of the BVI Bonds constituting a portion of the Consideration, as set out in section 2.2 of this Circular
“Directors”	:	The directors of the Company as at the date of this Circular

DEFINITIONS

“Demanded Payment”	:	The sum of US\$181,809,375, being the total of principal and accrued interest under the Bonds which was demanded by the Trustee under the Acceleration Letter, as set out in section 8.2 of this Circular
“Disposal”	:	The transfer by the Company of its entire ownership in the Disposal Group pursuant to the Framework Agreement, as set out in section 1.1 of this Circular
“Disposal Group”	:	All of the Company’s subsidiaries as at the date of the Framework Agreement (other than Jasper Adventurer Pte Ltd (in members’ voluntary liquidation) and Jasper Beacon Pte Ltd (in members’ voluntary liquidation)), the details of which are set out in section 2.1 of this Circular
“EGM”	:	The extraordinary general meeting of the Company and any adjournment thereof, notice of which is set out on pages 31 to 32 of this Circular
“EPS”	:	Earnings / (loss) per share
“Event of Default”		An event of default under the Bonds
“Explorer Subsidiary Share Charges”	:	The share charges dated 3 June 2011 granted by Jasper Explorer over the shares of each of JEPL and JDPL, in connection with the Bonds
“Explorer Subsidiary Voting Rights”	:	The Trustee’s entitlement under the terms of the Explorer Subsidiary Share Charges to exercise or direct the exercise of the voting and other rights attached to any share in each of JEPL and JDPL in such manner as it sees fit
“Framework Agreement”	:	The framework agreement dated 21 January 2015 entered into by the Company with, among others, BWAM, the Trustee, Jasper Explorer and Green Star, as set out in section 1.1 of this Circular
“FY”	:	Financial year ended or ending 31 March as the case may be
“Global Shipping”	:	Global Shipping Ventures Limited
“Global Shipping Contract”	:	The commercial management agreement entered into by the Company with Global Shipping dated 6 June 2015
“Global Shipping Group”	:	Global Shipping and its subsidiaries, associates and affiliated companies, as set out in section 10 of this Circular
“GoLNG”	:	GoLNG Asia Pte. Ltd.
“GoLNG Contract”	:	The commercial management agreement entered into by the Company with GoLNG dated 6 June 2015
“Green Star”	:	Green Star Drilling Limited
“Group”	:	The Company and its subsidiaries
“Intercompany Borrowers”	:	Turquoise Offshore Pte Ltd, Neptune Marine & Drilling Pte Ltd, Amethyst Capital Ltd, Jasper Offshore (Cyprus) Ltd, Jasper Management Services Pte Ltd and Jasper Explorer

DEFINITIONS

- “Intercompany Borrowers Loans”**: The intercompany loans owed by the Intercompany Borrowers to the Company under which the Intercompany Borrowers owed an aggregate outstanding amount of approximately US\$686,769,013 as at the date of the Framework Agreement
- “Intercompany Lenders”** : JIL Limited and Jasper Cosmopolitan Pte Ltd
- “Intercompany Lenders Loans”** : The intercompany loans owed by the Company to the Intercompany Lenders under which the Company owed an aggregate outstanding amount of approximately US\$10,992,813 as at the date of the Framework Agreement
- “Intercompany Loans”** : Collectively, the Intercompany Borrowers Loans and the Intercompany Lenders Loans
- “Intercompany Novation Agreement”** : The agreement entered into by the Company at Completion with BWAM SPV and certain entities in the Disposal Group under which BWAM SPV assumed the obligations of the relevant borrower under the Intercompany Loans, as set out in section 2.2 of this Circular
- “Jasper Cosmopolitan Valuation Report”** : The valuation report commissioned by Jasper Cosmopolitan Pte Ltd in respect of the Jasper Cosmopolitan vessel, dated 17 October 2014 and prepared by an independent valuer
- “Jasper Explorer”** : Jasper Explorer plc
- “Jasper Explorer Valuation Report”** : The valuation report commissioned by JEPL in respect of the Jasper Explorer vessel, dated 17 October 2014 and prepared by an independent valuer
- “JDPL”** : Jasper Drilling Pte. Ltd.
- “JDPL Intercompany Loan”** : The intercompany loan owed by JDPL to the Company under which JDPL owed an outstanding amount of approximately US\$1,268,841 as at the date of the Framework Agreement
- “JDPL Service Agreement”** : The agreement entered into by the Company at Completion with JDPL setting out the terms upon which the Company shall be liable to make payment to JDPL in connection with the provisions of services by certain key personnel of JDPL to the Company, as set out in section 2.2 of this Circular
- “JEPL”** : Jasper Explorer Pte. Ltd.
- “JEPL Intercompany Loan”** : The intercompany loan owed by JEPL to the Company under which JEPL owed an outstanding amount of approximately US\$2,632,524 as at the date of the Framework Agreement
- “JIL Service Agreement”** : The agreement entered into by the Company at Completion with Green Star setting out the terms upon which Green Star shall be liable to make payment to the Company in connection with the provisions of services by Paul Carsten Pedersen (an employee of the Company) to JDPL and JEPL, as set out in section 2.2 of this Circular
- “Latest Practicable Date”** : 25 June 2015, being the latest practicable date prior to the printing of this Circular

DEFINITIONS

“Liquidity Obligation”	:	The requirement for Jasper Offshore (Cyprus) Ltd and its subsidiaries to maintain a minimum available free cash of US\$10 million under the terms of the Bonds, as set out in section 1.1 of this Circular
“Listing Manual”	:	The listing manual of the SGX-ST, as amended from time to time
“LNG”	:	Liquefied Natural Gas
“Management Contracts”	:	The JIL Service Agreement, the Global Shipping Contract and the GoLNG Contract
“Market Day”	:	A day on which the SGX-ST is open for securities trading
“Memorandum”	:	The memorandum of association of the Company
“NTA”	:	Net tangible assets
“O&G Management Business”	:	The Company’s business of providing management services in the oil and gas sector to third parties, as set out in section 10 of this Circular
“O&G Management Services”	:	The Company’s arrangements with third-party clients to provide management services in the oil and gas sector, as set out in section 10 of this Circular
“Obligors”	:	The former subsidiaries of the Company which are obligors under the terms of the Bonds, comprising Jasper Explorer, Jasper Offshore (Cyprus) Ltd., JEPL and JDPL
“Ordinary Resolution”	:	The ordinary resolution as set out in the notice of EGM
“per cent.” or “%”	:	Percentage or per centum
“Pledged Assets”	:	All of the shares in each of Jasper Explorer, JEPL and JDPL, as set out in section 3 of this Circular
“Proposed Ratification”	:	The proposed ratification of the Disposal
“Remaining Net Payables”	:	The amount of approximately US\$686,769,013 owed by BWAM SPV to the Company (being the aggregate of the outstanding debt obligations owed by the Intercompany Borrowers to the Company as at the date of the Framework Agreement, which were assumed by BWAM SPV under the Intercompany Novation Agreement), as set out in section 2.2 of this Circular
“Retained Group”	:	JIL Limited, Amethyst Capital Ltd, Turquoise Offshore Pte Ltd, Jasper Offshore (Cyprus) Ltd, Neptune Marine & Drilling Pte Ltd, Jasper Explorer, Jasper Cosmopolitan Pte Ltd, Jasper Management Services Pte Ltd and Jasper (Congo) Pte Ltd
“Service Fees”	:	The monthly payments of US\$37,500.00 in connection for the provision of the Services to be made by Green Star under the JIL Service Agreement, as set out in section 10 of this Circular
“Services”	:	The executive management and directorial services to be provided under the JIL Service Agreement, as set out in section 10 of this Circular

DEFINITIONS

“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Shareholders”	:	Persons (other than CDP) who are for the time being registered as holders of the Shares in the Register of Members of the Company and Depositors who have Shares entered against their names in the Depository Register
“Share Charges”	:	The charges over the Pledged Assets taken out in favour of the Trustee as security for the Obligors’ obligations under the Bonds, as set out in section 3 of this Circular
“Share Registrar”	:	Boardroom Corporate & Advisory Services Pte Ltd
“Shares”	:	Ordinary shares in the capital of the Company
“Substantial Shareholder”	:	A person who has an interest in not less than 5% of the issued voting Shares
“S\$” and “Singapore cents”	:	Singapore dollars and cents, respectively
“Trustee”	:	Nordic Trustee ASA, the trustee of the Bondholders
“US\$” and “US cents”	:	United States dollars and United States cents, respectively
“Valuation Reports”	:	The Jasper Explorer Valuation Report and the Jasper Cosmopolitan Valuation Report
“Waiver”	:	The letter from the SGX-ST dated 18 February 2015 informing the Company that the SGX-ST had no objection to the Company’s application for a waiver in respect of Rule 1014(2), as set out in section 6.3 of this Circular
“Yiulian Shipyard”	:	YiuLian Dockyards (Shekou) Limited
“%” or “per cent”	:	Per centum or percentage

The terms “**Depositor**” and “**Depository Register**” shall have the meanings ascribed to them respectively in Section 130A of the Act.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall, where applicable, include corporations.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Act, the Listing Manual or any statutory modification thereof and used in this Circular shall, where applicable, have the meaning ascribed to it under the Act, the Listing Manual or statutory modification as the case may be.

Any reference to a time of day in this Circular is made with reference to Singapore time unless otherwise stated.

The exchange rate of S\$1.33 : US\$1.00 used in this Circular was the exchange rate between S\$ and US\$ as at 12 January 2015.

LETTER TO SHAREHOLDERS

JASPER INVESTMENTS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 198700983H)

Directors:

Mr. John Sunderland (Non-Executive Chairman)
Mr. Paul Carsten Pedersen (Executive Director)
Mr. Ng Chee Keong (Non-Executive and Lead Independent Director)
Mr. Phillip Jeffrey Saile (Non-Executive and Independent Director)
Ms. Tan Yeelong (Non-Executive Director)

Registered Office:

3 HarbourFront Place,
#05-01 HarbourFront Tower Two
Singapore 099254

Date: 9 July 2015

To the Shareholders of Jasper Investments Limited

Dear Sir/Madam

THE RATIFICATION OF THE DISPOSAL OF CERTAIN SUBSIDIARIES OF THE COMPANY, COMPRISING

(I) **JIL LIMITED, AMETHYST CAPITAL LTD, TURQUOISE OFFSHORE PTE LTD, JASPER OFFSHORE (CYPRUS) LTD, NEPTUNE MARINE & DRILLING PTE LTD, JASPER EXPLORER PLC, JASPER COSMOPOLITAN PTE LTD, JASPER MANAGEMENT SERVICES PTE LTD AND JASPER (CONGO) PTE LTD (COLLECTIVELY, THE “RETAINED GROUP”); AND**

(II) **JASPER EXPLORER PTE LTD AND JASPER DRILLING PTE LTD**

FOR A CONSIDERATION OF US\$1 AND THE TRANSFER TO THE COMPANY OF THE BONDS IN A PRINCIPAL FACE AMOUNT OF US\$3 MILLION HELD BY JIL LIMITED, RESULTING IN THE RETAINED GROUP BEING HELD BY BW ASSET MANAGEMENT LTD, AND JASPER EXPLORER PTE LTD AND JASPER DRILLING PTE LTD BEING HELD BY GREEN STAR DRILLING LIMITED

1. INTRODUCTION

1.1. The Disposal

On 22 January 2015 the Board announced that the Company had entered into a framework agreement dated 21 January 2015 (the “**Framework Agreement**”) with among others, BWAM, the Trustee, Jasper Explorer and Green Star, pursuant to which the Company agreed to transfer its entire ownership in the Disposal Group (the “**Disposal**”). The Disposal was completed on 27 February 2015. Following the Disposal and as at the Latest Practicable Date, BWAM holds the Retained Group, and Green Star holds JEPL and JDPL.

Under the terms of the Bonds, Jasper Offshore (Cyprus) Ltd and its subsidiaries are required to maintain a minimum available free cash of US\$10 million (the “**Liquidity Obligation**”). This Liquidity Obligation was breached in September 2014 as the available free cash of Jasper Offshore (Cyprus) Ltd and its subsidiaries had fallen below US\$10 million to US\$7.3 million as at 30 September 2014, and the Trustee declared an outstanding Event of Default in its letter issued to Jasper Explorer dated 11 November 2014, followed by an acceleration of the Bonds in the Acceleration Letter. The Trustee proposed the Disposal under a consensual separation plan as an amicable alternative to enforcement action pursuant to an Event of Default.

As the relative figures as computed on the bases set out in Rules 1006(a) and 1006(b) of the Listing Manual exceed 20%, the Disposal constitutes a “major transaction” under Rule 1014 of the Listing Manual and requires the approval of the Shareholders. The SGX-ST granted the Company a waiver from the requirement to obtain prior Shareholders’ approval for the Disposal, allowing the Company to seek Shareholders’ ratification of the Disposal instead. Further details on the Waiver (including the conditions to the Waiver, whether such conditions had been met, and the Company’s grounds for seeking the Waiver) are set out in section 6.3 of this Circular.

LETTER TO SHAREHOLDERS

1.2. EGM

The Directors are convening the EGM to seek the approval of Shareholders for the Ordinary Resolution relating to the ratification of the Disposal (the “**Proposed Ratification**”), notice of which is set out in this Circular.

1.3. Circular

The purpose of this Circular is to provide Shareholders with relevant information relating to the Proposed Ratification, including the rationale of the Proposed Ratification and to seek Shareholders’ approval for the Ordinary Resolution relating to the Proposed Ratification.

2. THE DISPOSAL

2.1. Overview of the Disposal

The Disposal represented a commercial deal agreed between the Company and the Bondholders to enable, on the one hand, the Bondholders to own, manage and fund the assets secured to them for the Bonds (comprising, *inter alia*, the Jasper Explorer vessel and the shares of each of JEPL and JDPL) and, on the other hand, the Company to relieve itself of supporting the Obligors and its other former subsidiaries and all the obligations and liabilities associated with these entities.

The Company’s former subsidiaries comprising the Disposal Group and their respective activities immediately prior to Completion were:

Name of former subsidiary disposed of pursuant to the Disposal	Principal activities
JIL Limited	Investment holding
Amethyst Capital Ltd	Investment holding, treasury and finance
Turquoise Offshore Pte Ltd	Investment holding
Jasper Offshore (Cyprus) Ltd	Investment holding
Neptune Marine & Drilling Pte Ltd	Dormant
Jasper Explorer	Investment holding
JEPL ⁽¹⁾	Owner of drilling rig (the Jasper Explorer)
JDPL ⁽¹⁾	Provision of offshore drilling services to third parties
Jasper Cosmopolitan Pte Ltd ⁽¹⁾	Owner of accommodation vessel (the Jasper Cosmopolitan)
Jasper Management Services Pte Ltd ⁽¹⁾	Provision of management services to entities in the Group
Jasper (Congo) Pte Ltd	Dormant

Note:

(1) Further details on the financial information of these entities are set out in the Appendix to this Circular.

LETTER TO SHAREHOLDERS

Following Completion and as at the Latest Practicable Date, the Group comprises only the Company, Jasper Adventurer Pte Ltd (in members' voluntary liquidation) and Jasper Beacon Pte Ltd (in members' voluntary liquidation). None of these entities were, or are, Obligors under the terms of the Bonds. As such, the Group no longer has any liability under the Bonds and there is no indication of any circumstance that would result in the Group having to defend its position against the Bondholders following Completion. For the avoidance of doubt, the Obligors comprised Jasper Explorer, Jasper Offshore (Cyprus) Ltd., JEPL and JDPL, and the total of principal and accrued interest under the Bonds which was demanded by the Trustee under the Acceleration Letter (i.e. the Demanded Payment) was US\$181,809,375.

2.2. Key terms of the Framework Agreement and the Disposal

2.2.1 Condition for Shareholders' approval to the extent necessary (unless otherwise waived)

The completion of the Disposal was conditional upon the approval of, *inter alia*, the Framework Agreement by the Shareholders in a general meeting, to the extent necessary under the listing rules of the SGX-ST and other applicable law (unless such requirement is otherwise waived). Following the SGX-ST's grant of the Waiver on 18 February 2015, the requirement for compliance with Rule 1014(2) (i.e. for Shareholders' approval of the Disposal to be obtained prior to Completion) was waived, and as such this condition was fulfilled.

2.2.2 The BWAM Fee

At Completion, the Company paid BWAM the sum of US\$100,000 (the "**BWAM Fee**") as a one-off non-refundable payment to cover the fees, costs and expenses of BWAM in connection with the winding up of the entities in the Retained Group. Other than the BWAM Fee, no other fees are payable to BWAM in connection with the Disposal.

2.2.3 Transfer of JEPL and JDPL to Green Star

At Completion, Jasper Explorer transferred its entire ownership in JEPL and JDPL to Green Star for a consideration of US\$1. This consideration was arrived after taking into account, *inter alia*, the liabilities of JEPL and JDPL compared to their assets, the details of which are set out in the table below:

As at 30 September 2014	
Assets disposed of and liabilities discharged	JEPL and JDPL (US\$)
Plant and equipment	172,812,810
Receivables	1,191,715
Cash and bank balances	7,306,240
Payables	(412,504,065)
NTA	(231,193,300)

2.2.4 Transfer of the Intercompany Loans

Pursuant to the Framework Agreement, Green Star was substituted for the Company as a party to and bound by the terms of each of the JEPL Intercompany Loan (i.e. the intercompany loan owed by JEPL to the Company under which JEPL owed an outstanding amount of approximately US\$2,632,524 as at the date of the Framework Agreement) and the JDPL Intercompany Loan (i.e. the intercompany loan owed by JDPL to the Company under which JDPL owed an outstanding amount of approximately US\$1,268,841 as at the date of the Framework Agreement), for a consideration of US\$1 paid to the Company. This consideration was arrived after taking into account, *inter alia*, the fact that the JEPL Intercompany Loan and the JDPL Intercompany Loan had been fully impaired in the books of the Company, as well as the considerations set out in Section 3 of this Circular.

LETTER TO SHAREHOLDERS

At Completion, the Company entered into an agreement with BWAM SPV and certain entities in the Disposal Group under which BWAM SPV assumed the obligations of the relevant borrower under the Intercompany Loans (which comprised both the Intercompany Borrowers Loans and the Intercompany Lenders Loans) (the “**Intercompany Novation Agreement**”). Pursuant to the Intercompany Novation Agreement:

- (a) Novation to BWAM SPV of the Intercompany Borrowers’ debt obligations under the Intercompany Borrowers Loans: An amount of approximately US\$686,769,013 in debt obligations, being the aggregate of the outstanding debt obligations owed by the Intercompany Borrowers to the Company as at the date of the Framework Agreement, was assumed by BWAM SPV (for the avoidance of doubt, the total NTA of the Intercompany Borrowers as at 30 September 2014 (before deduction of non-controlling interests, and taking into account receivables owing from, or payables owed to, other entities within the Group) was a negative NTA of US\$357,921,431). As such, BWAM SPV owed the Company approximately US\$686,769,013 (the “**Remaining Net Payables**”). The Remaining Net Payables were then cancelled in full (the “**Cancellation**”); and
- (b) Novation to BWAM SPV of the Company’s debt obligations under the Intercompany Lenders Loans: An additional amount of approximately US\$10,992,813 in debt obligations, being the aggregate of the outstanding debt obligations owed by the Company to the Intercompany Lenders as at the date of the Framework Agreement, was also assumed by BWAM SPV.

For the avoidance of doubt: (i) the Company does not owe any amounts to BWAM SPV, whether pursuant to the Intercompany Novation Agreement or otherwise; and (ii) BWAM SPV does not have any obligation to repay the Company the Remaining Net Payables, as a result of the Cancellation pursuant to the Intercompany Novation Agreement.

2.2.5 Entry into service agreements

The Company entered into the following service agreements at Completion:

- (a) an agreement with Green Star setting out the terms upon which Green Star shall be liable to make payment to the Company in connection with the provision of executive management and directorial services by Paul Carsten Pedersen (an employee of the Company) to JDPL and JEPL for monthly fees of US\$37,500.00 (the “**JIL Service Agreement**”). Further details on the JIL Service Agreement are set out in Section 10 of this Circular; and
- (b) an agreement with JDPL setting out the terms upon which the Company shall be liable to make payment to JDPL in connection with the provisions of services by certain key personnel of JDPL to the Company (the “**JDPL Service Agreement**”).

2.2.6 Distribution of recoveries realised by the Retained Group

BWAM shall be entitled to retain and be paid 20% of any recoveries realised in connection with the winding down of the Retained Group, and the remaining 80% of any such recoveries shall be paid to Green Star. For the avoidance of doubt, the Retained Group does not carry out or own any substantial businesses or assets, save for the Jasper Cosmopolitan vessel owned by Jasper Cosmopolitan Pte Ltd. Further details on the status of the Jasper Cosmopolitan vessel are set out in Section 3.5 of this Circular.

2.2.7 Consideration

The consideration for the Disposal and the Cancellation (the “**Consideration**”) was (i) US\$1 and (ii) the transfer by JIL Limited to the Company of 50% of the BVI Bonds (the “**Consideration BVI Bonds**”). The estimated market value of the Consideration BVI Bonds was approximately US\$450,000 as at the date of the Framework Agreement.

The Consideration was arrived at based on arm’s length negotiations after taking into account, *inter alia*, (i) the liabilities of certain companies in the Disposal Group in comparison to their assets (details of which are set out in the table below), (ii) the considerations set out in Section 8.2 of this Circular, and (iii) the envisaged benefits to the Company and its prospects arising from the Disposal, as set out in further detail in Section 3 of this Circular.

LETTER TO SHAREHOLDERS

The assets and the liabilities as at 30 September 2014 of the companies in the Disposal Group stated in (i) above, both excluding and including intra-Group receivables and payables, are as follows:

Excluding Intra-Group Receivables and Payables:

As at 30 September 2014 (US\$)

	Turquoise Offshore Pte Ltd	JIL Ltd	Amethyst Capital Limited	Jasper Offshore (Cyprus) Ltd	Neptune Marine & Drilling Pte Ltd	Jasper (Congo) Pte Ltd	Jasper Management Services Pte Ltd	Jasper Cosmopolitan Pte Ltd	Jasper Explorer	JEPL	JDPL	Total
Plant and Equipment	-	-	-	-	-	-	-	2,250,000	-	172,599,811	212,999	175,062,810
Receivables ⁽¹⁾	-	281,250	-	-	-	-	-	1,000	1,221	282,808	664,633	1,236,264
Assets held-for-sale	-	4,940,000	-	-	-	-	-	-	-	-	-	4,940,000
Provision for taxation	(1,340,508)	-	-	-	-	-	-	-	(8,830)	-	-	(1,349,338)
Cash and bank balances	19,902	6,633	-	7,526	11,669	6	8,134	5,522	786	6,460,237	846,003	7,366,418
Borrowing	-	-	-	-	-	-	-	-	(165,000,000)	-	-	(165,000,000)
Non-controlling interests	-	-	-	9,130,890	-	-	-	-	-	-	-	9,130,890
Payables ⁽²⁾	(16,207)	-	(8,532)	(47,398)	(2,627,369)	(3,179)	(628,377)	(662,474)	(7,751,450)	(730,337)	(4,030,620)	(16,505,943)
NTA	(1,336,813)	5,227,883	(8,532)	9,091,019	(2,610,349)	(3,173)	(620,243)	1,594,048	(172,758,273)	178,612,519	(2,306,985)	14,881,101

Notes:

- (1) For the avoidance of doubt, the receivables reflected under this line item take into account only receivables owing from third parties as at 30 September 2014, and do not take into account receivables owing from other entities within the Group as at 30 September 2014.
- (2) For the avoidance of doubt, the payables reflected under this line item take into account only payables owed to third parties as at 30 September 2014, and do not take into account payables owed to other entities within the Group as at 30 September 2014.

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Including Intra-Group Receivables and Payables:

As at 30 September 2014 (US\$)

	Turquoise Offshore Pte Ltd	JIL Ltd	Amethyst Capital Limited	Jasper Offshore (Cyprus) Ltd	Neptune Marine & Drilling Pte Ltd	Jasper (Congo) Pte Ltd	Jasper Management Services Pte Ltd	Jasper Cosmopolitan Pte Ltd	Jasper Explorer	JEPL	JDPL	Total
Plant and Equipment	-	-	-	-	-	-	-	2,250,000	-	172,599,811	212,999	175,062,810
Receivables ⁽¹⁾	-	11,252,984	1,266,278	88,691,145	848,472	-	-	1,889,438	20,525,552	113,147,869	664,694	238,286,432
Assets held-for-sale	-	4,940,000	-	-	-	-	-	-	-	-	-	4,940,000
Provision for taxation	(1,340,508)	-	-	-	-	-	-	-	(8,830)	-	-	(1,349,338)
Cash and bank balances	19,902	6,633	-	7,526	11,669	6	8,134	5,522	786	6,460,237	846,003	7,366,418
Borrowing	-	-	-	-	-	-	-	-	(165,000,000)	-	-	(165,000,000)
Non-controlling interests	-	-	-	9,130,890	-	-	-	-	-	-	-	9,130,890
Payables ⁽²⁾	(199,846,056)	-	(8,532)	(4,631,547)	(3,344,408)	(3,237)	(1,229,498)	(95,827,017)	(103,023,405)	(386,679,786)	(138,444,640)	(933,037,127)
NTA	(201,165,662)	16,199,617	1,257,746	93,198,014	(2,484,268)	(3,231)	(1,221,364)	(91,682,058)	(247,505,897)	(94,471,869)	(136,720,944)	(664,599,915)

Notes:

- (1) For the avoidance of doubt, the receivables reflected under this line item take into account (i) receivables owing from third parties as at 30 September 2014, and (ii) receivables owing from other entities within the Group as at 30 September 2014.
- (2) For the avoidance of doubt, the payables reflected under this line item take into account (i) payables owed to third parties as at 30 September 2014, and (ii) payables owed to other entities within the Group as at 30 September 2014.

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Based on the unaudited consolidated financial statements of the Group for the half year ended 30 September 2014, the net book value and net tangible asset value of the Disposal Group were as follows:

- (a) US\$14.88 million (before deduction of non-controlling interests, and without taking into account receivables owing from, or payables owed to, other entities within the Group); and
- (b) a negative book value and net tangible asset value of US\$664.60 million (before deduction of non-controlling interests, and taking into account receivables owing from, or payables owed to, other entities within the Group).

The value of the Remaining Net Payables cancelled pursuant to the Cancellation was US\$686,769,013. The Cancellation was carried out pursuant to the Intercompany Novation Agreement (please refer to Section 2.2.4 of this Circular for further details on the Cancellation).

2.2.8 Transfer of the remaining BVI Bonds to Green Star

Pursuant to the Framework Agreement, the remaining 50% of the BVI Bonds (i.e. other than the Consideration BVI Bonds) are to be transferred from JIL Limited to Green Star.

2.2.9 Completion

The completion of the Disposal pursuant to the Framework Agreement took place on 27 February 2015. Prior to Completion, the total of principal and accrued interest under the Bonds which was demanded by the Trustee was US\$181,809,375. As stated in Section 2.1 of this Circular, following Completion the Group no longer has any liability under the Bonds and there is no indication of any circumstance that would result in the Group having to defend its position against the Bondholders following Completion.

3. **RATIONALE FOR THE DISPOSAL**

The Board believes that the consensual Disposal is expected to pose benefits for the Company and its prospects, which the Company would be unable to enjoy in the event of a non-consensual disposal of the Pledged Assets.

Under the terms of the Bonds, all of the shares in each of Jasper Explorer, JEPL and JDPL (the “**Pledged Assets**”) were pledged and charged in favour of the Trustee as security for the Obligors’ obligations under the Bonds (the “**Share Charges**”). Upon the occurrence of an Event of Default, the Trustee has the right to enforce the Share Charges and to take possession of and/or dispose of the Pledged Assets, and apply the proceeds of the disposals to, amongst others, discharge the Obligors’ obligations and liabilities under the Bonds. As previously disclosed in an announcement dated 19 November 2014, the Trustee declared an Event of Default and became entitled to unilaterally dispose of the Pledged Assets pursuant to the Share Charges without obtaining the approval of the Shareholders in general meeting. In furtherance of its entitlement, the Trustee terminated the previous standstill arrangement (as announced on 11 September 2014) and exercised the Explorer Subsidiary Voting Rights (as announced on 19 November 2014) to procure the passing of the requisite shareholder resolutions to, *inter alia*, replace certain directors of JEPL and JDPL with representatives nominated by the Trustee with effect from 13 November 2014.

Notably, while the Trustee only enforced certain rights (i.e. the Explorer Subsidiary Voting Rights) under the Explorer Subsidiary Share Charges, this did not preclude the possibility of the Trustee enforcing its rights under the Share Charges in respect of the shares of Jasper Explorer in the future.

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In light of the fact that a disposal of the Pledged Assets (or a part thereof) was likely to be forthcoming, the consensual Disposal was proposed as a more favourable alternative as it posed certain advantages over a disposal of the Pledged Assets, summarised as follows:

3.1. **Trimming cost of operations**

The Group's monthly burn rate in respect of its business operations (other than administrative and compliance costs) from October to December 2014 is approximately US\$1.2 million (comprising US\$0.6 million in relation to crew-related expenses, US\$0.4 million in relation to fuel, port and insurance expenses, and US\$0.2 million in relation to other miscellaneous expenses including base office expenses and consumables). Following the Disposal, the Company will no longer have to bear the costs of running any of its loss-making operations, and can allocate more resources to sourcing for other income-generating ventures.

3.2. **Avoidance of costs and/or liabilities associated with winding down of subsidiaries**

Under the settlement reached with the Bondholders, the costs and expenses of winding down the Retained Group will be borne solely by BWAM instead of the Company (other than the BWAM Fee). The Company will not have to take on the responsibility of winding down its subsidiaries, or any liabilities (tax or otherwise) that may arise in connection with such winding down.

3.3. **Streamlining of the Group's structure**

The Disposal will allow the Company to streamline its group structure over a shorter period of time (as opposed to the Company winding up its subsidiaries itself). Streamlining the Group's structure by disposing of distressed and non-operating subsidiaries is expected to increase the value and marketability of the Company as a listed vehicle, which the Board anticipates would maximise shareholder value over and above returns from the Company's existing business.

3.4. **Avoidance of additional costs associated with enforcement action**

As stated in the Company's announcement dated 19 November 2014, the Trustee already exercised the Explorer Subsidiary Voting Rights under the Explorer Subsidiary Share Charges. The Board believes that the Disposal is beneficial as in the absence of the consensual Disposal, it was likely that the Trustee would have proceeded with its enforcement action under the Explorer Subsidiary Share Charges and completed the transfer/disposal of JEPL and JDPL as the Obligors were unable to satisfy the payment demanded by the Trustee pursuant to the Acceleration Letter. This would have resulted in additional costs, such as professional and/or litigation costs in connection with enforcement action against the Obligors, which would outweigh the Company's financial losses upon Disposal. The Trustee proposed the Disposal under a consensual separation plan as an alternative to enforcement action, which would allow the Group to avoid incurring additional costs unnecessarily.

3.5. **The Additional Disposal Subsidiaries did not add much value to the Company**

Under the Disposal, the Company disposed of other subsidiaries in addition to the Pledged Assets. These additional subsidiaries comprised JIL Limited, Amethyst Capital Ltd, Turquoise Offshore Pte Ltd, Jasper Offshore (Cyprus) Ltd, Neptune Marine & Drilling Pte Ltd, Jasper Cosmopolitan Pte Ltd, Jasper Management Services Pte Ltd and Jasper (Congo) Pte Ltd (collectively, the "**Additional Disposal Subsidiaries**").

Most of these Additional Disposal Subsidiaries were established for corporate efficiency (such as intercompany funds flow and contract structuring), did not earn income, and hold either no assets or a nominal amount of cash.

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Jasper Cosmopolitan Pte Ltd was the only subsidiary out of the Additional Disposal Subsidiaries that held a vessel asset of the Group (i.e. the Jasper Cosmopolitan vessel, which had a net book value of US\$2,250,000 as at 30 September 2014).¹ As announced on 1 September 2014, Jasper Cosmopolitan Pte Ltd had breached its obligation under the original conversion contract with, *inter alia*, Yiulian Shipyard to pay amounts due to Yiulian Shipyard and to take delivery of the Jasper Cosmopolitan vessel by 31 August 2014. Pursuant to this breach, Yiulian Shipyard exercised its right under the conversion contract to seek to sell the vessel itself. Further to subsequent negotiations on a profit share arrangement, Jasper Cosmopolitan Pte Ltd and, *inter alia*, Yiulian Shipyard entered into an addendum to the original conversion contract (as announced on 5 September 2014), under which the parties agreed to collaborate to market the vessel and share the sale proceeds, without prejudice to Yiulian Shipyard's right to dispose of the vessel under the original conversion contract. However, as at the date of the Framework Agreement, no sale or charter contract had been successfully entered into in respect of the Jasper Cosmopolitan vessel and the risk remained that Yiulian Shipyard may exercise its right under its contract to transfer title in the Jasper Cosmopolitan vessel to itself, as Yiulian Shipyard had not indicated its intentions in this regard as at Completion. If Yiulian Shipyard elected this course, Jasper Cosmopolitan Pte Ltd would not receive any proceeds from the vessel.

As illustrated above, it can be seen that the Additional Disposal Subsidiaries did not add much value to the Company, and in fact added to its financial burden as operating costs continued to be incurred (as mentioned in section 3.1 of this Circular).

In light of the foregoing considerations, the Board and the Management are of the view that notwithstanding that the Disposal would result in the Company disposing of additional assets over and above what the Trustee was entitled to under the terms of the Bonds, the disposal of these Additional Disposal Subsidiaries was in the best interests of the Company.

4. ABOUT BWAM

BWAM is part of the Borrelli Walsh group, which provides specialist restructuring, insolvency and forensic accounting services. The Borrelli Walsh group was appointed by the Trustee to provide restructuring and insolvency expertise in connection with the Disposal.

Following Completion, it is envisaged that BWAM will undertake, amongst others, the winding down of the Retained Group and the realisation of the assets held by the entities therein, in accordance with the terms and conditions of the Framework Agreement.

5. ABOUT GREEN STAR

Green Star was established on behalf of, and is controlled by, the Bondholders to take ownership of the assets secured to them for the Bonds. A key focus of the Disposal was the transfer of JEPL (the owner of the Jasper Explorer vessel) and JDPL to Green Star, to allow Green Star to own and operate the Jasper Explorer vessel.

6. REQUIREMENTS UNDER CHAPTER 10 OF THE LISTING MANUAL

6.1. Chapter 10 of the Listing Manual

Under Rule 1006 of the Listing Manual, a transaction (as defined in the Listing Manual) may be categorised as (i) non-discloseable transactions, (ii) discloseable transactions, (iii) major transactions or (iv) very substantial acquisitions or reverse takeovers, depending on the size of the relative figures computed on the bases set out thereunder.

Rule 1014 of the Listing Manual states that where a disposal of assets (whether or not the disposal is deemed in the issuer's ordinary course of business) is one where any of the relative figures computed on the bases set out in Rule 1006 of the Listing Manual exceeds 20%, the transaction is classified as a major transaction.

¹ The other vessel asset of the Group is the Jasper Explorer vessel, which is owned by JEPL and mortgaged to the Trustee.

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6.2. Relative bases under Rule 1006

The relative figures for the Disposal computed on the bases set out in Rule 1006 of the Listing Manual are set out in the table below:

Rule	Basis	Relative Bases (%)
1006(a)	The net asset value of the assets to be disposed of ⁽¹⁾ , compared with the Group's net asset value ⁽²⁾ . This basis is not applicable to an acquisition of assets.	70.51
1006(b)	The net profits/losses ⁽³⁾ attributable to the assets acquired or disposed of ⁽⁴⁾ , compared with the Group's net profits/losses ⁽⁵⁾ .	99.76 ⁽⁶⁾
1006(c)	The aggregate value of the consideration ⁽⁷⁾ given or received, compared with Company's market capitalisation ⁽⁸⁾ based on the total number of issued shares, excluding treasury shares.	2.03
1006(d)	The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue.	Not applicable, as no equity securities in the Company are proposed to be issued as consideration for the abovementioned transaction.

Notes:

- (1) Based on the net asset value of the Disposal Group of US\$3,519,000 as derived from the unaudited consolidated financial statements of the Group for the half year ended 30 September 2014. For the avoidance of doubt, the net asset value of the Disposal Group was calculated based on the historical purchase value of the BVI Bonds, amounting to US\$4,000,000.
- (2) Based on the net asset value of the Group of US\$4,991,000 respectively, as derived from the unaudited consolidated financial statements of the Group for the half year ended 30 September 2014. For the avoidance of doubt, the net asset value of the Group was calculated based on the historical purchase value of the BVI Bonds, amounting to US\$4,000,000.
- (3) Under Rule 1002(3), net profit is defined as profit or loss before income tax, minority interests and extraordinary items.
- (4) Based on the net loss attributable to the Disposal Group of US\$280,014,000 as derived from the unaudited consolidated financial statements of the Group for the half year ended 30 September 2014.
- (5) Based on the net loss attributable to the Group of US\$280,695,000 as derived from the unaudited consolidated financial statements of the Group for the half year ended 30 September 2014.
- (6) In the Company's announcement dated 22 January 2015, it was disclosed that the relative figure under Rule 1006(b) was 99.51%. It should be noted that this previously announced figure is erroneous and resulted from a typographical error.
- (7) Based on the aggregate value of the Consideration of US\$450,001, For the avoidance of doubt, the Consideration was calculated based on the estimated market value of the Consideration BVI Bonds as at 21 January 2015 (being the date of the Framework Agreement), amounting to approximately US\$450,000 (the "**Consideration BVI Bonds Estimated Market Value**"). The Consideration BVI Bonds Estimated Market Value was calculated based on the trading price of the BVI Bonds at US\$0.15 per Bond on 31 December 2014.
- (8) Based on the Company's market capitalisation of US\$22,123,918 as calculated in accordance with Rule 1002(5). Under Rule 1002(5), market capitalisation is determined by multiplying the number of shares in issue by the weighted average price of such shares transacted on the Market Day preceding the date of the Framework Agreement. The Company's market capitalisation was calculated based on 4,228,196,724 shares then in issue multiplied by S\$0.007, being the weighted average price of such shares transacted on the Market Day preceding the date of the Framework Agreement, and at an exchange rate of S\$1.33 : US\$1.00.

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As the relative figures as computed on the bases set out in Rules 1006(a) and 1006(b) of the Listing Manual exceed 20%, the Disposal is considered a major transaction under Chapter 10 of the Listing Manual.

6.3. Waiver by the SGX-ST

As the relative figures under Rules 1006(a) and 1006(b) of the Listing Manual for the transaction exceed 20%, the Company is required to obtain shareholders' approval for the Disposal under Rule 1014 of the Listing Manual. In this regard, the Company had applied to the SGX-ST for a waiver from having to comply strictly with Rule 1014, and to seek the SGX-ST's concurrence that the Company can proceed to obtain shareholders' approval to ratify the Disposal after Completion.

In a letter dated 18 February 2015, the SGX-ST informed the Company that it had no objection to the Company's application for a waiver in respect of Rule 1014(2) (the "**Waiver**"), subject to:

- (a) submission of a written undertaking from the Company that it will seek shareholders' ratification of the Disposal. The shareholders' meeting should be held within 3 months after the date of granting of waiver by the SGX-ST;
- (b) Morton Bay (Holdings) Pte Ltd, the majority shareholder of the Company with an approximate 80.8% shareholding interest as at the date of this announcement, providing a written undertaking to the Company to vote in favour of approving the Disposal resolutions at the shareholders' meeting to be convened;
- (c) Morton Bay (Holdings) Pte Ltd providing to the SGX-ST a copy of its written undertaking to the Company that it will not dispose of its equity stake in the Company before and up to the date of the shareholders' meeting;
- (d) submission of a written confirmation from the Company that its directors have unanimously approved the Disposal and announcement of this unanimous approval by the Board;
- (e) the Company announcing the reasons for seeking the waiver and the conditions as required under Listing Rule 107; and
- (f) submission of a written confirmation from the Company that the waiver does not contravene any laws and regulations governing the Company and the articles of association of the Company.

The SGX-ST's decision is not to be taken as an indication of the merits of the Disposal and/or the Company and its subsidiaries.

As at the Latest Practicable Date, save for the holding of the EGM for shareholders' ratification of the Disposal (as provided for under sub-paragraph (a) above), all of the conditions to the Waiver have been met. In this regard, the Company had applied for, and the SGX-ST had granted, (i) a one-month extension to the original deadline to hold the EGM (as granted by the SGX-ST in its letter dated 12 May 2015), and (ii) a further 6-week extension to the aforementioned extended deadline (as granted by the SGX-ST in its letter dated 6 July 2015). As such, the deadline for the holding of the EGM has been extended to 30 July 2015.

The Company's reasons for seeking the Waiver were as follows:

- (a) the consensual Disposal was expected to pose benefits for the Company and its prospects, which the Company would be unable to enjoy in the event of non-consensual disposal of the Pledged Assets. Further details on the benefits of, and rationale for, the Disposal are set out in Section 3 of this Circular;

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- (b) Morton Bay (Holdings) Pte Ltd, the Company's majority shareholder holding an interest of approximately 80.8% in the issued shares of the Company, was fully supportive of the Disposal under the consensual separation plan and had agreed that it would, if an extraordinary general meeting was required, vote in favour of the Disposal.

Based on the above, the Company had obtained a commitment from its major shareholder interested in more than 50% of its share capital to vote in favour of the Disposal. As such, the resolution to approve the Disposal would be approved by the Company's shareholders and convening an extraordinary general meeting in relation to the Disposal will likely be an academic exercise. Notwithstanding the foregoing, the Company intended to hold an extraordinary general meeting to ratify the Disposal, which would afford minority shareholders the opportunity to raise questions and express their views at the extraordinary general meeting.

- (c) The preparation of the shareholders' circular and the convening of an extraordinary general meeting to approve the Disposal would take time. A prolonged delay in the completion of the Disposal may be commercially impracticable to the Trustee and the Bondholders; specifically, the Trustee and the Bondholders had previously indicated that they may no longer pursue the Disposal under the consensual separation plan if the requirement for the Company to obtain shareholder approval for the Disposal was not fulfilled (or otherwise waived) by 15 March 2015. As such, if the Company was required to obtain shareholders' approval for the Disposal prior to the completion of the Disposal, this may result in (i) the Trustee and/or the Bondholders taking enforcement actions (such as to enforce the disposal of the Pledged Assets), which may in turn cause the Group to incur litigation costs to defend its interests, and (ii) the Company having to continue absorbing the burn rate in respect of the Group's business operations (other than administrative and compliance costs) and/or the costs of winding down its subsidiaries. Conversely, the completion of the Disposal in an expedient manner would minimise the risk of enforcement actions taking place. Having considered the time-sensitive nature of the Disposal, the Company was of the view that it was to the benefit of its shareholders for the Company to be able to expeditiously negotiate, execute and complete the Disposal.

7. FINANCIAL EFFECTS OF THE DISPOSAL

The proforma financial effects of the Disposal on the Group are set out below. The proforma financial effects are theoretical in nature and for illustration only. They do not represent the actual financial position and/or results of the Group's operations after the completion of the Disposal and are not indicative of the future financial position and earnings of the Group.

7.1. Effect of the Disposal on NTA

Assuming that the Disposal was completed on 31 March 2014, and based on the Group's audited consolidated financial statements as at 31 March 2014, the effect on the NTA per share of the Group as at 31 March 2014, would be as follows:

(US\$'000)	Before Disposal	After Disposal
NTA	294,771	3,269
Number of shares	4,226,796,724	4,226,796,724
NTA per share (cents)	6.97	0.08

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Based on the table above, there will be a significant change of 98.9% in the NTA after the Disposal as it involves disposing substantial business assets. The breakdown of such business assets impacting the NTA is as follows:

(US\$'000)	Before Disposal	After Disposal
<u>Non-current assets</u>		
Plant and equipment	412,739	–
<u>Current assets</u>		
Trade and other receivables	59,047	4,779
Total assets	471,786	4,779
<u>Non-current liabilities</u>		
Borrowings	(157,913)	–
<u>Current liabilities</u>		
Trade and other payables	(20,152)	(180)
Provision for taxation	(2,680)	(1,330)
Total liabilities	(180,745)	(1,510)
Net assets	291,041	3,269
Add minority interest	3,730	–
	294,771	3,269

7.2. Effect of the Disposal on EPS

Assuming that the Disposal was completed on 1 April 2013, and based on the Group's audited consolidated financial statements for the financial year ended 31 March 2014, the effect on the EPS of the Group for the financial year ended 31 March 2014 would be as follows:

(US\$'000)	Before Disposal	After Disposal
Net profit/(loss) attributable to shareholders after tax	(33,523)	(3,413) ⁽¹⁾⁽²⁾
Number of shares	4,219,898,007	4,219,898,007
EPS (cents)	(0.79)	(0.08) ⁽¹⁾⁽²⁾

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Based on the table above, there would be a significant change of 89.9%⁽¹⁾⁽²⁾ in the EPS after the Disposal as it involves the disposal of loss-making subsidiaries. The breakdown of items impacting the EPS is as follows:

(US\$'000)	Before Disposal	After Disposal
Gross profit	16,366	–
Other income	481	131
Administration expenses	(13,337)	(2,211)
Other operation expenses	(509)	–
Other expenses	(12,989)	(3)
Finance expenses	(21,466)	–
	(31,454)	(2,083)
Taxation	(2,633)	(1,330)
Loss for the period	(34,087)	(3,413)
Attributable:		
- Company	(33,523)	(3,413)
- Non-controlling interest	(564)	–
	(34,087)	(3,413)

Notes:

- (1) The previous disclosures in respect of these items, as set out in paragraph 7 of the Company's announcement dated 22 January 2015 (the "**January 2015 Announcement**"), have been amended to strictly illustrate the effect on these items assuming the Disposal Group was no longer part of the Group as at 1 April 2013, and not to take into account the loss arising from the Disposal. In light of the foregoing, the information on the effect of the Disposal on the Group's EPS as set out in Section 7.2 of this Circular shall supersede and replace the previous disclosures in paragraph 7 of the January 2015 Announcement.
- (2) For the avoidance of doubt, these items strictly illustrate the effect on these items assuming the Disposal Group was no longer part of the Group as at 1 April 2013, and do not take into account the loss arising from the Disposal. The loss arising from the Disposal was approximately US\$14.43 million, based on the unaudited consolidated financial statements of the Group for the half year ended 30 September 2014 (as set out in Section 7.3 of this Circular).

7.3. Other financial information

Based on the unaudited consolidated financial statements of the Group for the half year ended 30 September 2014 the net book value and net tangible asset value of the Disposal Group were as follows:

- (a) US\$14.88 million (before deduction of non-controlling interests, and without taking into account receivables owing from, or payables owed to, other entities within the Group); and
- (b) a negative book value and net tangible asset value of US\$664.60 million (before deduction of non-controlling interests, and taking into account receivables owing from, or payables owed to, other entities within the Group).

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Based on the unaudited consolidated financial statements of the Group for the half year ended 30 September 2014, the book values of the Jasper Cosmopolitan vessel and the Jasper Explorer vessel were US\$2,250,000 and US\$172,599,810 respectively.

Pursuant to the Valuation Reports, the Jasper Cosmopolitan and Jasper Explorer vessels were valued at US\$160,000,000 and US\$120,000,000 respectively. The Valuation Reports were commissioned for internal management purposes. The valuations were arrived at on the basis of fair market value, taking into consideration, *inter alia*, recent sale and purchase information of relevant offshore units or offshore drilling units (as the case may be) and other relevant market information including pertinent dayrates of which the independent valuer was aware.

The book value of the Jasper Explorer vessel (a drilling rig) as at 30 September 2014 was derived from the US\$120,000,000 valuation reflected in the Jasper Explorer Valuation Report, such valuation being adjusted upwards to US\$172,599,810 after taking into account, *inter alia*, (i) management's assessment regarding the prospective sale price of the vessel (taking into account the then prevailing market conditions for the sale or charter of drilling rigs and the possibility of obtaining charter contracts), and (ii) the outstanding balance due under the Bonds should the bondholders choose to exercise their rights under the terms of the Bonds. Notably in respect of limb (i), during the process of preparing the unaudited consolidated financial statements of the Group for the half year ended 30 September 2014, management had been pursuing and/or negotiating with multiple prospective counterparties for the sale or charter (as the case may be) of the Jasper Explorer vessel. As such, management had taken these multiple sale and charter prospects into consideration in deciding to adjust the book value of the Jasper Explorer vessel to US\$172,599,810.

On the other hand, the book value of the Jasper Cosmopolitan vessel (an accommodation vessel) as at 30 September 2014 was derived from the estimated net sale proceeds receivable by the Group from a sale agreement signed with an interested buyer.²

The net loss attributable to the Disposal Group for the half year ended 30 September 2014 was US\$280 million.

Based on the Disposal Group's net book value and net tangible asset value of US\$14.88 million (before deduction of non-controlling interests, and without taking into account receivables owing from, or payables owed to, other entities within the Group):

- (a) the deficit of the proceeds over the book value of the Disposal Group is US\$14.43 million; and
- (b) the approximate loss on disposal to the Group would also be US\$14.43 million.

Notwithstanding the foregoing, the Board is of the view that the Disposal is in its interests, in light of the considerations set out in Section 3 of this Circular. The following considerations (as set out in Sections 3.4 and 3.5 of this Circular) were of particular pertinence:

- (a) **Avoidance of additional costs associated with enforcement action:** As stated in the Company's announcement dated 19 November 2014, the Trustee already exercised the Explorer Subsidiary Voting Rights under the Explorer Subsidiary Share Charges. The Board believes that the Disposal is beneficial as in the absence of the consensual Disposal, it was likely that the Trustee would have proceeded with its enforcement action under the Explorer Subsidiary Share Charges and completed the transfer/disposal of JEPL and JDPL as the Obligors were unable to satisfy the payment demanded by the Trustee pursuant to the Acceleration Letter. This would have resulted in additional costs, such as professional

² As announced on 19 November 2014, this sale agreement with the interested buyer (Alyar Offshore Pte Ltd) subsequently lapsed in accordance with the terms therein.

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and/or litigation costs in connection with enforcement action against the Obligors, which would outweigh the Company's financial losses upon Disposal. The Trustee proposed the Disposal under a consensual separation plan as an alternative to enforcement action, which would allow the Group to avoid incurring additional costs unnecessarily.

- (b) **The Additional Disposal Subsidiaries did not add much value to the Company:** Under the Disposal, the Company disposed of other subsidiaries in addition to the Pledged Assets (i.e. the Additional Disposal Subsidiaries). These additional subsidiaries comprised JIL Limited, Amethyst Capital Ltd, Turquoise Offshore Pte Ltd, Jasper Offshore (Cyprus) Ltd, Neptune Marine & Drilling Pte Ltd, Jasper Cosmopolitan Pte Ltd, Jasper Management Services Pte Ltd and Jasper (Congo) Pte Ltd. Most of these Additional Disposal Subsidiaries were established for corporate efficiency (such as intercompany funds flow and contract structuring), did not earn income, and hold either no assets or a nominal amount of cash.

Jasper Cosmopolitan Pte Ltd was the only subsidiary out of the Additional Disposal Subsidiaries that held a vessel asset of the Group (i.e. the Jasper Cosmopolitan vessel, which had a net book value of US\$2,250,000 as at 30 September 2014).³ As announced on 1 September 2014, Jasper Cosmopolitan Pte Ltd had breached its obligation under the original conversion contract with, *inter alia*, Yiulian Shipyard to pay amounts due to Yiulian Shipyard and to take delivery of the Jasper Cosmopolitan vessel by 31 August 2014. Pursuant to this breach, Yiulian Shipyard exercised its right under the conversion contract to seek to sell the vessel itself. Further to subsequent negotiations on a profit share arrangement, Jasper Cosmopolitan Pte Ltd and, *inter alia*, Yiulian Shipyard entered into an addendum to the original conversion contract (as announced on 5 September 2014), under which the parties agreed to collaborate to market the vessel and share the sale proceeds, without prejudice to Yiulian Shipyard's right to dispose of the vessel under the original conversion contract. However, as at the date of the Framework Agreement, no sale or charter contract had been successfully entered into in respect of the Jasper Cosmopolitan vessel and the risk remained that Yiulian Shipyard may exercise its right under its contract to transfer title in the Jasper Cosmopolitan vessel to itself, as Yiulian Shipyard had not indicated its intentions in this regard as at Completion. If Yiulian Shipyard elected this course, Jasper Cosmopolitan Pte Ltd would not receive any proceeds from the vessel.

As illustrated above, it can be seen that the Additional Disposal Subsidiaries did not add much value to the Company, and in fact added to its financial burden as operating costs continued to be incurred (as mentioned in section 3.1 of this Circular).

In light of the foregoing considerations, the Board and the Management are of the view that notwithstanding that the Disposal would result in the Company disposing of additional assets over and above what the Trustee was entitled to under the terms of the Bonds, the disposal of these Additional Disposal Subsidiaries was in the best interests of the Company.

8. DETAILS OF THE CONSIDERATION

8.1. Intended use of the Consideration

The Board intends to use the Consideration, particularly the Consideration BVI Bonds, to strengthen the Company's financial position, whether by retaining the Consideration BVI Bonds as an asset to supplement its balance sheet, or by selling the Bonds to raise funds for working capital or to meet other obligations and/or liabilities (such as those which may arise in connection with the Company's business going forward of providing management services to third parties⁴) as the Board considers fit.

3 The other vessel asset of the Group is the Jasper Explorer vessel, which is owned by JEPL and mortgaged to the Trustee.

4 Please refer to Section 10 of this Circular for further details on the Company's remaining business following Completion.

LETTER TO SHAREHOLDERS

8.2 Rationale for the distribution of the BVI Bonds

The arrangement for 50% of the BVI Bonds (i.e. the Consideration BVI Bonds) to be retained by the Company and for the balance 50% of the BVI Bonds to be received by Green Star is the result of commercial arms' length negotiations with the Bondholders to reach a consensual settlement as opposed to an enforcement action.

In deciding that allowing Green Star to receive 50% of the BVI Bonds would be in the best interests of the Company, the Board had considered the following:

- (a) the total of principal and accrued interest under the Bonds which was demanded by the Trustee under the Acceleration Letter was US\$181,809,375 (the "**Demanded Payment**");⁵
- (b) as at the date of the Framework Agreement and up to Completion, the Obligors did not have sufficient funds to satisfy the Demanded Payment;
- (c) based on the Board's and Management's analysis of the circumstances as at the date of the Framework Agreement and up to Completion, the Group would not be able to obtain funds from other sources to satisfy the Demanded Payment; and
- (d) in the event that the Trustee undertook a complete enforcement of the Explorer Subsidiary Share Charges to satisfy the Demanded Payment, it would not be certain whether the proceeds raised from the Trustee's possession or disposal of JEPL and JDPL under these charges would be sufficient to fully satisfy the Demanded Payment. If such proceeds were indeed insufficient, the Trustee may continue to pursue other actions against the Obligors to increase its recoveries, impacting on the stability of the Group.

In light of the foregoing and the considerations set out in Section 3 of this Circular, the Board is of the view that the concession of 50% of the BVI Bonds to Green Star is a reasonable term of the Disposal.

9. IRREVOCABLE UNDERTAKINGS BY SHAREHOLDERS

In compliance with the SGX-ST's condition for the Waiver, Morton Bay (Holdings) Pte Ltd, which is interested in shares representing approximately 80.8% of the share capital of the Company, has entered into a written irrevocable undertaking in favour of the Company (i) to vote in favour of the Proposed Ratification, and (ii) not to decrease its current shareholdings until after the EGM.

10. REMAINING BUSINESS FOLLOWING COMPLETION OF THE DISPOSAL

The Company previously disclosed in its announcements dated 20 November 2014 and 22 January 2015 that, at the time of these announcements, it was envisaged that immediately subsequent to the completion of the Disposal the Company would no longer have any subsidiaries or operating business, and the Company intended to take appropriate steps to comply with Rule 1018 of the Listing Manual (to the extent necessary).

Subsequent to the aforementioned announcements, the Company has entered into the following arrangements with third-party clients to provide management services in the oil and gas sector (the "**O&G Management Services**"), pursuant to which the Company continues to carry out the business of providing management services in the oil and gas sector to third parties (the "**O&G Management Business**") under its offshore operating segment:

- (a) The JIL Service Agreement:

As at the Latest Practicable Date, Green Star's wholly-owned subsidiary JEPL is the owner of the Jasper Explorer vessel. As mentioned section 2.2.5 of this Circular, as at Completion

⁵ The net asset value and NTA of the Group as at 30 September 2014 was US\$14.88 million and US\$14.88 million respectively.

LETTER TO SHAREHOLDERS

the Company had entered into the JIL Service Agreement, under which the Company agreed to, *inter alia*, the provision of O&G Management Services by its employee, Paul Carsten Pedersen, to JDPL and JEPL.

Under the JIL Service Agreement, the Company has agreed to, *inter alia*, the provision of executive management and directorial services (the “**Services**”) by its employee, Paul Carsten Pedersen, to JDPL and JEPL. The Services are provided in connection with the continued management of JDPL and JEPL with an aim to charter out, or effect a sale of, the Jasper Explorer vessel. Such management activities comprise, *inter alia*, the sourcing of opportunities to contract or sell the Jasper Explorer vessel to third parties, the day-to-day management of onshore and offshore staff and the management of rig maintenance.

In consideration for the provision of the O&G Management Services under the JIL Service Agreement, Green Star shall make (i) monthly payments of US\$37,500 to the Company (save that in respect of any month where the O&G Management Services were not provided for the entire month, the fees shall be paid on a pro-rata basis), and (ii) certain reimbursements in accordance with the terms of the JIL Service Agreement.

Under the JIL Service Agreement, the Company is providing management services to Green Star in respect of the Jasper Explorer vessel, which the Group had already been managing prior to the Disposal. In addition, the management activities under the JIL Service Agreement are consistent with the management activities that were already being carried out by the Group in relation to the Jasper Explorer vessel prior to the Disposal – i.e. the sourcing of opportunities to contract or sell the Jasper Explorer vessel to third parties, the day-to-day management of onshore and offshore staff and the management of rig maintenance, all with an aim to charter out, or effect a sale of, the Jasper Explorer vessel.

(b) The Global Shipping Contract:

Global Shipping, either directly or through its subsidiaries, associates and affiliated companies (collectively, the “**Global Shipping Group**”), is active in the maritime sector with emphasis on the transportation and logistics for oil and gas and specifically LNG with a regional focus on South East Asia.

Pursuant to the Global Shipping Contract, the Company has undertaken to provide certain commercial management services to Global Shipping as a subcontractor in relation to (i) Global Shipping’s management of the Global Shipping Group, and (ii) the seeking of investment opportunities in distressed marine assets.

The Company shall receive a fee of US\$60,000 per month as consideration for its services under the Global Shipping Contract. The appointment of the Company as the commercial manager of Global Shipping shall take effect from 6 July 2015.

(c) The GoLNG Contract:

GoLNG, either directly or through its associated company, PT GoLNG Indonesia, is actively pursuing opportunities in small scale LNG logistics, through the provision of storage facilities, vessels and re-gasification plants.

Pursuant to the GoLNG Contract, the Company has agreed to provide certain commercial management and business development services to GoLNG as a subcontractor in support of GoLNG’s growth initiatives.

The Company shall receive a fee of US\$22,500 per month as consideration for its services under the GoLNG Contract. The appointment of the Company as the commercial manager of GoLNG shall take effect from 6 July 2015.

LETTER TO SHAREHOLDERS

The Company's provision of the O&G Management Services under the Management Contracts is in the ordinary course of business and consistent with the Group's operating business prior to Completion. The O&G Management Business formed a key aspect of the Group's business prior to Completion: the Group had been engaged in, *inter alia*, sourcing for business opportunities and investments in the oil and gas sector, as well as managing the Jasper Explorer and Jasper Cosmopolitan vessels. This O&G Management Business has been in essence retained following Completion pursuant to the Company's provision of O&G Management Services under the Management Contracts.

Notably, the Company continues to earn income from the O&G Management Services described above. It is envisaged that the aggregate annual revenue earned by the Company under all the Management Contracts shall amount to US\$1.44 million, once the Company's appointment as commercial manager of Global Shipping and GoLNG takes effect.

In addition to providing the O&G Management Services under the Management Contracts, the Company intends to continue to source for new business with the intention of maximising shareholder value. In particular, the Company is currently actively sourcing for additional third parties to offer O&G Management Services to, so as to supplement and expand its O&G Management Business and to capitalise on the track experience of the Company. As at the date of this letter, the Company is in preliminary discussions with potential customers who operate in Europe, Singapore, India and China.

11. CONCURRENCE OF THE SGX-ST THAT THE COMPANY IS NOT A CASH COMPANY

The Company had applied to the SGX-ST to seek its concurrence that the Company is not a cash company, based on, *inter alia*, the grounds set out in section 10 of this Circular.

In a letter dated 6 July 2015, the SGX-ST informed the Company that it had no objection to the Company's view that it is not a cash company, subject to the Company announcing reasons why the Company does not regard itself as a cash company for the purpose of Rule 1018.

12. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

None of the Directors or substantial shareholders of the Company has any interest, directly or indirectly, in the Disposal save through their respective shareholding interests (if any) in the Company.

No person is proposed to be appointed as a Director in connection with the Disposal. Accordingly, no service contract is proposed to be entered into between the Company and any such person.

12.1 Directors' Interests

The interests of the Directors in the issued shares of the Company based on the information recorded in the Register of Directors' Shareholding as at the Latest Practicable Date are as follows:

	Direct Interest		Deemed Interest		Total Interest	
	Number of Shares	% ⁽¹⁾	Number of Shares	% ⁽¹⁾	Number of Shares	% ⁽¹⁾
Directors						
John Sunderland	–	–	–	–	–	–
Paul Carsten Pedersen	–	–	–	–	–	–
Phillip Jeffrey Saile	4,624,000	0.11	–	–	4,624,000	0.11
Tan Yeelong	–	–	–	–	–	–
Ng Chee Keong	1,000,000	0.02	–	–	1,000,000	0.02

LETTER TO SHAREHOLDERS

Note:

- (1) The shareholding interest is calculated based on the total issued and paid-up share capital of the Company of 4,228,196,724 Shares as at the Latest Practicable Date.

12.2 Substantial Shareholders' Interests

The interests of the substantial shareholders in the issued shares of the Company based on the information recorded in the Register of Substantial Shareholders' Shareholding as at the Latest Practicable Date are as follows:

	Direct Interest		Deemed Interest		Total Interest	
	Number of Shares	% ⁽¹⁾	Number of Shares	% ⁽¹⁾	Number of Shares	% ⁽¹⁾
Substantial Shareholders						
Morton Bay (Holdings) Pte Ltd	3,415,218,035	80.77	–	–	3,415,218,035	80.77
Ashmore Global Special Situations Fund 2 Limited ⁽²⁾	–	–	3,415,218,035	80.77	3,415,218,035	80.77
Ashmore Global Special Situations Fund 4 Limited Partnership ⁽²⁾	–	–	3,415,218,035	80.77	3,415,218,035	80.77
Asset Holder PCC No. 2 Limited re Ashmore Asian Recovery Fund ⁽²⁾	–	–	3,415,218,035	80.77	3,415,218,035	80.77
Ashmore Investment Management Limited ⁽³⁾	–	–	3,415,218,035	80.77	3,415,218,035	80.77
Hygrove Investments Limited	242,784,478	5.74	–	–	242,784,478	5.74
Keppel Offshore & Marine Limited ⁽⁴⁾	–	–	242,784,478	5.74	242,784,478	5.74
Keppel Corporation Limited ⁽⁵⁾	–	–	242,784,478	5.74	242,784,478	5.74
Temasek Holdings (Private) Limited ⁽⁶⁾	–	–	242,784,478	5.74	242,784,478	5.74

Notes:

- (1) The shareholding interest is calculated based on the total issued and paid-up share capital of the Company of 4,228,196,724 Shares as at the Latest Practicable Date.
- (2) Ashmore Global Special Situations Fund 2 Limited, Ashmore Global Special Situations Fund 4 Limited Partnership and Asset Holder PCC No. 2 Limited re Ashmore Asian Recovery Fund (together known as the “**Funds**”) are deemed to be interested in the Shares held by Morton Bay by virtue of them being controlling shareholders of Morton Bay.
- (3) Ashmore Investment Management Limited is deemed to be interested in the Shares held by Morton Bay by virtue of the investment and management powers vested in it as investment manager for the Funds.
- (4) Keppel Offshore & Marine Limited is deemed to be interested in the Shares owned by Hygrove Investments Limited (“**Hygrove**”) by virtue of it owning all the issued shares in Hygrove.
- (5) Keppel Corporation Limited is deemed to be interested in the Shares owned by Hygrove by virtue of it owning all the issued shares of Hygrove through its wholly owned subsidiary Keppel Offshore & Marine Limited.
- (6) Temasek Holdings (Private) Limited (“**Temasek**”) is deemed to be interested in the Shares owned by Hygrove by virtue of Keppel Corporation Limited being an associated company of Temasek.

LETTER TO SHAREHOLDERS

13. DIRECTORS' RECOMMENDATIONS

Having fully considered, *inter alia*, the terms, rationale and benefit of the Disposal, the Board is of the view that the Disposal is in the interests of the Company. Accordingly, the Board recommends that Shareholders **vote in favour** of the Proposed Ratification at the EGM.

14. EXTRAORDINARY GENERAL MEETING

An EGM will be held at 10 Collyer Quay, #27-00 Ocean Financial Centre, Singapore 049315 on 24 July 2015 at 10.00 a.m. (or soon thereafter following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 9.30 a.m. on the same day and at the same place) for the purpose of considering and, if thought fit, passing, with or without any modifications, the Proposed Ratification set out in the notice of EGM on pages 31 to 32 of this Circular.

15. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM may complete and sign the Proxy Form which is attached to this Circular in accordance with the instructions printed thereon and return it to the Company's registered office at 3 HarbourFront Place, #05-01 HarbourFront Tower Two, Singapore 099254 as soon as possible and in any event so as to arrive at the Share Registrar's office not less than 48 hours before the time fixed for the holding of the EGM, i.e., not later than 10.00 a.m. on 22 July 2015. The completion and return of the Proxy Form by a Shareholder will not preclude him from attending the EGM and voting in person in place of his proxy should he subsequently wish to do so.

As stipulated under Section 130D of the Act, a Depositor shall not be regarded as a Shareholder entitled to attend the EGM and to speak and vote thereat unless he is shown to have Shares entered against his name in the Depository Register 48 hours before the EGM.

16. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Disposal, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading.

Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, such as the information relating to BWAM set out in section 4 of this Circular, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

LETTER TO SHAREHOLDERS

17. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours at the registered office of the Company at 3 HarbourFront Place, #05-01 HarbourFront Tower Two, Singapore 099254 from the date of this Circular up to the date of the EGM:

- (a) the Framework Agreement;
- (b) the Intercompany Novation Agreement;
- (c) the JDPL Service Agreement and the JIL Service Agreement;
- (d) the Memorandum and Articles of Association of the Company;
- (e) the Annual Report of the Company for FY2015; and
- (f) the Valuation Reports.

Yours faithfully,
For and on behalf of
JASPER INVESTMENTS LIMITED

Paul Carsten Pedersen
Executive Director and Chief Executive Officer

APPENDIX

Key Financial Information of Jasper Explorer Pte. Ltd., Jasper Drilling Pte. Ltd., Jasper Cosmopolitan Pte Ltd and Jasper Management Services Pte Ltd

The audited key financial information of each of Jasper Explorer Pte. Ltd., Jasper Drilling Pte. Ltd., Jasper Cosmopolitan Pte Ltd and Jasper Management Services Pte Ltd for FY2014 is as follows:

Jasper Explorer Pte. Ltd.	(US\$'000)
Net profit/(loss)	28,734
Net asset value	(61,848)
Working capital	(265,942)
Jasper Drilling Pte. Ltd.	(US\$'000)
Net profit/(loss)	(23,621)
Net asset value	(120,951)
Working capital	(121,169)
Jasper Cosmopolitan Pte Ltd	(US\$'000)
Net profit/(loss)	(2,054)
Net asset value	(22,217)
Working capital	(77,144)
Jasper Management Services Pte Ltd	(US\$'000)
Net profit/(loss)	(513)
Net asset value	(513)
Working capital	(513)

NOTICE OF EXTRAORDINARY GENERAL MEETING

JASPER INVESTMENTS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 198700983H)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (the “**EGM**”) of the shareholders of Jasper Investments Limited (the “**Company**”) will be held at 10 Collyer Quay, #27-00 Ocean Financial Centre, Singapore 049315 on 24 July 2015 at 10.00 a.m. (or soon thereafter following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 9.30 a.m. on the same day and at the same place) for the purpose of considering and, if thought fit, passing, with or without any modifications, the following Ordinary Resolution:

ORDINARY RESOLUTION: THE RATIFICATION OF THE DISPOSAL (AS DEFINED IN THE CIRCULAR DATED 9 JULY 2015)

AS AN ORDINARY RESOLUTION

THAT:

- (a) the consensual transfer by the Company of its entire ownership in the Disposal Group upon the terms and conditions of the framework agreement dated 21 January 2015 (the “**Framework Agreement**”) entered into between BW Asset Management Ltd, Nordic Trustee ASA, Jasper Explorer plc, Jasper Explorer Pte. Ltd., Jasper Drilling Pte. Ltd. and Green Star Drilling Limited (the “**Disposal**”) be and is hereby approved, confirmed and ratified;
- (b) the Directors of the Company or any one of them be and is hereby authorised to complete and to do all acts and things (including but not limited to the execution of all such agreements and documents, procurement of third party consents and approving of any amendments whatsoever to the Framework Agreement) as they or he may consider necessary, desirable or expedient in connection with the Disposal or the Framework Agreement, or the transactions contemplated by the Disposal or the Framework Agreement, or to give effect to this ordinary resolution, as they or he may think fit; and
- (c) any acts, matters and things done or performed, and/or documents signed, executed, sealed and/or delivered by a Director in connection with the Disposal, the Framework Agreement and/or this ordinary resolution be and are hereby approved, confirmed and ratified.

For the purposes of this ordinary resolution:

“**Disposal Group**” means, collectively, JIL Limited, Amethyst Capital Ltd, Turquoise Offshore Pte Ltd, Jasper Offshore (Cyprus) Ltd, Neptune Marine & Drilling Pte Ltd, Jasper Explorer plc, Jasper Explorer Pte. Ltd., Jasper Drilling Pte. Ltd., Jasper Cosmopolitan Pte Ltd, Jasper Management Services Pte Ltd and Jasper (Congo) Pte Ltd.

BY ORDER OF THE BOARD

Ng Joo Khin
Busarakham Kohsikaporn
Joint Company Secretaries

9 July 2015

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes:

1. A member entitled to attend and vote at this EGM is entitled to appoint one (1) or two (2) proxies to attend and vote in his/her/its stead. A proxy need not be a member of the Company.
2. The form of proxy in the case of an individual shall be signed by the appointor or his/her/its attorney, and in the case of a corporation, either under its common seal or under the hand of an officer or attorney duly authorised.
3. If the form of proxy is returned without any indication as to how the proxy shall vote, the proxy will vote or abstain as he/she/it thinks fit.
4. If no name is inserted in the space for the name of your proxy on the form of proxy, the Chairman of the EGM will act as your proxy.
5. The form of proxy or other instruments of appointment shall not be treated as valid unless deposited at the Company's registered office at 3 HarbourFront Place, #05-01 HarbourFront Tower Two, Singapore 099254 not less than 48 hours before the time appointed for holding the EGM and at any adjournment thereof.

JASPER INVESTMENTS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 198700983H)

IMPORTANT:

1. For investors who have used their CPF monies to buy Jasper Investments Limited shares, this Circular is forwarded to them at the request of the CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF investors who wish to attend the Extraordinary General Meeting as observers must submit their requests through their CPF Approved Nominees within the time frame specified. If they also wish to vote, they must submit their voting instructions to their CPF Approved Nominees within the time frame specified to enable them to vote on their behalf.

PROXY FORM

*I/We _____ of

being *a Shareholder/Shareholders of Jasper Investments Limited (the “Company”), hereby appoint:

Name	Address	NRIC/ Passport No.	Proportion of shareholdings to be represented by proxy (%)

*and/or (delete as appropriate)

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or failing whom the Chairman of the Extraordinary General Meeting as *my/our proxy/proxies to vote for *me/us on *my/our behalf and, if necessary, to demand a poll at the Extraordinary General Meeting of the Company to be convened on 24 July 2015 at 10.00 a.m. (or soon thereafter following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 9.30 a.m. on the same day and at the same place) at 10 Collyer Quay, #27-00 Ocean Financial Centre, Singapore 049315 and at any adjournment thereof. *I/We direct *my/our proxy/proxies to vote for or against the Ordinary Resolution to be proposed at the Extraordinary General Meeting as indicated hereunder. If no specific direction as to voting is given, the *proxy/proxies will vote or abstain from voting at *his/her/its discretion, as *he/she/it will on any other matter arising at the Extraordinary General Meeting.

Ordinary Resolution	For ⁽¹⁾	Against ⁽¹⁾
To ratify the Disposal		

Note:

- (1) If you wish to exercise all your votes “For” or “Against”, please indicate with a tick (“√”) or a cross (“x”) within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this _____ day of _____ 2015

Total Number of Shares Held	
CDP	
Register of Members	

Signature(s) of Shareholder(s) / Common Seal

* Delete accordingly

IMPORTANT: Please read notes overleaf before completing this proxy form



Notes:-

1. *A member of the Company entitled to attend and vote at the Meeting is entitled to appoint one (1) or two (2) proxies to attend and vote in his/her/its stead.*
2. *Where a member appoints more than one (1) proxy, he/she/it should specify the proportion of his/her/its shareholding (expressed as a percentage of the whole) to be represented by each proxy and if no percentage is specified, the first named proxy shall be treated as representing 100% of the shareholding and the second named proxy shall be deemed to be an alternate to the first named.*
3. *A proxy need not be a member of the Company.*
4. *Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 130A of the Companies Act, Cap. 50 of Singapore), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members of the Company, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and registered in your name in the Register of Members, you should insert the aggregate number of Shares. If no number is inserted, this form of proxy will be deemed to relate to all the Shares held by you.*
5. *The instrument appointing a proxy or proxies must be deposited at the Company's registered office at 3 HarbourFront Place, #05-01 HarbourFront Tower Two, Singapore 099254 not less than 48 hours before the time set for the Extraordinary General Meeting.*
6. *Where an instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.*
7. *A corporation which is a shareholder of the Company may, in accordance with Section 179 of the Companies Act, Cap. 50 of Singapore, authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Extraordinary General Meeting.*
8. *The Company shall be entitled to reject the instrument appointing a proxy or proxies, if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument appointing a proxy or proxies. In addition, in the case of shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies if a shareholder of the Company, being the appointor, is not shown to have shares entered against his/her/its name in the Depository Register as at 48 hours before the time appointed for holding the Extraordinary General Meeting, as certified by The Central Depository (Pte) Limited to the Company.*

AFFIX
STAMP

The Share Registrar
Boardroom Corporate & Advisory Services Pte Ltd
50 Raffles Place #32-01
Singapore Land Tower
Singapore 048623