N.B. The English text is an in-house translation of the original Swedish text. Should there be any disparities between the Swedish and English text, the Swedish text shall prevail.

Shareholders proposal to the annual general meeting to resolve on an issue of warrants with deviation from the shareholder's preferential rights (item 14)

Shareholders representing more than 10 per cent of the shares in the Company proposes that the annual general meeting resolve that Shelton Petroleum AB, 556468-1491, ("the Company") shall issue warrants.

#### A. Issue of warrants

## 1. Number of issued warrants

The Company shall issue a maximum of 320,000 warrants of series 2015/2018.

### 2. Right to subscribe

The right to subscribe for the warrants shall, with deviation from the shareholder's preferential rights, belong to belong to the following two categories: managing director and management in Shelton Petroleum AB and its subsidiaries ("the Company" or the Group").

# 3. Over-subscription

Over-subscription is not allowed.

#### 4. Subscription price

The warrants shall be issued at a price corresponding to an assessed market value for the warrants using the Black & Scholes model as of 30 June 2015 based on subscription price for the shares, when exercising the warrants, of 150 per cent of the volume-weighted average of the price for the Company's share on Nasdaq Stockholm during the period from and including 16 June 2015 up to and including 30 June 2015. The subscription price may not be determined to an amount less than the quota value of the shares. The market value of the warrants shall be calculated by an independent valuation institution.

# 5. Subscription period

The warrant shall be subscribed to on a separate subscription list during the period from and including 1 July 2015 up to and including 15 July 2015. The board shall have the right to extend the subscription period.

Allocation shall be in made in full lots and corresponding to the number of warrants that each person entitled to acquire warrants has applied to acquire. Allocation can be made in the following categories:

| Category          | Number   | Number of warrants per executive |
|-------------------|----------|----------------------------------|
| Managing director | 1        | 144,000                          |
| Management        | <u>2</u> | <u>88,000</u>                    |

The allocation is not guaranteed and is conditional upon that it is possible to legally acquire the warrants and that this according to the assessment of the board directors can be done with reasonable administrative and financial costs. The allocation of warrants is further subject to that employee, at the time of allocation, not having given or been given notice of termination from his/her employment in the group. The board of directors of the Company shall resolve on and implement the allocation in accordance with the above.

### 6. Payment

Payment for the warrants shall be made no later than 15 July 2015. The board shall have the right to extend the payment period.

#### 7. The warrants

- Each warrant give the holder the right to subscribe to one (1) new share of series B in the Company during the period from and including 16 July 2018 up to and including 31 September 2018.
- b) When exercising the warrants the subscription price for the shares shall be 150 per cent of the average volume-weighted price during the period 16 June 2015 to 30 June 2015. The subscription price may not be less than the guota value of the shares.
- c) Shares issued as a result of subscription will carry rights to dividends as of the first record date for dividends after the subscription is executed.
- d) The complete terms and conditions for the warrants are set forth in Sub-Appendix A. As set forth therein, the subscription price, as well as the number of shares which a warrant entitles subscription for, can be recalculated in the event of a bonus issue, new issue and in certain other cases.

# 8. Increase of the share capital

The increase of the share capital will, upon exercise of the warrants, amount to not more than SEK 1,600,000 (calculated on a quota value of SEK 5), subject to such increase that may occur due to recalculation of the subscription price and the number of shares which each warrant entitles subscription for in the event of issues etcetera.

#### 9. Reasons for deviating from the shareholders' preferential rights etc

The reasons for deviating from the shareholder's preferential rights and information on the preparation of the proposal and certain other information are set forth in Sub-Appendix B.

# **B.** Authorizations

The general meeting authorizes the board of directors in the Company to implement the issue resolution in accordance with section A above.

The board of directors is authorized to make such minor adjustments in the general meeting's resolutions as may be required in connection with the registration with the

| Swedish Companies Registration Office and the affiliation of the warrants with Euroclear Sweden AB.   |
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| The general meeting's resolution under this item is valid only if supported by shareholders holding no less than nine tenths (9/10) of both the votes cast and the shares represented at the general meeting. The general meeting of the Subsidiary shall also approve the resolution on transfer of warrants in accordance with § B above. |
|   |
| Stockholm 30 April 2015   |