

Stavanger, 24th May 2016

NOTICE OF THE ANNUAL GENERAL MEETING

on 14th June 2016 at 10:00 CET

Badger Explorer ASA, Prof. Olav Hanssensvei 15, 4021 Stavanger, Norway

The Board of Directors (“Board”) proposes the following agenda for the AGM:

- 1. Opening of the AGM by the Chairman of the Board, Marcus Hansson (no voting)**
- 2. Registration of attending shareholders and received proxies (no voting)**
- 3. Election of the chairman for the AGM and election of one person to co-sign the minutes together with the chairman of the AGM**

The AGM shall elect an independent chairman to chair the AGM. The chairman of the AGM will then propose a person to be elected to co-sign the minutes of the AGM.

- 4. Approval of the notice and the agenda**
- 5. Approval of the annual accounts and annual report for Badger Explorer ASA for the fiscal year 2015**

The Board proposes that the AGM approves and resolves the annual accounts and the annual report for Badger Explorer ASA for the fiscal year 2015.

The annual accounts and the annual report for the fiscal year 2015 with all enclosures are attached to this notice.

6. The Board’s remuneration policy - guidelines for 2016

In accordance with the Public Limited Liability Companies Act §6-16a, the Board has prepared a statement regarding the determination of salaries and other remuneration for the Company’s management for the fiscal year 2016.

The Board proposes that the attached statement is approved and resolved by the AGM.

7. Remuneration for 2015 - the Board of Directors

According to chapter 7 of the Norwegian Code of Practice for Corporate Governance and chapters 8 and 12 of the Company’s Corporate Governance Policy it is the Nomination Committee’s duty to propose the fees to be paid to the Company’s Board of Directors.

It is proposed that the General Meeting approves the Board’s remuneration for the financial year 2015 amounting to NOK 500,000 divided among the Board members as follows:

Name	Ordinary Remuneration	Audit Committee	Total Remuneration
Marcus Hansson	NOK 200,000	Included	NOK 200,000
Birte Noer Borrevik	NOK 100,000		NOK 100,000
Bjørge Gretland	NOK 45,000		NOK 45,000
Belinda T.Ingebrigtsen	NOK 55,000		NOK 55,000
David Ottesen	NOK 100,000		NOK 100,000
Total	NOK 500,000	NOK 0	NOK 500,000

8. Determination of remuneration to the Nomination Committee

The Nomination Committee proposes that the AGM approves the remuneration of the members of the Nomination Committee amounting to NOK 32,000 divided among the members of the Nomination Committee as follows:

Name	Position	Total Remuneration
Rolf E. Ahlqvist	Chairman of the Committee	NOK 20,000
Richard Urbanski	Member	NOK 4,000
Knut Åm	Member	NOK 8,000
Total		NOK 32,000

9. Determination of compensation to the auditor

The Company's CEO will present the account of the fees proposed by the Company's auditor Ernst & Young for the work carried out during the fiscal year 2015, in total NOK 308,229 divided into NOK 165,000 for standard audit work, NOK 42,691 for assurance services and NOK 100,538 for other assistance.

The Board proposes that the fees are approved by the AGM.

10. Election of Auditor

The Board proposes that Ernst & Young is re-elected as the Company's auditor.

11. Election of members of the Board of Directors

Currently the Board of Directors consists of the following members:

- Marcus Hansson (Chairman), elected until the AGM in 2016
- Birte Noer Borrevik, elected until the AGM in 2016

- Belinda T. Ingebrigtsen, elected until the AGM in 2017
- David Ottesen, re-elected until the AGM in 2017.

Badger Explorer ASA's Nomination Committee nominates the following as members of the Board of Directors to be elected by the AGM:

- Marcus Hansson (Chairman), re-elected until the AGM in 2018
- Birte Noer Borrevik, re-elected until the AGM in 2018.

The Nomination Committee's recommendations are attached to this notice including information on the above proposed candidates.

If the candidates proposed by the Nomination Committee are elected by the AGM, the Board of Directors of Badger Explorer ASA will have the following members:

- Marcus Hansson (Chairman), elected until the AGM in 2018
- Birte Noer Borrevik, elected until the AGM in 2018
- Belinda T. Ingebrigtsen, elected until the AGM in 2017
- David Ottesen, re-elected until the AGM in 2017.

12. Agreements with close associates

For reaching the Company's goal of commercializing the Badger Explorer the Board proposes to use competence provided by close associates. It is suggested that the General Meeting provides the Board with a proxy to enter into such agreements for the period as of 14th June 2016. The authorisation shall be valid until the next Annual General Meeting to be held in 2017 but in no event longer than until 30th June 2017. The remuneration is limited to NOK 1,500 per hour. The total remuneration for such agreements shall not exceed the amount of NOK 250,000 for the time period set above. Time schedule and detailed specifications of duties shall be approved by the Company's Board of Directors. The chosen close associates have networks and expertise available that can be of interest to be used for assignments that exceed the scope of work for ordinary tasks of Board members.

13. Election of member of the Nomination Committee

According to §6 of the Articles of Association, BXPL's Nomination Committee shall consist of two to three members. The current Nomination Committee consists of:

- Rolf E. Ahlqvist, re-elected until AGM in 2016
- Richard Urbanski, elected until AGM in 2016
- Knut Åm, re-elected until AGM in 2016.

Two of the members Rolf E. Ahlqvist and Knut Åm are up for reelection at this year's AGM and the third member will not accept reelection in the Nomination Committee as is. Therefore, the Nomination Committee proposes to reduce the members from three to two members to be elected.

Mr. Rolf E. Ahlqvist (born 1948) is one of the founders of Badger Explorer ASA and he was on the Board of the Company from 2003 until 2011, primarily as chairman. Mr. Ahlqvist is the former CEO of Scana Group.

Mr. Knut Åm (born 1944) is former CEO of ConocoPhillips Norway has been on the Company's Board from 2003 until 2011, one year as chairman.

If the proposed candidates are elected by the General Meeting on 14th June 2016, the Nomination Committee of Badger Explorer ASA will have the following composition:

- Rolf E. Ahlqvist (Chairman), re-elected until AGM in 2018
- Knut Åm (Committee member), re-elected until AGM in 2018.

Shareholders have a right to propose candidates. A shareholder proposes that Mr. Richard Urbanski, Mr. Steinar Bakke and Mr. Frode Vaksvik become the new Nomination Committee.

Mr. Richard Urbanski, (born 1955), has been a major shareholder with Badger Explorer ASA since 2007.

Mr. Steinar Bakke, (born 1949), is a major shareholder and the former CEO of Badger Explorer ASA.

Mr. Frode Vaksvik, (born 1956), is a major shareholder and former investment director of Convexa. Convexa was the largest shareholder of Badger Explorer ASA 2007 - 2015.

14. Board authorisations to increase the share capital

The Board currently holds two authorisations to increase the share capital of the Company:

- By NOK 115,858, by issue of up to 926,864 shares to employees etc. as a part of the Company's share incentive scheme, expiring on the date of the Annual General Meeting of the Company to be held in 2016, provided however, that it shall in no event be valid longer than until 30th June 2016. The authorisation was resolved on 5th May 2015.
- By NOK 231,716, by issue of up to 1,853,728 shares in conjunction with private placements made by the existing shareholders and/or external investors, expiring on the date of the Annual General Meeting of the Company to be held in 2016, provided however, that it shall in no event be valid longer than until 30th June 2016.

The Board proposes that the AGM re-approves the "Board authorisation I - Share incentive scheme" and the "Board authorisation II - Further capitalisation". Both authorisations shall be given for a period lasting no longer than until the next Annual General Meeting to be held in 2016, but in no event longer than until 30th June 2016. The shareholders' pre-emptive rights are proposed exempted. The reason for the pre-emptive rights to be exempted is that the Company wishes to be able to (i) use share issues in conjunction with the implementation of share incentive schemes for its employees etc. and (ii) issue shares towards certain specifically chosen

institutional investors or others if required or desired in conjunction with the Company's expansion, development and/or strategic acquisitions.

Thus the Board proposes that the AGM passes the following resolutions:

Board authorisation I - Share incentive scheme:

- 1) In accordance with the Public Limited Liability Companies Act §10-14 the Board of Directors is provided with authorisation to increase the Company's share capital by up to NOK 115,858, by means of issuance of up to 926,864 shares of nominal value NOK 0.125.
- 2) The authorisation shall be valid until the next Annual General Meeting to be held in 2017 but in no event longer than until 30th June 2017.
- 3) The shareholders' preferential rights to subscribe for shares in accordance with the Public Limited Liability Companies Act §10-4 may be waived.
- 4) The authorisation may be used to issue shares to employees, directors and others connected with the Company as a part of the Company's share incentive scheme.
- 5) The authorisation also includes share issues made against payment by other means than in cash (in kind contribution).
- 6) The authorisation is not valid in the event of a merger in accordance with the Public Limited Liability Companies Act §13-5.
- 7) This authorisation shall together with the other authorisation provided by this General Meeting be the only valid authorisations for the Board of Directors to issue shares in the Company.

Board authorisation II - Further capitalisation:

- 1) In accordance with the Public Limited Liability Companies Act §10-14 the Board of Directors is provided with authorisation to increase the Company's share capital with up to NOK 231,716 by way of issuance of up to 1,853,728 shares of nominal value NOK 0.125.
- 2) The authorisation shall be valid until the next Annual General Meeting to be held in 2017 but in no event longer than until 30th June 2017.
- 3) The shareholders' preferential rights to subscribe for shares in accordance with the Public Limited Liability Companies Act §10-4 may be waived.
- 4) The authorisation may be used to issue shares to existing shareholders and external investors in connection with the Company's expansion, development and/or strategic acquisition.
- 5) The authorisation also includes share issues made against payment by other means than in cash (in kind contribution).
- 6) The authorisation is also valid in the event of a merger in accordance with the Public Limited Liability Companies Act §13-5, and may also be used in the event the Company has agreed payment in shares in connection with an acquisition etc.
- 7) This authorisation shall together with the other authorisation provided by this General Meeting be the only valid authorisations for the Board of Directors to issue shares in the Company.

15. General briefing on the status in the Company and future prospects

Please find enclosed to this notice the following attachments:

- Notice of attendance
- Proxy form
- Nomination Committee's report and recommendations
- Board of Directors' report 2015 and the financial statements and notes for Badger Explorer ASA for the fiscal year 2015 and
- The Board's remuneration policy - guidelines for 2016.

If you wish to attend the AGM, we ask you to return the enclosed notice of attendance. Shareholders that won't take part in the AGM may be represented by proxy, in which case a written proxy form must be duly completed, dated and signed using the attached proxy form. Please submit your notice of attendance/proxy form as soon as possible, but **no later than 16:00 CET on 10th June 2016 to:**

Badger Explorer ASA, attn./Gunnar Dolven, P.O. Box 8046, 4068 Stavanger, Norway

E-mail: gdo@bxpl.com Mob: +47 908 53 168

If you wish to have the notice and its attachments sent to you free of charge, please contact Badger Explorer ASA (e-mail: post@bxpl.com or office: +47 407 66 049).

Badger Explorer ASA is a public limited company subject to the rules of the Public Limited Liability Companies Act. As of the date of this notice the Company has issued 18,537,288 shares and each share carries one vote. The shares have equal rights. As of the date of this notice, the Company does not hold any treasury shares.

A shareholder has the right to add matters to the agenda of the General Meeting. In accordance with the Public Limited Liability Companies Act § 5-14 (1) the AGM can only deal with issues that have been included in the notice. Questions submitted after the closing date will not be addressed.

In line with the Public Limited Liability Companies Act §5-14 (2) the following matters may still be addressed at the meeting:

1. Matters that according to the law or the Company's Articles of Association must be dealt with in the meeting
2. Proposal for investigation (Public Limited Liability Companies Act § 5-25 first paragraph) and
3. The resolution to convene a new General Meeting in order to resolve proposals that were put forward during the current General Meeting.

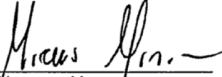
A shareholder has the right to request that Board members and the Chief Executive Officer disclose all available information with regard to matters that may affect the deliberation of

1. The approval of the annual accounts and the annual Report
2. Any matters that have been submitted to the shareholders for decision and

3. The Company's financial position, including activities of any other company in which the Company holds interest in as well as any other matters to be deliberated by the General Meeting, unless the disclosure of the requested information would have a disproportionate negative impact on the Company.

This notice and its appendices are available on the Company's website (www.bxpl.com - Investor Relations - General Meetings).

On behalf of the Board of Directors of Badger Explorer ASA



Marcus Hansson
(Chairman of the Board)



Attachment 1

Notice of Attendance
Annual General Meeting in Badger Explorer ASA
14th June 2016 at 10:00 CET

Shareholders who wish to attend the Annual General Meeting in Badger Explorer ASA on 14th June 2016 at 10:00 CET are asked to fill out and return this notice of attendance to:

Badger Explorer ASA, attn./Gunnar Dolven, P.O. Box 8046, 4068 Stavanger, Norway
E-mail: gdo@bxpl.com Mob: +47 908 53 168

The notice shall be returned latest by 10th June 2016 at 16:00 CET.

The undersigned, owning _____ shares in Badger Explorer ASA wishes to attend the Company's Annual General Meeting on 14th June 2016 at 10:00 CET. The undersigned will also represent the below mentioned shareholder/shareholders pursuant to the enclosed or separately submitted proxy/proxies.

Shareholder's name/names	Number of shares
_____	_____
_____	_____
_____	_____
_____	_____

Shareholder's signature

Name in block capitals

Date and place

Attachment 2

Proxy

Annual General Meeting in Badger Explorer ASA

14th June 2016 at 10:00 CET

If a shareholder of Badger Explorer ASA will not personally take part in the Company's Annual General Meeting on 14th June 2016 at 10:00 CET, the shareholder may attend the AGM by proxy. The shareholder is asked to fill out the proxy form below and return it at the latest on 10th June 2016 at 16:00 CET to

Badger Explorer ASA, attn./Gunnar Dolven, P.O. Box 8046, 4068 Stavanger, Norway

E-mail: gdo@bxpl.com Mob: +47 908 53 168

The undersigned, owning _____ shares in Badger Explorer ASA gives hereby (please check off):

- Marcus Hansson, chairman of the Board of Directors, or the person he authorizes or

-

Name of the representative in block
capitals

authority to represent the undersigned at the Annual General Meeting in Badger Explorer ASA on 14th June 2016 at 10:00 CET.

In case the proxy was sent without naming the representative, the proxy will be considered to be given to Marcus Hansson.

Matter	In favour	Against	Withhold	Representative decides
Election of the chairman of the AGM				
Election of a person to co-sign the minutes of the AGM with the chairman of the AGM				
Approval of the notice and agenda of the AGM				
Approval of the annual accounts and Annual Report for Badger Explorer ASA for the fiscal year 2015				
The Board's remuneration policy - guidelines for 2016				
Determination of remuneration to the Board of Directors				
Determination of remuneration to the Nomination Committee				
Determination of compensation to the auditor				
Election of Auditor				
Election of members of the Board of Directors <ul style="list-style-type: none"> <input type="checkbox"/> Marcus Hansson (Chairman) <input type="checkbox"/> Birte Noer Borrevik 				
Agreements with close associates				
Election of member of the Nomination Committee (please choose maximum three candidates) <ul style="list-style-type: none"> A. The Nomination Committee's proposal: <ul style="list-style-type: none"> <input type="checkbox"/> Rolf E. Ahlqvist <input type="checkbox"/> Knut Åm B. The shareholder's proposal <ul style="list-style-type: none"> <input type="checkbox"/> Frode Vaksvik <input type="checkbox"/> Richard Urbanski <input type="checkbox"/> Steinar Bakke 				

TO THE SHAREHOLDERS OF BADGER EXPLORER ASA



Board authorisations to increase the share capital <input type="checkbox"/> Board authorization I - Share incentive scheme <input type="checkbox"/> Board authorization II - Further capitalisation				
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The voting by the representative shall happen according to the above given instructions. The Company does not take on any responsibility to verify that the proxy holder votes in accordance with the instructions. Note that if accurate instructions are not given in the voting form above, it will be regarded as an instruction to vote “in favour” for the specific proposal. In the event that a proposal will be submitted in addition or as a replacement for proposals in the notice, it is the representative that decides.

Shareholder’s signature

Name in block capitals

Date and Place

To the General Meeting of Badger Explorer ASA

Stavanger, 24th May 2016

The Nomination Committee's Report and Recommendations

Reference is made to the Notice of the Annual General Meeting of Badger Explorer ASA ("BXPL", "Company"). The Annual General Meeting will be held on Tuesday, 14th June 2016 at 10.00 CET.

According to §6 of Badger Explorer ASA's Articles of Association a Nomination Committee with up to three members shall be elected by the General Meeting. As a listed company, BXPL is also subject to the corporate governance requirements set out in the Norwegian Code of Practice for Corporate Governance (last issue 30th October 2014). BXPL comply with the Norwegian Code of Practice for Corporate Governance. Any deviations from it are explained in the Company's Corporate Governance Policy (as approved by the Board of Directors on 24th February 2016).

During the fiscal year 2015-2016, the Nomination Committee held some meetings, internally and with board members and Badger administration. Feedback and views from last year broad contact with the shareholders together with some new contacts and interviews this year with key personnel has been performed.

As required by the Norwegian Code of Practice for Corporate Governance in chapter 10, the Board of Directors has carried out an evaluation of its own performance and expertise, including an evaluation of the composition of the Board and its function, both individually and as a group in relation to the Company's objectives and to the administration and shareholders. The content has been made available to the Nomination Committee, which have also put all the information together. The feedback from the questionnaire was positive with a high average score (5,3 of 6,0) related to all aspects.

The Nomination Committee's conclusion is therefore that the board regarding composition as well as the size is sufficient and have the necessary competences. There are no significant signals or comments from the board members that suggest the need for changes in this AGM. Answers from the top management are constructive and valuable input for future board work.

Matters related to the Board of Directors

Pursuant to §5 of the Articles of Association, BXPL's Board of Directors shall consist of four to eight members. The present Board of Directors in Badger Explorer ASA is composed of the following members:

- Marcus Hansson (Chairman), elected until AGM in 2016
- Belinda Taranger Ingebrigtsen, elected until AGM 2017
- David Ottesen (Board member), elected until AGM in 2017
- Birte Noer Borrevik (Board member), elected until AGM in 2016.

One of the main duties of the Nomination Committee is to propose candidates for election to the Board of Directors, including a justification of the recommendation.

Badger Explorer ASA's Nomination Committee proposes the following candidates for re-election as new Board members by the General Meeting for another two years:

- Birte Noer Borrevik (Board member), re-elected until AGM in 2018
- Marcus Hansson (Chairman), re-elected until AGM in 2018.

The Nomination Committee concludes that the proposed candidates possess relevant experience with strengthened competence and network within the oil and gas industry. Together with members having experience within financing and accounting, technology, business development, and management, the nominated Board of Directors compose a strong team and have in-depth experience from the oil and gas industry. Their experience will be of importance for the further development of the Company.

If the candidates proposed by the Nomination Committee are elected by the General Meeting on 14th June 2016, the Board of Directors of Badger Explorer ASA will have the following composition:

- Marcus Hansson (Chairman), elected until AGM in 2018
- Belinda Taranger Ingebrigtsen (female) (Board member), elected until AGM in 2017
- David Ottesen (Board member), re-elected until AGM in 2017
- Birte Noer Borrevik (Board member), elected until AGM in 2018.

Brief presentation of the candidates:

Marcus Hansson (48):

Mr. Hansson has extensive experience from the financial services sector as a Portfolio Manager and former Stockbroker within Hedge Fund Sales. Currently, Mr. Hansson works as a business developer and London based investor. Previously, Mr. Hansson held a position as Portfolio Manager within the Proprietary Trading Department at Credit Suisse Europe LTD in London investing money for the Arbitrage Strategies group. For more than 10 years Mr. Hansson has also worked as a Stockbroker and Hedge Fund Sales for Carnegie Investment Bank and SEB Enskilda focusing on Long/Short strategies, Special Situations and Risk Arbitrage. Mr. Hansson holds a M.Sc. in Business Administration and Economics from the University of Stockholm.

Mr. Hansson resides in London.

Ms. Birte Noer Borrevik (55):

Birte Borrevik is at present the HSE & Operations manager at Explora Petroleum AS, Stavanger. She held a VP position within projects and technology at NORECO 2006-2011 and she had senior technical and management positions with BP (Amoco) 1993-2006. Ms. Borrevik was employed at

Statoil within drilling operations 1980-1993. Ms. Borrevik holds a BSc degree (1980) from the University of Stavanger.

Ms. Borrevik resides in Stavanger.

Matters related to the Nomination Committee's composition

According to §6 of the Articles of Association, BXPL's Nomination Committee shall consist of two to three members. The current Nomination Committee consists of:

- Rolf E. Ahlqvist, re-elected until AGM in 2016
- Richard Urbanski, elected until AGM in 2016
- Knut Åm, elected until AGM in 2016.

Two of the members Rolf E. Ahlqvist and Knut Åm are up for reelection at this year's AGM and the third member will not accept reelection in the Nomination Committee as is. Therefore, the Nomination Committee proposes to reduce the members from three to two members to be elected.

Mr. Rolf E. Ahlqvist, (born 1948), is one of the founders of Badger Explorer ASA and he was on the Board of the Company from 2003 until 2011, primarily as chairman. Mr. Ahlqvist is the former CEO of Scana Group.

Mr. Knut Åm, (born 1944), is former CEO of ConocoPhillips Norway has been on the Company's Board from 2003 until 2011, one year as chairman.

If the proposed candidates are elected by the General Meeting on 14th June 2016, the Nomination Committee of Badger Explorer ASA will have the following composition:

- Rolf E. Ahlqvist (Chairman), re-elected until AGM in 2018
- Knut Åm (Committee member), re-elected until AGM in 2018.

Matters related to remuneration

Policy on Board member remuneration:

According to chapter 7 of the Norwegian Code of Practice for Corporate Governance and chapters 8 and 12 of the Company's Corporate Governance Policy, it is the Nomination Committee's duty to propose the fees to be paid to the Company's Board of Directors.

It is proposed that the General Meeting approves a policy on Board members' yearly remuneration for the coming year as follows:

Chairman	NOK 200,000 per year
Members	NOK 100,000 per year
Comprehensive Committee Responsibility	NOK 25,000 per year per member

The remuneration to the Chairman of the Board includes work on the audit committee.

The remuneration level is reduced by one third compared with previous year. The Nomination Committee is of the opinion that ordinary remuneration should stay at this level as a maximum for the next year as well.

If a Board member resigns during the term he/she was elected to the Board, the respective Board member's remuneration will be calculated on pro rata basis.

Remuneration for the period AGM 2015 - AGM 2016 - Board and Nomination Committee:

According to chapter 7 of the Norwegian Code of Practice for Corporate Governance and chapters 8 and 12 of the Company's Corporate Governance Policy it is the Nomination Committee's duty to propose the fees to be paid to the Company's Board of Directors.

It is proposed that the General Meeting approves the Board's remuneration for the period AGM 2015 - AGM 2016 amounting to NOK 500,000, divided among the Board members as follows:

Name	Ordinary Remuneration	Audit Committee	Total Remuneration
Marcus Hansson	NOK 200,000	Included	NOK 200,000
Birte Noer Borrevik	NOK 100,000		NOK 100,000
Belinda Taranger Ingebrigtsen	NOK 55,000		NOK 55,000
David Ottesen	NOK 100,000		NOK 100,000
Bjørge Gretland	NOK 45,000		NOK 45,000
Total	NOK 500,000		NOK 500,000

It is proposed that the General Meeting approves the Nomination Committee's remuneration for the period AGM 2015 - AGM 2016 amounting to NOK 32,000, divided among the members as follows:

Name	Position	Total Remuneration
Rolf E. Ahlqvist	Chairman of the Committee	NOK 20,000
Richard Urbanski	Member	NOK 4,000
Knut Åm	Member	NOK 8,000
Total		NOK 32,000

The above listed amounts of remuneration for each member of the Board of Directors and the Nomination Committee reflect their responsibilities, expertise, committed time and workload, but are on a medium/medium high level compared with companies of similar size within the oil industry.

With kind regards,

On behalf of the Nomination Committee

Rolf E. Ahlqvist

BADGER EXPLORER ASA - REMUNERATION GUIDELINES

The main principle of the Company's remuneration policy for the BXPL's management is to offer competitive terms in an overall perspective taking into account salary, payments in kind, bonuses, pension plans and other benefits, to retain key staff.

Determination of salaries and additional benefits of the Company's management for the fiscal year 2015 was based on the remuneration guidelines approved by the Annual General Meeting on 5th May 2015. Management salaries and benefits for 2016 will be based on the principles noted below.

The fixed salary for each member of the management shall be competitive and based on the individual's experience, responsibilities as well as the results achieved during the previous year. Salaries as well as other benefits shall be reviewed annually, and adjusted as appropriate.

In addition to their base salary, the Company's management may be granted additional remuneration in the form of a bonus. If a bonus scheme is implemented in 2016, the assessment criteria will be based on both the Company's performance and the individual's performance. The targets to be reached by the CEO are to be determined by the Company's Board of Directors. The CEO will set relevant targets for the other members of the management, based on principles defined by BXPL's Board of Directors.

The Company's management will receive payment in kind such as cell phone expenses and payment of IT and telecommunication expenses.

In February 2014, a new share option program for all BXPL employees was implemented. Each option entitles the option holder to purchase one share at a strike price of NOK 7.51. If, on the exercise day, the market price of the BXPL shares exceeds NOK 50, the exercise price shall be increased by an amount equivalent to 8% of the market price less NOK 50. The options granted will be vested in tranches and can be exercised at the earliest 12 months subsequent to the date of grant and thereafter at up to 2 occasions during each calendar year, between three and 10 days after publications of the Company's Q1 and Q3 quarterly results.

Former CEO Steinar Bakke has been granted 370,000 share options at a strike price of NOK 6.50. 185,000 shares options will vest on the date of the publication of BXPL's Q4 2015 report. A further 185,000 shares options will vest on the date of the publication of BXPL's H1/Q2 2017 report. Upon exercise of the options, the option holder shall pay to the Company a price of NOK 6.50 per option share. If on the exercise day the market price of BXPL's shares is exceeding NOK 50, the exercise price shall be increased by an amount equivalent to 8% of the market price deducting NOK 50. The exercise of fully vested shares options is at the sole discretion of the option holder.

On 15 January 2016, the new CEO Øystein Larsen has been granted 370,000 share options at a strike price of NOK 1.50. 185,000 shares options will vest on the date of the publication of BXPL's Q4 2017 report. A further 185,000 shares options will vest on the date of the publication of BXPL's Q4 2018 report. Upon exercise of the options, the option holder shall pay to the Company a price of NOK 1.50 per option share. If on the exercise day the market price of BXPL's shares is exceeding NOK 25, the exercise price shall be increased by an amount equivalent to 8% of the market price deducting NOK 25. The exercise of fully vested shares options is at the sole discretion of the option holder.

All members of the management are included in the Company's occupational pension scheme drawn up by BXPL for all its employees. The pension scheme is a defined contribution scheme and contributions range from 4% to 7% of the employee's salary - maximized to a percentage of 12G. The retirement age for all employees, including the management, is 67 years.

The Board of Directors of Badger Explorer ASA has prepared this statement in accordance with the Public Limited Liability Companies Act §6-16a and will present it to the Annual General Meeting on 14th June 2016 for approval.