

Explanatory notes to the agenda of the General Meeting of Shareholders (GM) of Sequa Petroleum N.V. (the Company) to be held at the 24th floor, Rembrandt Tower, Amstelplein 1 (1096 HA) in Amsterdam, the Netherlands on Friday 3 June 2016 at 14.00 hours p.m. CET.

1 Explanation to agenda item 2

- 1.1 The management of the Company will explain the audited annual accounts for the financial year 2015, as drawn up by the management board of the Company (the **Management Board**).

2 Explanation to agenda item 3

- 2.1 In accordance with article 2:135 subsection 5a of the Dutch Civil Code, the implementation of the remuneration policy in 2015, as outlined on page 13 of the report for the financial year 2015, will be discussed.

3 Explanation to agenda item 4

- 3.1 The general meeting of the Company (the **General Meeting**) is invited to adopt the annual accounts for the financial year 2015 as drawn up by the Management Board and signed by the Management Board and the supervisory board of the Company (the **Supervisory Board**).

4 Explanation to agenda item 5

- 4.1 It is proposed to discharge the members of the Management Board from liability for the performance of their duties during the financial year 2015. Under Dutch law the release from liability only covers the performance of duties to the extent that such performance is apparent from the annual accounts for the financial year 2015 or has otherwise been disclosed to the General Meeting prior to the adoption of the annual accounts.

5 Explanation to agenda item 6

- 5.1 It is proposed to discharge the members of the Supervisory Board from liability for their supervision of the management during the financial year 2015. Under Dutch law the release from liability only covers the performance of duties to the extent that such performance is apparent from the annual accounts for the financial year 2015 or has otherwise been disclosed to the General Meeting prior to the adoption of the annual accounts.

6 Explanation to agenda item 7

- 6.1 Each of the current members of the Management Board, being Mr J. Broekhuijsen, Mr P.D.M. Haynes, Mr J.M. Luke and Mr J.P. Bosma have been re-appointed as managing director as of 1 January 2016 pursuant to a resolution of the General Meeting dated 7 January 2016 for a period ending the latter of 30 June 2016 or the date of the 2016 annual general meeting.

6.2 Reappointment of Mr Broekhuijsen:

- (a) It is proposed to reappoint Mr Broekhuijsen as managing director of the Company for a period ending the date of the 2017 annual general meeting. Mr Broekhuijsen has indicated that he is available for reappointment.
- (b) In accordance with article 9.3 of the Company's articles of association (the **Articles of Association**) the Supervisory Board has resolved to nominate Mr Broekhuijsen for reappointment in a meeting of the Supervisory Board held on 14 March 2016.
- (c) Mr Broekhuijsen is fifty-three (53) years of age and does not hold any position relevant for the performance of his duties as managing director, other than his current position of managing director and as director of one of the Company's subsidiaries, Sequa Petroleum UK Ltd. It is proposed to nominate Mr Broekhuijsen for reappointment as

managing director as he has significant knowledge and experience in the oil and gas industry. In particular, he has 25 years of international commercial experience in E&P and LNG working for Shell and BG Group.

6.3 Reappointment of Mr Haynes:

- (a) It is proposed to reappoint Mr Haynes as managing director of the Company for a period ending the date of the 2017 annual general meeting. Mr Haynes has indicated that he is available for reappointment.
- (b) In accordance with article 9.3 of the Company's the Articles of Association the Supervisory Board has resolved to nominate Mr Haynes for reappointment in a meeting of the Supervisory Board held on 14 March 2016.
- (c) Mr Haynes is sixty-one (61) years of age and does not hold any position relevant for the performance of his duties as managing director, other than his current position of managing director. It is proposed to nominate Mr Haynes for reappointment as managing director as he has significant knowledge and experience in the oil and gas industry. He has over 35 years of technical upstream oil and gas experience working for BG Group and other international companies.

6.4 Reappointment of Mr Luke:

- (a) It is proposed to reappoint Mr Luke as managing director of the Company for a period ending the date of the 2017 annual general meeting. Mr Luke has indicated that he is available for reappointment.
- (b) In accordance with article 9.3 of the Company's the Articles of Association the Supervisory Board has resolved to nominate Mr Luke for reappointment in a meeting of the Supervisory Board held on 14 March 2016.
- (c) Mr Luke is fifty-seven (57) years of age and does not hold any position relevant for the performance of his duties as Managing Director, other than his current position of Managing Director and as director of two of the Company's subsidiaries: Tellus Petroleum Invest AS and Tellus Petroleum AS. It is proposed to nominate Mr Luke for reappointment as managing director as he has significant knowledge and experience in the oil and gas industry. He has over 30 years of experience in the offshore oil and gas industry, holding key positions in management, operations, engineering and marketing.

6.5 Reappointment of Mr Bosma:

- (a) It is proposed to reappoint Mr Bosma as managing director of the Company for a period ending the date of the 2017 annual general meeting. Mr Bosma has indicated that he is available for reappointment.
- (b) In accordance with article 9.3 of the Company's the Articles of Association the Supervisory Board has resolved to nominate Mr Bosma for reappointment in a meeting of the Supervisory Board held on 14 March 2016.
- (c) Mr Bosma is fifty-two (52) years of age and does not hold any position relevant for the performance of his duties as Managing Director, other than his current position of Managing Director. It is proposed to nominate Mr Bosma for reappointment as managing director as he has significant knowledge and experience in the oil and gas industry with Shell. He has over 25 years of experience in the oil and gas and LNG industry, holding key positions in management, project development, petroleum engineering, gas marketing and new business development.

7 Explanation to agenda item 8

7.1 Two of the three current members of the Supervisory Board, being Mr J.J. van Rijswijk and Mr L. Windhorst were re-appointed as supervisory directors pursuant to a resolution of the General Meeting dated 7 January 2016 for a period until the day on which the annual General Meeting is held in the calendar year 2017. Mr E.F. Eichler, the third member of the Supervisory Board, was appointed as supervisory director as of 31 March 2014. Pursuant to article 15.5 of the Articles of Association, a member of the Supervisory Board will retire not later than the day on which the annual general meeting of the Company is held in the second calendar year after the calendar year in which such member was last appointed.

7.2 Reappointment of Mr E.F. Eichler:

(a) It is proposed to reappoint Mr E.F. Eichler as supervisory director of the Company until the day on which the annual General Meeting is held in the calendar year 2018. Mr E.F. Eichler has indicated that he is available for reappointment.

(b) In accordance with article 15.2 of the Company's the Articles of Association the Supervisory Board has resolved to nominate Mr E.F. Eichler for reappointment in a meeting of the Supervisory Board held on 14 March 2016.

(c) Mr E.F.Eichler is fifty seven (57) years of age. He holds no shares in the capital of the Company. He is an employee of Sapinda Holding B.V., where he holds the position of executive director and Group CEO and is a member of the board of directors. Sapinda Holding B.V. is a shareholder of the Company. Mr E.F. Eichler is currently non-executive chairman of the board of Schmolz+Bickenbach AG and a board member of SMS Holding GmbH, SGL Carbon AG and Heidelberger Druckmaschinen AG. He is not a member of the supervisory board of any other company. It is proposed to nominate Mr E.F. Eichler for re-appointment as supervisory director of the Company as he has significant business and financial experience.

8 Explanation to agenda item 9

8.1 The Dutch Corporate Governance Code provides that the policy of a company on additions to reserves and on dividends (the level and purpose of the addition to reserves, the amount of the dividend and the type of dividend) shall be dealt with and explained as a separate agenda item at the general meeting. As there are insufficient distributable reserves, no dividend shall be payable.

9 Explanation to agenda item 10

9.1 The General Meeting is requested to determine the allocation of the loss for financial year 2015 of USD 57,161 thousand to be added to the retained deficit in the shareholders' equity.

10 Explanation to agenda item 11

10.1 It is proposed to appoint KPMG Accountants N.V. as the Company's auditor in relation to the current financial year ending 31 December 2016.