

MINUTES OF THE ANNUAL GENERAL MEETING

The ordinary Annual General Meeting of Farstad Shipping ASA was held on 12 May 2016 in the company's premises at Skansekaia 4A, Aalesund.

Agenda:

1. The President of the Board opened the General Meeting and advised that 13 were present at the meeting. One shareholder was represented by proxy. In total 48.59% of the share capital were represented at the meeting.

The proxies representing 0.16% of the share capital were approved.

2. **Election of Chairman of the Meeting and two shareholders to co-sign the minutes.**

Sverre A. Farstad was elected as Chairman of the Meeting. Arne Sandnes and Jens Petter Grebstad were elected to co-sign the minutes together with the Chairman of the Meeting. Both decisions were approved unanimously.

3. **Approval of the Notice of Meeting and the Agenda.**

The Notice of the Meeting including the Agenda was sent to the shareholders in a letter dated 18 April 2016. The Notice and the Agenda were also published on the company's website on the same date. The Notice and the Agenda were approved.

4. **Approval of the annual accounts 2015.**

The Director's Report, the annual accounts and the balance 2015 for the parent company and the group were presented by the Chairman of the Meeting. It was given permission to ask questions related to the annual accounts.

The auditor's report was presented.

Regarding application of the parent company's deficit of NOK 856,730,812.00 it was decided to cover the total amount from other equity.

The Board's proposition of no dividend payment for the fiscal year 2015 was approved.

The annual accounts were approved.

All decisions regarding the annual accounts were approved unanimously.

5. Approval of remuneration to the Board of Directors, Compensation Committee and Audit Committee.

Remuneration to each of the Board members of NOK 242,100.00 (reduction of 10% from 2014) and NOK 798,300.00 (reduction of 10% from 2014) to the Chairman of the Board was approved against 2,300 votes.

Remuneration to the Compensation Committee (3 members) of NOK 20,000.00 each (similar to 2014) was approved against 2,300 votes.

Remuneration to the Audit Committee (3 members) of NOK 50,000.00 each (similar to 2014) was approved against 2,300 votes.

6. Approval of remuneration to the Auditor.

The Auditor's fee for auditing Farstad Shipping ASA in accordance with the bill was approved (2,300 votes abstained).

7. Statement regarding the remuneration of the Management.

Pursuant to section 6-16a of the Public Limited Liability Companies Act, the Board of Directors is obliged to present such guidelines. The Chairman of the Meeting referred to the Board's proposal concerning guidelines for the fiscal year 2016.

The general meeting passed the following advisory vote:

"The Annual General Meeting gave its support to the Board's guidelines for the remuneration of the Management for the financial year 2016 (2,300 votes abstained)."

8. Corporate Governance Report

The Chairman of the Meeting informed that the document is made available on the company's website. According to Norwegian Accounting Act section 3-3b, the company is obliged to account for its principles and practice related to Corporate Governance.

The general meeting passed the following resolution (2,300 votes abstained):

"The General Meeting approves the Board of Director's report regarding the principles for Corporate Governance applied by the company."

9. Renewal of authority to the Board of Directors to increase the share capital by issuing up to 3.9 million shares.

The Chairman of the Meeting presented the proposition. The Board of Directors has earlier had this authority and wanted to maintain the opportunity to issue shares as mean of payment.

In accordance with the proposal from the Board of Directors, the General Meeting passed the following resolution (against 645 votes):

"The Board of Directors is given authority to increase the share capital by up to NOK 3.9 million through the issue of up to 3.9 million shares.

The authority also includes an increase in capital for a consideration other than cash, so that the Board may carry out mergers, purchases of businesses, assets etc. The authority also permits the Board to establish the terms for issuing the shares.

The shares shall rank equally with existing shares at the date of issue.

The authority shall apply until the Annual General Meeting in 2017.

The shareholders relinquish their preferential subscription rights of shares in connection with any increases in capital pursuant to this authority."

10. Renewal of authority to the Board of Directors to acquire treasury shares.

The Chairman of the Meeting presented the proposition. The General Meeting passed the following resolution (against 645 votes):

"The Company authorizes the Board to acquire on behalf of the Company up to 10% of the Company's treasury shares.

The highest face value of the shares that can be acquired pursuant to this authority is NOK 3,900,000.00. The lowest and highest amount that can be paid for the shares is NOK 1.00 and NOK 50.00 per share.

If the Company's treasury shares are sold, this authority shall also include the purchase of new shares as compensation of those sold, provided that the total amount of the Company's treasury shares do not exceed 10% of the present share capital.

Within the limitations of the other provisions of The Companies Act, the Board is free to determine how acquisition and disposal of the Company's treasury shares shall take place. This authority shall apply until the Annual General Meeting in 2017."

11. Election of members for the Board of Directors

The Chairman of the Board, Sverre A. Farstad, the Deputy Chairman of the Board, Per Norvald Sperre and the Director Gro Bakstad were re-elected for a period of two years each (Per Norvald Sperre and Gro Bakstad against 2,300 votes).

12. Information about the company by Karl-Johan Bakken, CEO

Karl-Johan Bakken held a company presentation.

There were no further issues at the Agenda, and the meeting was declared closed.

Aalesund, 12 May 2016

Sverre A. Farstad
Chairman

Arne Sandnes

Jens Petter Grebstad