

INSIDER TRADING POLICY

FRAM EXPLORATION ASA

OBLIGATIONS RELATING TO PRIMARY INSIDERS
& OTHERS

APPROVED BY BOARD OF DIRECTORS 11 APRIL 2011

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1 Summary of regulations for insiders

Rules that apply to all employees and officers of Fram Exploration ASA:

- ***Prohibition against insider trading.*** Transactions (including subscription, purchase, sale and exchange) involving Financial Instruments* (see definitions) of Fram Exploration ASA ("Fram" or the "Company") shall not be carried out by employees that are in possession of Insider Information*, i.e. precise pieces of information that are liable to noticeably impact the price of the financial instruments in question (or associated financial instruments and that are not publicly available) or generally known throughout the market. A person, who is included on an insider list, is prohibited from trading in Fram's Financial Instruments for as long as the person is listed as an insider.

- ***Confidentiality regarding Inside Information.*** Anyone receiving Inside Information is required not to disclose the information to unauthorized persons and to exercise caution so that the information is not disclosed to unauthorized persons. See further section 5 below.

- ***Prohibition of advisory activity.*** It is prohibited to give advice on trading in Financial Instruments of Fram if one is in possession of Inside Information. See further section 6 below.

- ***Duty to notify if Inside Information is disclosed to unauthorized persons.*** If inside information is disclosed to any unauthorized person, the Compliance Officer is to be notified immediately. See section 7.2 below.

Additional rules for Primary Insiders* :

- ***Primary Insiders have a duty to actively investigate the availability of Inside Information.*** Primary Insiders have a duty to undertake a proper investigation of whether or not Insider Information is available within the Company before transactions involving financial instruments of Fram are carried out or advice regarding such transactions is given. As part of these investigations, contact with the Compliance Officer of the Company is required. See further section 9 below.

* As defined in section 2 below

Primary Insiders have a duty to give notification before trading of shares or other Financial Instruments of Fram undertaken by the Primary Insider or any Close Associate of the insider. Primary Insiders shall notify the Compliance Officer, before such trading. Further, the Primary Insider shall immediately notify the Oslo Stock Exchange ("OSE") of the trading of shares or other securities of Fram undertaken by the Primary Insider or any Close Associate of the Primary Insider. See further sections 8 and 9 below.*

2 Definitions

“Close Associate” shall mean (i) the spouse or a person with whom the insider cohabits in a relationship akin to marriage, (ii) minor children of the person concerned and also the minor children of a person as mentioned under (i), and (iii) a company over which the person concerned or a person as mentioned under (i) or (ii) has a controlling influence (controls more than 50% of the voting shares).

“Financial Instruments” shall mean negotiable securities (shares and other securities that may be compared to shares, bonds and other negotiable debt instruments and also all other negotiable securities) issued by Fram, options, financial forward contracts and equivalent rights related to such securities issued by Fram.

“Inside Information” shall mean precise pieces of information regarding the relevant Financial Instruments in Fram, or other circumstances that are not publicly available or commonly known in the market and which is likely to have a significant (No: “*merkbar*”) effect on the price of the Financial Instruments in question. A significant effect is likely to appear if a reasonable investor would use the information in his valuation of the Company.

“Primary Insider” shall mean (i) board members deputy board members and observers of the board of Fram (if relevant), (ii) the auditor of the Company and members of the audit committee, (iii) senior employees of Fram, company secretaries, (iv) senior employees and board members of companies in the same company group as Fram that may have regular access to Insider Information.

The Compliance Officer shall evaluate which senior employees are considered to have regular access to Inside Information.

3 The general prohibition against insider trading

Subscription, purchase, sale or exchange of Financial Instruments or the encouragement of such transactions shall not be undertaken by anyone (Primary Insiders or others) in possession of Inside Information. This prohibition does not prevent the *normal* exercise of any option or forward/futures contracts previously entered into *upon expiry of the contracts*. This means that if the options are exercisable during a certain period of time, the exercise of the options shall be exercised on the last day of this period.

A person, who is included on an insider list, is prohibited from trading in Fram's Financial Instruments for as long as the person is listed as an insider.

4 The Primary Insiders' duty to investigate and notify before any trade in Financial Instruments

Before the Primary Insider undertakes or advises on the subscription, purchase, sale or exchange of Financial Instruments of the Company, Fram shall be notified via the Compliance Officer. The same applies to convertible bonds, acquiring of subscription rights, options and equivalent rights connected with shares, and also loans as mentioned in the Public Limited liability Companies Act (the "PLCA") Section 11-1 (convertible loans).

The Compliance Officer shall send the notifications to the CEO for approval. No subscription, purchase, sale or exchange of Financial Instruments of the Company may be made by the Primary Insider before the CEO has approved the transaction in question.

In addition, the Primary Insider is also to undertake a proper investigation of the availability of Inside Information within the Company. The equivalent applies to the entering into or encouraging of purchase, sale or exchange of option and forward contracts or equivalent rights connected to Fram.

5 Duty of confidentiality and due care

5.1 Confidentiality

Pursuant to Section 3-4 of the STA, anyone with Insider Information is obligated not to disclose such information to others. This also applies to other employees of the Company.

This clause does not prevent the disclosure of information to for example other employees, financial advisors, auditors or lawyers of Fram to the degree that this is necessary to carry out company business. Such persons will normally be considered an “authorized person”, but notification is to be given according to section 7.2 below.

Prior to any Inside Information being given to new persons (whether within or outside of the Fram organization), the Compliance Officer or the Project Manager shall be contacted in order to determine whether such information sharing is necessary.

5.2 Due care

Any person that receives knowledge of Inside Information shall exercise proper care and take all reasonable precautions to ensure that the information is not disclosed to unauthorized persons.

6 Prohibition against advisory activity

Pursuant to Section 3-7 of the STA, everyone with Inside Information is obligated not to give advice on trading in the Financial Instruments that the Inside Information is related to.

7 List of Recipients of Inside Information

7.1 The Company’s duty to keep lists of persons who have access to Inside Information

Pursuant to Section 3-5 of the STA, the Company shall at all times keep lists of those persons who have been given access to Inside Information, including employees of the Company. If Inside Information is disclosed to a corporate body, the list shall include its employees, employee representatives, assistants etc. that are given access to the information. OSE and the Securities Commission may request the lists to be submitted.

The Compliance Officer and/or Project Managers shall constantly evaluate whether creating an insider list is necessary. If possible, lists should be started before an Inside Information situation arises. For example during contractual negotiations lists should be started at an early stage in negotiations.

The Company is obligated to continuously update the lists, and to make sure that the lists contain information on the identity of the persons that have access to the Inside Information, the date and time

that such access was granted, the positions of the person, the reason why the person is on the list and the date for the recording and alterations of the list. The list shall be kept in a satisfactory manner for at least 5 years after compilation or update. Those granting access to the Inside Information, shall make sure that the person is acquainted with the duties and responsibilities this entails, including the criminal liability connected to the misuse or unauthorized distribution of Inside Information.

7.2 Duty to notify of disclosure

The Compliance Officer shall be informed immediately if anyone, including employees of the Company, is given Inside Information. This also applies if there is reason to fear that Inside Information has been disclosed to unauthorized persons.

8 The duty of Primary Insiders to notify the Company before transactions undertaken by one self or Close Associates

Primary Insiders shall notify Fram prior to any purchase, sale, exchange or subscription of Financial Instruments issued by Fram or by companies of the Fram-group, undertaken by himself or Close Associates. The same applies to convertible bonds, acquiring of subscription rights, options and equivalent rights connected with shares, and also loans as mentioned in the PLCA Section 11-1 (convertible loans).

The notification shall occur before the entering into of a binding agreement. The Compliance Officer shall send the notifications to the CEO for approval. No subscription, purchase, sale or exchange of Financial Instruments of the Company may be made by the Primary Insider before the CEO has approved the transaction in question. All requests and approvals shall be given in writing electronically or otherwise. Trades should be undertaken immediately after approval has been given. Any approval will be valid for no more than two days.

Attached to these regulations is a form that may be used for this purpose (Attachment 1).

9 Duty to notify OSE

9.1 List of Primary Insiders - the Company's duty to notify OSE

Fram is obligated to submit an overview of its Primary Insiders to the OSE pursuant to Section 4-1 paragraph 4 of the STA. The overview shall state the name, address, national identity number or equivalent identification number, position in the Company and any other work position of the Primary Insider.

9.2 The Primary Insider's duty to notify OSE of personal transactions

Pursuant to section 4-1 of the STA, the Primary Insider is obligated to report any purchase, sale or subscription of shares issued by Fram or companies in the Fram-group. The same applies to convertible bonds, acquiring of subscription rights, options and equivalent rights connected with shares, and also loans as mentioned in the PLCA Section 11-1 (convertible loans).

Notification pursuant to this clause is to be submitted immediately and no later than the opening of trading on the OSE the day after the purchase, sale or subscription took place. The notification shall state the name of the person obligated to notify, the reason for notification, the name of the issuer, a description of the Financial Instrument, the time of the transaction, the number of transferred securities, rate, volume, and balance after the transaction. Attached is a form for notification of notifiable securities transactions (Attachment 2) that may be used for this purpose.

A copy of the notification shall also be sent to the Compliance Officer.

9.3 The Primary Insider's duty to notify OSE of the securities transactions carried out by Close Associates and of their possession of securities

Primary Insiders are obligated to submit to OSE an overview of any Close Associate that is in possession of Financial Instruments in Fram. The notification shall in addition to the name of the Close Associate, state the national identity number, organization number or equivalent identification number of the associate.

Additionally, the Primary Insider is obligated to notify OSE of the transactions regarding such securities undertaken by his or her Close Associates. The notification shall only state that an associate, not which associate, has undertaken a transaction. Attached to these regulations is a form that may be used for this purpose (Attachment 3).

A copy of the notification shall also be sent to the Compliance Officer.

10 Insider trading Compliance Officer

The Company shall appoint an insider trading Compliance Officer.

The duties of the Compliance Officer shall include:

- Ensure that all employees receive a copy of the Company's "Insider Trading Policy – Obligation relation to Primary Insiders and others" when they join the Company. Ensure that new employees are familiar with the insider policy by having them return a signed copy of the policy. The signed copy shall be kept on file for at least five years after the person has left the Company.

- Maintain a file containing all notifications of trade by Primary Insiders to the OSE. Maintain a file of all notifications sent by Primary Insiders to the OSE indicating holdings of Financial Instruments by Close Associates.

- Process all notifications of trade from Primary Insiders. The notifications shall be sent to the CEO for approval.

- Responsibility for updating the list of Primary Insiders and submitting updates to the OSE.

11 Sanctions

Any wilful or negligent breach of the rules prohibiting insider trading may lead to sanctions (fines or imprisonment of up to six years) for the Company or Primary Insiders pursuant to Section 17-3 of the STA. Breaches of other duties may lead to fines or imprisonment of up to one year.

12 Attachment 1

Fram Exploration ASA

For: The Compliance Officer

FRAM EXPLORATION ASA – NOTIFICATION OF TRANSACTION

I hereby inform you of my intentions to subscribe/purchase/sell/exchange (the “Transaction”) [strike what does not fit] the following financial instrument of Fram Exploration ASA/a company in the same group:

Name: _____

National identity no/
organization no: _____

Details on the notifiable transaction:

Name of issuer: _____

Type of financial instrument: _____

Date of transaction: _____

Number: _____

Rate: _____

Balance after transaction: _____

___/___/___

(date)

Signature of person obligated to notify

To be filled out by the Compliance Officer

Clearance of the Transaction is hereby granted

Clearance of the Transaction is NOT granted

Date _____ Signature (Compliance Officer) _____

13 Attachment 2

The following notification is to be sent to OSE at ma@ose.no, and with a copy to the Compliance Officer; John O'Keefe.

NOTIFICATION OF TRANSACTION PURSUANT TO SECTION 4-1 OF THE SECURITIES TRADING ACT

[NAME] has [DATE] purchased/sold/subscribed/exchanged [delete what does not fit] to [NUMBER] shares in Fram Exploration ASA at a price of NOK [PRICE] per share.

Balance after the transaction, including all close associates: [NUMBER OF SHARES]

[DATE]

[NAME]

14 Attachment 3

The following notification is to be sent to OSE at ma@ose.no, and with a copy to the Compliance Officer; John O'Keefe.

NOTIFICATION OF TRANSACTION PURSUANT TO SECTION 4-1 OF THE SECURITIES TRADING ACT

Close associate to [NAME] has [DATE] purchased/sold/subscribed [delete what does not fit] [NUMBER] shares in Fram Exploration ASA at a price of NOK [PRICE] per share.

Balance of [NAME OF THE PRIMARY INSIDER], including all close associates, after the transaction: [NUMBER OF SHARES]

[DATE]

[NAME]