

Songa Bulk ASA – distribution of dividends following closing of the transaction with Star Bulk Carriers Corp.

Reference is made to the stock exchange notice made by Songa Bulk ASA (“**Songa**” or the “**Company**”) on 15 May 2018 regarding the agreement with Star Bulk Carriers Corp. (“**Star**”) to sell all of Songa’s vessels to Star against a consideration of 13,688,000 shares of Star (the “**Consideration Shares**”) and USD 144.55 million in cash (the “**Cash Consideration**”) (the “**Transaction**”). The Transaction was approved by Songa at a shareholders meeting held on 5 June 2018.

Star has its primary listing on the Nasdaq Global Select Market (“**Nasdaq**”) (ticker symbol “**SBLK**”).

On 22 June 2018, Oslo Børs approved the secondary listing of Star on Oslo Børs (with ticker SBLK R) subject to subject to the Star's satisfaction of the listing requirements on Oslo Børs and completion of the Transaction.

The conditions relating to the number of shareholders holding shares through the VPS are expected to be met through the distribution of the Consideration Shares from Songa to its eligible shareholders.

The Transaction is expected to be completed on or about 3 July 2018 and Songa expects to receive the Consideration Shares no later than 4 July 2018. Star’s shares are expected to commence trading on the Oslo Stock Exchange on or about 9 July 2018.

Songa expects to distribute the Consideration Shares through the following steps:

1. A USD 151 million dividend of Consideration Shares or cash, of USD 4.2108 per share;
2. A USD 21 million distribution of Consideration Shares or cash through a share capital reduction, expected to be effective on or about 23 July 2018.
3. At the Board’s discretion, an additional distribution based either on an interim balance sheet to be prepared by Songa or liquidation of Songa, expected to be completed in late Q3 2018.

The Consideration Shares will not be registered under the US Securities Act of 1933, as amended (the “**Securities Act**”) and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements under the Securities Act. The Consideration Shares are considered restricted securities for U.S. law purposes and in general, cross-border trades or any trades of the Consideration Shares on Nasdaq will not be possible for the six-month period starting from the date of the distribution (the “**U.S. Restriction**”). After the six-month period, the shares will be freely tradable on NASDAQ in compliance with the U.S. securities laws.

Songa plans to use the Cash Consideration to repay its outstanding bond loan at 104% of par value in accordance with the terms of the mandatory prepayment clause of the bond agreement.

Distribution of USD 151 million dividend

The Transaction and authorisation for the Board of directors of Songa (the “**Songa Board**”) to make dividend distributions were resolved at the Annual General Meeting of Songa held on 5 June 2018.

The Board of Songa has today resolved to distribute up to USD 151 million as dividend, corresponding to an amount per Songa share of USD 4.2108. The dividend shall be distributed to the shareholders in Songa as dividend in kind through a combination of the Consideration Shares and cash based on the conditions described below. The resolution and distribution is conditional on completion of the Transaction with Star Bulk.

As soon as possible upon completion of the Transaction, the Board intends to pass a follow-on resolution to fix a final date inclusive upon which shareholder may have the right to receive the dividend (the “**Final Date**”). Songa shareholders registered as holders of Songa shares in the VPS two trading days immediately following the Final Date (the “**Record Date**”) will be entitled to receive dividends from the Company (the “**Songa Shareholders**”). Songa plans to fix the Final Date as soon as practically possible following delivery of the Consideration Shares to Songa and announce key dates and process via Newsweb.

Delivery of the Consideration Shares to the Songa Shareholders is conditional upon such Songa Shareholder making representations and warranties to Songa and Star that such shareholder is, among other things, (i) not a US Person as defined in Regulation S of the Securities Act, or (ii) is an accredited investor as defined in Regulation D of the Securities Act, as set out in the attached letter (the “**Representations and Warranties Letter**”).

All Songa Shareholders, regardless of nationality or place of residence, are kindly requested to send a completed version of the Representations and Warranties Letter to Clarksons Platou Securities AS (songa@clarksons.com) as soon as possible and in any event no later than 6 July 2018. A detailed explanation letter and the Representations and Warranties Letter will also be sent to shareholders in Songa by regular mail.

No dividend of any kind will be distributed to the individual Songa Shareholder before the Representation and Warranties Letter is received by Clarksons Platou Securities AS (on behalf of Star and Songa).

Songa may make dividend distributions in batches to Songa Shareholders who have correctly completed and delivered the Representation and Warranties Letter in accordance with the foregoing, as further described below.

Only Songa Shareholders that are non-US persons or U.S. accredited investors (“**Eligible Shareholders**”) are eligible to receive Consideration Shares as dividend in kind from Songa. Any Songa Shareholder who is not an Eligible Shareholder or who holds less than [4] Songa Shares (“**Ineligible Shareholders**”) will receive cash-in-lieu of the Consideration Shares in an amount equivalent to the value of the Consideration Shares it would otherwise be entitled to receive (the “**Cash Alternative**”) based on a value per Consideration Share equal to the closing price of Star’s common shares on the trading day immediately preceding the Final Date.

In order to secure a timely listing of Star and the Consideration Shares, the distribution will be effected in multiple steps:

- the first dividend distribution is planned to be effected on or about 9 July 2018, upon which first day of listing of Star on Oslo Børs will occur and the shares distributed as part of this first batch will become tradable on Oslo Børs, subject only to the U.S. Restriction;
- the second distribution, for Songa Shareholders who did not complete and submit the Representation and Warranties Letter prior to [6 July 2018, is planned to be effected on or about 10 August 2018;
- the third distribution, for any remaining Songa Shareholders who did not complete and submit the Representation and Warranties Letter prior to 8 August 2018, is planned to be effected 20 trading days after the second dividend distribution; and
- any Songa Shareholders who have not completed the Representation and Warranties Letter prior to 14 September 2018 may not receive their Consideration Shares until elected by the Songa Board and may only receive a distribution after the receipt of a completed Representation and Warranties Letter.

Only shareholders of Songa as evidenced on the Record Date will receive a distribution in one of the batches set out above. The number of Consideration Shares and/or cash received will depend upon the number of shares held by each respective Songa shareholder on the Record Date, regardless of date of actual distribution.

The Company does not plan to issue fractional shares and will pay cash-in-lieu to shareholders for any fractional shares. All payments made to the Songa Shareholders, including payments of fractions, will be denominated in USD and payable in NOK to the bank account associated with the VPS account of the relevant shareholder at the prevailing exchange rate at the time of payment.

USD 21 million Share Capital Reduction

The share capital reduction of approximately USD 21 million (equivalent to NOK 178,300,000) was approved by the AGM on 5 June 2018. The creditor notice period for the capital reduction is expected to expire on 19 July 2018.

Upon expiration of the creditor notice period, the Board plans to determine the amount of cash and/or Consideration Shares to be distributed, and will effect the share capital reduction by notice to the Register of Business Enterprises. Restrictions on distribution, including the requirement to return a Representation and Warranties Letter, and restrictions on transfer, similar to those described above will also apply to the distribution of the Consideration Shares in connection with the Share Capital Reduction.

Songa will to the extent possible under the Securities Act rely on the existing Shareholder Representations and Warranties Letter.

Songa will revert with a separate announcement concerning timing and distribution of the share capital reduction amount.

Potential additional dividend distribution or liquidation

Depending on the market value of the Consideration Shares, the Dividend Distribution and the Share Capital Reduction may not be sufficient to distribute all Consideration Shares to the shareholders in Songa. The Company will revert with further details on the distribution of the residual number of Consideration Shares through preparation of an interim balance sheet and/or liquidation of Songa in due course.

Songa will retain its listing on Oslo Axess until further notice. In case of a liquidation, the Songa Shareholders will receive any potential remaining net value by way of liquidation dividend.

Forward-Looking Statements

Matters discussed in this press release may constitute forward-looking statements. Forward-looking statements include statements concerning plans, objectives, goals, strategies, future events or performance, and underlying assumptions and other statements, which are other than statements of historical facts.

The words “believe,” “anticipate,” “intends,” “estimate,” “forecast,” “project,” “plan,” “potential,” “may,” “should,” “expect,” “pending” and similar expressions identify forward-looking statements.

The forward-looking statements in this press release are based upon various assumptions, many of which are based, in turn, upon further assumptions, including without limitation, examination by the Company's management of historical operating trends, data contained in its records and other data available from third parties. Although the Company believes that these assumptions were reasonable when made, because these assumptions are inherently subject to significant uncertainties and contingencies which are difficult or

impossible to predict and are beyond the Company's control, the Company cannot assure you that it will achieve or accomplish these expectations, beliefs or projections.

In addition to these important factors, other important factors that, in the Company's view, could cause actual results to differ materially from those discussed in the forward-looking statements include the strength of world economies and currencies, general market conditions, including fluctuations in charter rates and vessel values, changes in demand for dry bulk shipping capacity, changes in the Company's operating expenses, including bunker prices, drydocking and insurance costs, the market for the Company's vessels, availability of financing and refinancing, changes in governmental rules and regulations or actions taken by regulatory authorities, potential liability from pending or future litigation, general domestic and international political conditions, potential disruption of shipping routes due to accidents or political events, vessels breakdowns and instances of off-hires and other factors. The information set forth herein speaks only as of the date hereof, and the Company disclaims any intention or obligation to update any forward-looking statements as a result of developments occurring after the date of this communication.

This press release is for informational purposes only and does not constitute an offer to sell or the solicitation of any offer to buy any securities of Star Bulk Carriers Corp. or any other entity. Any offering of securities would be made pursuant to separate documentation and any such securities would not be offered or sold in the United States absent registration or an applicable exemption from registration requirements.