

Summons to Extraordinary General Meeting in Saga Tankers ASA

An Extraordinary General Meeting in Saga Tankers ASA (the “Company”) will take place on 10 November 2011 at 10.00 hours (CET) at the premises of the Company at Haakon VII’s gt. 1, 8th floor in Oslo, Norway.

The Board of Directors has proposed the following agenda:

1. Opening of the General Meeting by the Chairman of the Board of Directors
2. Election of a person to chair the General Meeting
3. Election of a person to co-sign the minutes together with the Chairman of the General Meeting
4. Approval of the summons and agenda
5. Orientation from the management on the strategy for the future
6. Sale of the vessel “Saga Agnes”

General information and voting guidance

Shareholders in the Company may submit their votes electronically in advance by logging on to the Company’s internet site www.sagatankers.no under the section “Investor Relations”. Please follow the instructions set out therein.

If you as a shareholder are not already pre-registered with “Investortjenester” as described in the proxy form, you will be sent the pin code and reference number by postal mail so that you can submit your votes electronically by logging on to the Company’s internet site www.sagatankers.no. Please note that electronic voting requires the investor to use his/hers pin code and reference number.

Shareholders who are unable to attend the Extraordinary General Meeting, or unable to use electronic voting, may submit a proxy to a person of their own choice or to the Chairman of the Board of Directors. Shareholders or persons acting under a proxy who wants to participate in the Extraordinary General Meeting must notify the Company in advance. The notification regarding participation or proxy must be received at the latest by 7 November 2011 at 17.30 hours (CET).

The Company is a public limited company subject to the rules of the Norwegian Public Limited Companies Act. As of the date of this summons, the Company has issued 86,777,409 shares, each of which represents one vote. The shares have equal rights also in all other respects. As of the date of this summons, the Company holds no own shares.

A shareholder has the right to table draft resolutions for items included on the agenda and to require that members of the Board of Directors and the CEO in the General Meeting provide available information about matters which may affect the assessment of (i) items which are presented to the shareholders for decision and (ii) the Company’s financial situation, including information about activities in other companies in which the Company participates, and other matters to be discussed in the General Meeting, unless the requested information cannot be disclosed without causing disproportionate harm to the Company.

Additional information regarding item 6 together with a notice of attendance and a proxy are attached to the summons.



This summons and its appendices, including draft resolutions for items on the proposed agenda, as well as the Company's Articles of Association, are also available at the Company's internet site: www.sagatankers.no. Shareholders may contact the Company by ordinary mail, fax or phone in order to request the documents in question on paper. Address: Saga Tankers ASA, P.O.Box 1468 Vika, N-0116 Oslo, Norway, fax: +47 22 83 21 51, phone: +47 23 11 82 70.

Oslo, 19 October 2011

SAGA TANKERS ASA
On behalf of the Board of Directors

Arne Blystad
Chairman

Further information of item 6

Item 6 – Sale of the vessel “Saga Agnes”

As disclosed through several stock exchange announcements, the Company has experienced a substantial decline in the values of its vessels as well as prolonged weak freight markets. This has further resulted in the Company having discussions with its bank syndicate regarding certain of the covenants contained in its loan agreement, especially the so-called “Minimum Value Clause”. In order to maintain the loan facility, the bank syndicate has specifically required that the Company conducted a share capital increase to raise new equity. In today’s market, the Board of Directors is of the opinion that a share capital increase could not be concluded at anything else than terms deemed being unattractive for shareholders. The Board of Directors has also considered it such that the financial structure would not have been sufficiently robust even after a capital increase given the market outlook and the revised terms offered by the Company’s bank syndicate. The alternative has been to dispose the Company’s vessels and thus secure the remaining shareholder’s value.

As a consequence, the Company has now entered into outright agreements for the sale of all vessels owned by the Group except for the vessel “Saga Agnes”. The proceeds from these sales have been used to repay bank debt attributable to the relevant vessels.

In the opinion of the Board of Directors there are then no other options left than selling also the last vessel, “Saga Agnes”. As a consequence, the Company has entered into an agreement for the sale of the vessel “Saga Agnes”. The main terms for the sale of “Saga Agnes” are:

- Sales price: USD 30.5 million net plus the value of bunkers and lubes
- Delivery: Upon expiry of current time charter contract, July/August 2012
- Deposit held in joint account: 15% of sales price
- Sale subject to approval by the seller’s General Meeting

Such a sale will result in the Company no longer being involved in the business set out in the Articles of Association, i.e. shipping. It is therefore necessary to submit the proposed sale to the General Meeting. The Board of Directors unanimously recommend the General Meeting to approve the sale of the vessel “Saga Agnes”. The sale will only be completed if 2/3 of the votes cast are in favour of the proposal.

Following the completion of a potential sale of the vessel “Saga Agnes”, the Board of Directors will revert with proposals regarding the Company’s future business and operations. This may relate to the development of a new strategy for the Company, a change of the description of the business in the Articles of Association since the Company no longer will engage in the shipping business or possibly to propose that the Company shall be dissolved and consequently pay out shareholder values as a dividend.

On this basis the Board of Directors proposes that the General Meeting makes the following resolution:

”The general meeting approves the sale of the vessel “Saga Agnes” on the terms presented.”

PIN code:

Ref no:

Notice of Extraordinary General Meeting

The Extraordinary General Meeting in Saga Tankers ASA will be held on 10 November 2011 at 10:00 CET at Haakon VII's gate 1, 8th floor, Oslo, Norway

In the event the shareholder is a legal entity it will be represented by: _____

Name of representative
(To grant proxy, use the proxy form below)

Attendance form

If you wish to attend the Extraordinary General Meeting, we kindly ask you to send this form to Saga Tankers ASA c/o DnB NOR Bank ASA, Verdipapirservice, N-0021 Oslo, Norway, or by fax to +47 22 48 11 71. Attendance may also be registered on Saga Tankers ASA's homepage on www.sagatankers.no or through "Investortjenester", a service provided by most Norwegian registrars. The pin code and the reference number are required for registration.

The form must be registered by DnB NOR Bank ASA, Verdipapirservice no later than **7 November 2011 17:30 CET**.

The undersigned will attend at Saga Tankers ASA's Extraordinary General Meeting on 10 November 2011 and vote for

_____ own shares
_____ other shares in accordance with enclosed proxy
In total _____ Shares

Place Date Shareholder's signature
(If attending personally. To grant proxy, use the form below)

**Proxy (without voting instructions)**

PIN code:

Ref no:

If you are not able to attend the Extraordinary General Meeting, a nominated proxy holder can be granted your voting authority. Any proxy not naming proxy holder will be deemed given to the Chairman of the Board or a person designated by him. The present proxy form relates to proxies without instructions. To grant proxy with voting instructions, please go to page 2 of this form.

We kindly ask you to send the proxy form to Saga Tankers ASA c/o DNB NOR Bank ASA, Verdipapirservice, N-0021 Oslo, Norway, or by fax to +47 22 48 11 71. Web-based registration of the proxy is available through "Investortjenester", a service provided by most Norwegian registrars. The pin code and the reference number are required for registration.

The proxy must reach DnB NOR Bank ASA, Verdipapirservice no later than **7 November 2011 17:30 CET**.

The undersigned : _____ (first name, last name)

hereby grants : The Chairman of the Board (or a person designated by him)

Or : _____
Name of nominated proxy holder (Please use capital letters)

proxy to attend and vote at the Extraordinary General Meeting of Saga Tankers ASA on 10 November 2011 at 10.00 CET for my/our shares

Place Date Shareholder's signature
(Signature only when granting proxy)

With regard to rights of attendance and voting we refer to the Norwegian Public Limited Companies Act, in particular Chapter 5. A written power of attorney dated and signed by the beneficial owner giving such proxy must be presented at the meeting.

