

PRESS RELEASE

**SHELF DRILLING
ANNOUNCES
AN OFFERING OF NEW SHARES AND
GROWTH ORIENTED ACQUISITION OF PREMIUM JACKUP RIGS**

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Dubai, April 24, 2017 – Shelf Drilling, Ltd. (“Shelf Drilling” or the “Company” and, together with its subsidiaries, the “Group”), the global leading contractor of jackup drilling rigs, today announces an offering of US\$ 250 million of new common shares in the Company (the “Private Placement”) and letters of intent to acquire three premium jackup drilling rigs for approximately US\$ 225 million (the “Acquisition”).

Shelf Drilling is the world’s largest independent leg cantilever (“ILC”) jackup fleet contractor. The Group has built a market leading position as a provider of offshore contract drilling services to oil and gas customers and is primarily engaged in development and workover activity on producing assets in water depths of up to 400 feet.

The Group’s fleet consists of 36 ILC jackup rigs and one swamp barge. Shelf Drilling currently operates across four key shallow water regions: the Middle East, North Africa and Mediterranean, Southeast Asia, India and West Africa.

Shelf Drilling’s fit-for-purpose strategy entails the delivery of rigs prepared and provisioned precisely for each customer’s project and its geographic circumstances. Further, the Group maintains a cost-efficient organization and operational structure designed to support shallow water drilling in its core markets.

The Group has secured an extensive customer base of national oil companies, integrated major oil companies, and independent oil companies. These clients seek proven drilling contractors, capable of consistently delivering their specific well programs safely and reliably. Since inception, uptime performance of Shelf Drilling’s fleet has been greater than or equal to 98.5%, and safety performance has been consistently better than the industry average.

For the year ended 31 December 2016, the Group reported Revenues of US\$ 684 million and Adjusted EBITDA of US\$ 295 million. As at 28 February 2017, contract backlog stands at US\$ 1.6 billion with an average contracted period of approximately 2 years across 26 contracted rigs. The Group is led by an experienced team of executives with expertise in the global oil and gas industry, including David Mullen as the Chief Executive Officer.

The Private Placement

The Company has retained DNB Markets as Global Coordinator and Joint Bookrunner, and Arctic Securities as Joint Bookrunner, to conduct a Private Placement of new common shares (the "Offer Shares") raising gross proceeds of approximately US\$ 250 million. The bookbuilding period for the Private Placement lasts from 09:00 CET on April 24, 2017 to 20:00 CET on April 27, 2017. The Company may at its own discretion extend or shorten the bookbuilding period at any time and for any reason.

The completion of the Private Placement is conditional upon, among other things, the corporate resolutions required to implement the Private Placement. The Offer Shares are expected to be registered on the Norwegian OTC list following completion of the Private Placement. The proceeds from the placement will be used to finance the acquisition of three premium jackup drilling rigs as described below.

The Acquisition

The Group has entered into letters of intent to acquire three premium jackup drilling rigs from a third party for a total consideration of approximately US\$ 225 million. The Acquisition remains subject to execution of a mutually agreed sale and purchase agreement, board approvals from both parties, and confirmation that the required financial structure is in place no later than April 30 2017, which is intended to be met through the Private Placement. The Acquisition is aligned with the Group's fit-for-purpose strategy. The acquired rigs all have a reputable operating history in Shelf Drilling's key markets and will strengthen the Group's leading position there. The Acquisition will further strengthen the Group's fleet and fortify the Group's position as a globally leading jackup contractor. The Group's total jackup rig count will increase from 36 rigs to 39 jackup drilling rigs.

About Shelf Drilling

Shelf Drilling is a leading international shallow water offshore drilling contractor engaged in the provision of equipment and services for the drilling, completion and workover of offshore oil and natural gas wells. Shelf Drilling was founded in 2012 and has established itself as a leader within its industry through its fit-for-purpose strategy and close working relationship with industry leading clients. Shelf Drilling is lead by an experienced management team and enjoys strong support from its shareholders, Castle Harlan, CHAMP Private Equity and Lime Rock Partners.

Additional information about Shelf Drilling can be found at www.shelfdrilling.com.

Contact details

For questions or comments, please contact investor.relations@shelfdrilling.com.

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This press release is issued pursuant to Rule 135(e) under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"). This press release and the information it contains do not, and will not, constitute an offer to sell, nor the solicitation of an offer to purchase, any securities of Shelf Drilling in the United States (or to or from any U.S. person) or any other jurisdiction where restrictions may apply. The Offer Shares have not been and will not be registered under the U.S. Securities Act, or any state securities laws, and may not be offered or sold in the United States (or to any U.S. person) absent registration or an applicable exemption from registration under the U.S. Securities Act and applicable state securities law. Shelf

Drilling does not intend to register the Offer Shares under the U.S. Securities Act or any state securities laws. Any public offering of Shelf Drilling's common shares to be made in the United States will be made by means of a prospectus that may be obtained from Shelf Drilling or the selling security holder, as applicable, that will contain detailed information about Shelf Drilling and management, as well as financial statements. The Offer Shares sold in the Private Placement are being offered and sold only to persons (a) reasonably believed to be either (i) qualified institutional buyers pursuant to Rule 144A under the U.S. Securities Act or (ii) institutional accredited investors pursuant to Regulation D under the U.S. Securities Act or (b) outside the United States pursuant to Regulation S under the U.S. Securities Act.

Any offering of the securities referred to in this announcement will be made by means of an offering memorandum. The offering memorandum is not a prospectus for the purposes of Directive 2003/71/EC (as amended, together with any applicable implementing measures in any Member State, the "Prospectus Directive"). Investors should not subscribe for any securities referred to in this announcement except on the basis of information contained in the aforementioned offering memorandum.

In making an investment decision, investors must rely on their own examination of Shelf Drilling, Ltd., including the merits and risks involved. The securities which may be offered have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the offering memorandum has not been registered with or reviewed or approved by any governmental authority or stock exchange in any jurisdiction, nor have the foregoing authorities confirmed the adequacy or accuracy of the information contained in the offering memorandum, and is intended to be read by the addressee only. Any representation to the contrary is a criminal offence.

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Forward-looking statements

This press release includes forward-looking statements and information, including the anticipated closing of the Private Placement, registration of the Offer Shares on the Norwegian OTC list, amount and use of proceeds from the Private Placement, statements regarding plans, objectives and expectations with respect to future operations, capital expenditures, synergies, products and services, and statements regarding future performance. The words "expects," "anticipates," "believes," "intends," "plans," "estimates," "aims,"

"forecasts," "projects" and similar expressions (or their negative) identify certain of these forward-looking statements and information. These forward-looking statements and information are statements regarding Shelf Drilling's intentions, beliefs or current expectations concerning, among other things, Shelf Drilling's results of operations, financial condition, liquidity, prospects, growth, strategies and the industry in which Shelf Drilling operates. The forward-looking statements and information in this communication are based on numerous assumptions regarding Shelf Drilling's present and future business strategies and the environment in which Shelf Drilling will operate in the future. Although Shelf Drilling believes that the expectations reflected in such forward-looking statements and information are reasonable, investors and holders of Shelf Drilling securities are cautioned that forward-looking statements and information involve inherent known and unknown risks, uncertainties and contingencies because they relate to events, and depend on circumstances, that may or may not occur in the future and may cause the actual results, performance or achievements of Shelf Drilling to be materially different from those expressed or implied by such forward-looking statements and information. Many of these risks and uncertainties relate to factors that are beyond Shelf Drilling's ability to control or estimate precisely, such as future market conditions, currency fluctuations, the behavior of other market participants, the actions of regulators and other factors such as Shelf Drilling's ability to continue to obtain financing to meet its liquidity needs, changes in the political, social and regulatory framework in which Shelf Drilling operates or in economic or technological trends or conditions. Past performance should not be taken as an indication or guarantee of future results, and no representation or warranty, express or implied, is made regarding future performance. The auditors of Shelf Drilling have not reviewed them. You are cautioned not to place undue reliance on the forward-looking statements and information, which speak only as of the date they were made. All subsequent oral or written forward-looking statements and information attributable to Shelf Drilling or any of its shareholders, directors, officers, employees or any persons acting on its behalf are expressly qualified in their entirety by the cautionary statements above. All forward-looking statements and information included herein are based on information available to Shelf Drilling on the date hereof. Except as required by applicable law, Shelf Drilling does not undertake any obligation to publicly update or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise. This press release is not an offer of any securities of Shelf Drilling for sale in the United States (or to any U.S. person). Shelf Drilling's common shares may not be offered or sold in the United States (or to any U.S. person) absent registration or an exemption from registration. Any public offering of Shelf Drilling's common shares to be made in the United States will be made by means of a prospectus that may be obtained from Shelf Drilling or the selling security holder, as applicable, that will contain detailed information about Shelf Drilling and management, as well as financial statements.