SHELF DRILLING

Shelf Drilling Presentation

May 2017

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Experienced Management Team

David Mullen
CEO

- 30+ years in the global oil and gas industry
- CEO of Wellstream Holdings PLC (formerly UK listed; sold to GE)
- CEO of Ocean Rig ASA (formerly Norway listed; acquired by DryShips)
- SVP of Global Marketing, Business Development and M&A, Transocean
- President of Oilfield Services for North and South America, Schlumberger

Kurt Hoffman
Executive VP & COO

- 30+ years in the global offshore drilling business
- COO of Seahawk Drilling
- 18 years at Noble Drilling
  - VP of Worldwide Marketing, Noble Drilling
  - VP of Western Hemisphere Operations, Noble Drilling
  - President of Triton Engineering Services, Noble's engineering services division

Ian Clark
Executive VP

- 30+ years in the global oil and gas industry
- 12 years with Transocean, including:
  - VP of Human Resources
  - Manager for operations in Nigeria and North East Asia
- 20 years with Schlumberger across Europe and Africa

Greg O'Brien
Executive VP & CFO

- Nearly 10 years in oil and gas corporate finance
- Previously in charge of corporate development at Shelf Drilling as Director, Strategic Planning
- 3 years with Lime Rock Partners, specializing in oilfield service and E&P investment opportunities
- Investment Banker with J.P. Morgan and SunTrust Robinson Humphrey

Lean and cost-efficient management set-up with extensive industry experience

Shelf Drilling is the World's Largest Jackup Contractor

Company Overview

International "Pure-Play" Jackup Drilling Contractor
- World's largest contractor of ILC jackup rigs (1)
- Leading market position in all core operating regions (1)
- Sole focus on shallow water drilling

Operating Regions
- Headquarters centrally located in Dubai
- Operations in 11 countries across four regions

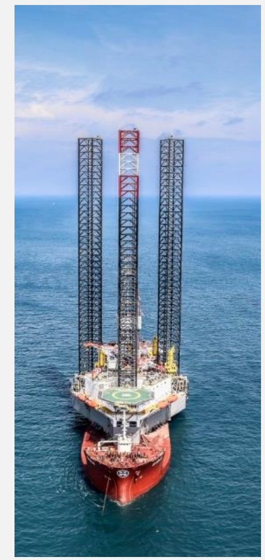
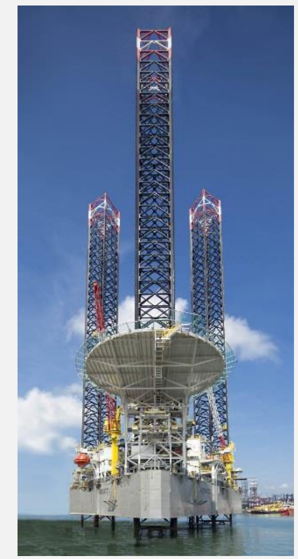
Key Operating Statistics
- Uptime of >= 98.5% since 2012
- **TRIR** consistently below industry average since 2012 (2)

Key Financials
- Robust full cycle performance – Adjusted EBITDA margins consistently in 40% range
- Current backlog of US$ 1.6 billion (February 2017) – over US$ 5.0 billion of new contract awards since inception

Fleet Size (3)

37 shallow water drilling rigs
36 ILC jackups and 1 swamp barge



Brief History of Shelf Drilling

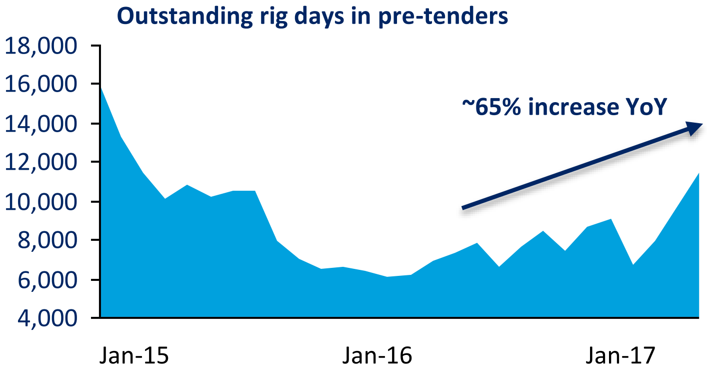
- **Nov 2012** – Establishment of Shelf Drilling
- **Dec 2013** – Independence – majority of rigs transferred to SD
- **May 2014** – 5-year contracts with Chevron for 2 newbuilds
- **June 2015** – Expansion in Middle East (4 to 10 rigs)
- **Dec 2016** – Seamless, on-time and on-budget SDC start-up
- **Jan 2017** – Completed refinancing transaction
- **Apr 2017** – US$ 225 million equity raise to acquire 3 premium jackup rigs
- **May 2017** – Registered on the Norwegian-OTC list

[1] Source: IHS PetroData and Company Information as of January 2017
[2] Total recordable incident rate (incidents per 200,000 man-hours)
[3] As of April 2017, prior to completion of recently announced acquisition of three premium jackup rigs.

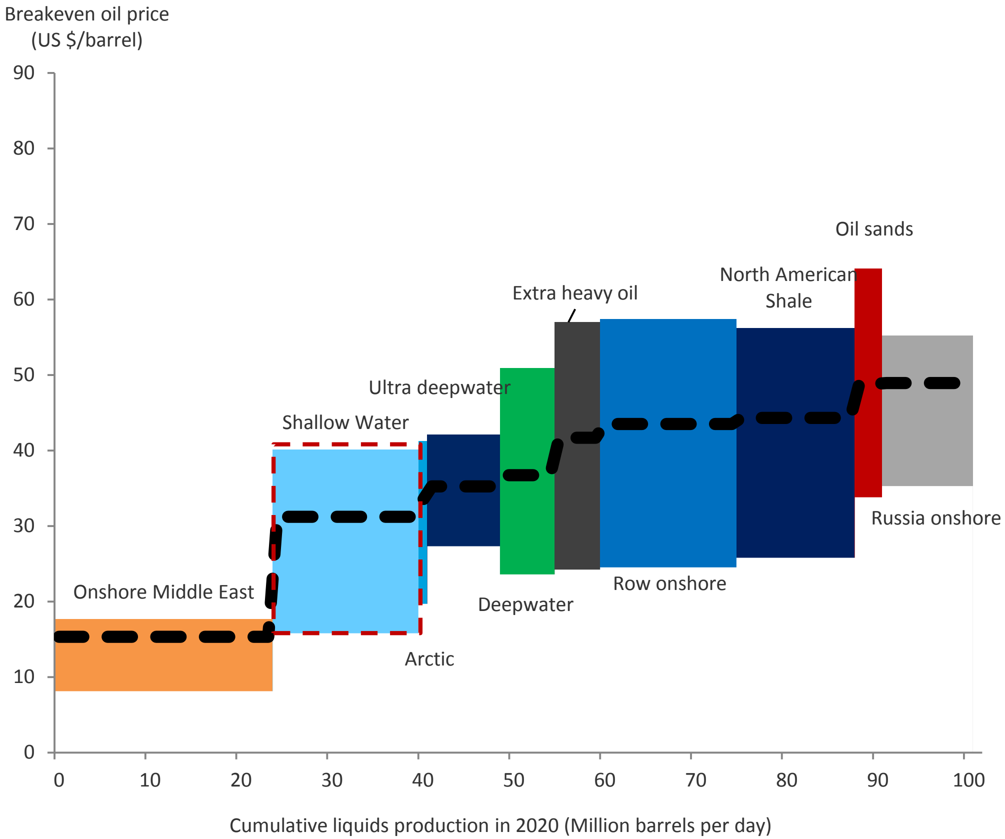
Exposure to Short-Cycle, Low-Cost Oil Supply

- Shallow water production represents ~65% of global offshore oil supply
- Full-cycle break-even oil prices are among the lowest globally, with many shallow water projects economic at current commodity prices
- Shallow water developments typically have shorter cycle times relative to deepwater and tend to have lower absolute cost relative to deepwater
- Historically the jackup market has turned before the floater market

Pre-tender Activity



Cost of Supply 2020 (1)



Shallow water activity expected to increase in 2017/18 driven by existing and new developments

Source: Rystad Energy, IHS Petrodata, DNB Markets

[1] 75% break-even price confidence interval for each category. Breakeven price as defined by the E&P companies as the oil price needed to make the NPV at 10 % discount rate = 0

Differentiated Operating Platform

Demonstrated Exceptional Backlog Generation

- Proven track record of building backlog throughout the cycle
- US$ 1.6 billion revenue backlog, ~2 years per contracted rig, 98% with NOCs and IOCs
- Established position and unique relationship with primary customers in core markets

Lowest Cost International Operator

- Lean, centralized management structure combined with high national content creates a competitive advantage that is extremely difficult to replicate
- Industry leading all-inclusive operating cost (46% below peers[1])

Continued Investment to Enhance Fleet Composition

- Major investment in existing rig fleet (26 major projects, US$ 555[2] million total)
- Fleet enhancement through newbuilds program, providing long-term profitable growth
- Quality of assets and fit-for-purpose fleet positioning strategy well suited for our markets

Unique investment opportunity in the offshore drilling space

[1]Excl. deferred costs
[2]Including opex and capital and deferred expenditures, excluding an additional ~US$ 100 million spent by Transocean as part of the agreed transaction.

Investment Highlights

1. Fit-For-Purpose Strategy
2. Leading Position in Key Markets
3. Best in Class Operational Platform
4. Strong Customer Relationships and Industry Leading Backlog
5. Full-Cycle Financial Resilience
6. Well Positioned for Growth

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Differentiated performance through the cycle

Fit-For-Purpose Strategy With Sole Focus on Shallow Water Drilling

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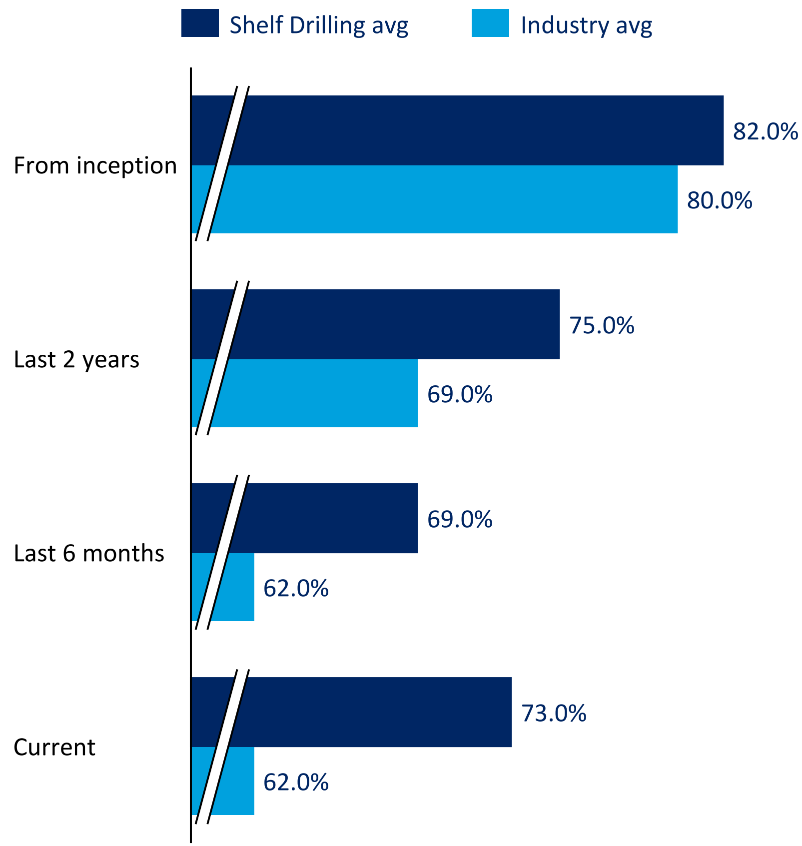
Our three strategic pillars have served us well

1. **Right Assets in the Right Locations**
2. **Right-Sized Organization**
3. **High National Content**

Over US$ 5.0 billion of new contract awards since November 2012

Utilization Comparison[1]



Execution of strategy has resulted in superior performance throughout the cycle

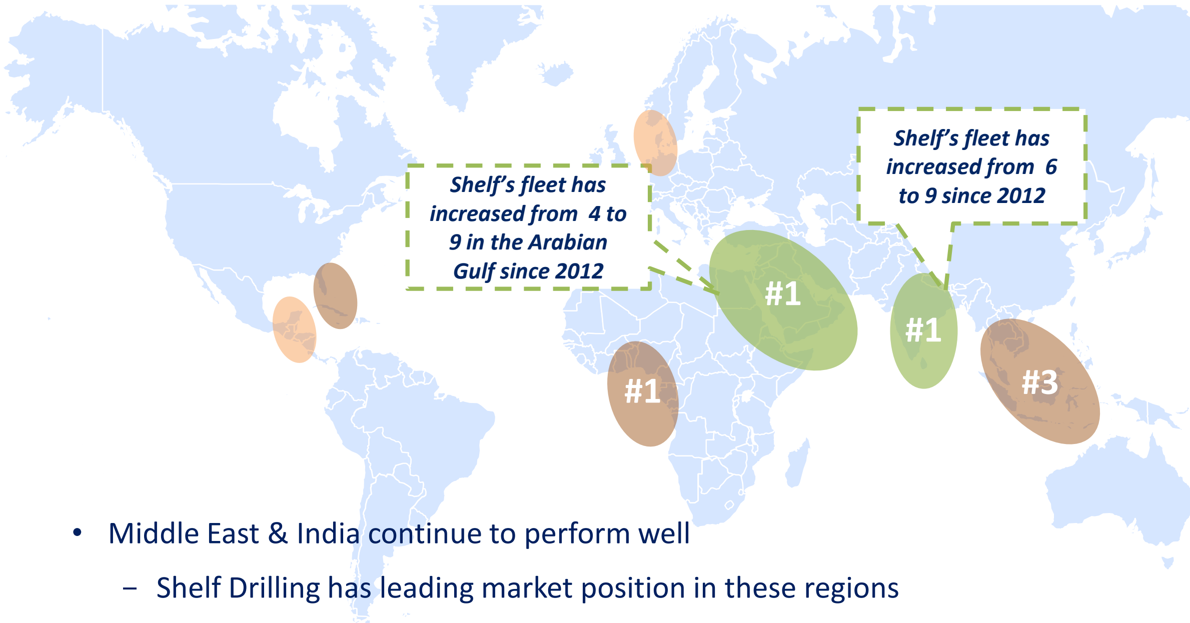
Source: IHS PetroData and Company
[1] Current as of April 2017

Shelf Drilling is the Leading Contractor in Core Jackup Markets

Global Jackup Activity vs. Shelf Drilling's Geographical Fleet Distribution

Color represents jackup activity level High Medium Low

Number (#) represents Shelf Drilling's operating position



Regions	Contracted Jackups Nov. 2012	Contracted Jackups Current	Change	Shelf Drilling Fleet [1]
Middle East	110	110	0 / 0%	15
India	29	36	7 / +24%	9
West Africa	25	8	-17 / -68%	6
Southeast Asia	58	26	-32 / -55%	4
US GoM	36	6	-30 / -83%	-
North Sea	42	28	-14 / -33%	-
Mexico	36	24	-12 / -33%	-

- Middle East & India continue to perform well
  - Shelf Drilling has leading market position in these regions
  - Predominantly NOC exposure
- West Africa poised for recovery
  - Shelf Drilling has dominant market share in the region

Operating in the most active and promising markets

Source: IHS Petrodata as of 5 April 2017

[1] Excluding jackup on BB charter (Randolph Yost), jackup in Croatia (Key Manhattan) and Heavy Swamp Barge (Hibiscus). Middle East defined to include Egypt/Gulf of Suez

Operational Excellence Leading to *"Perfect Execution"*

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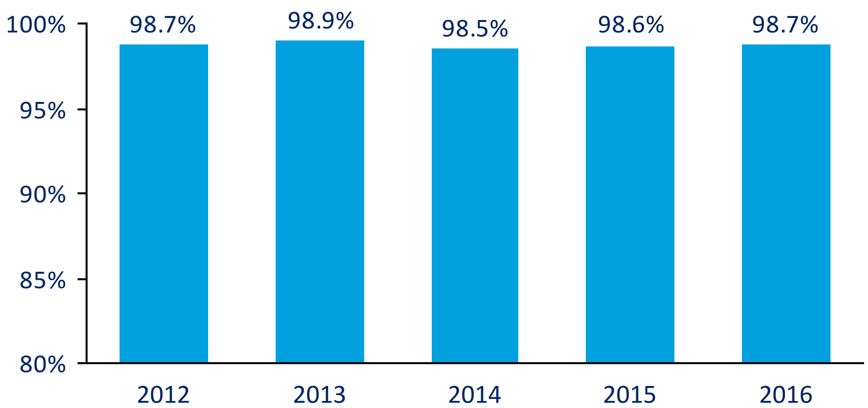
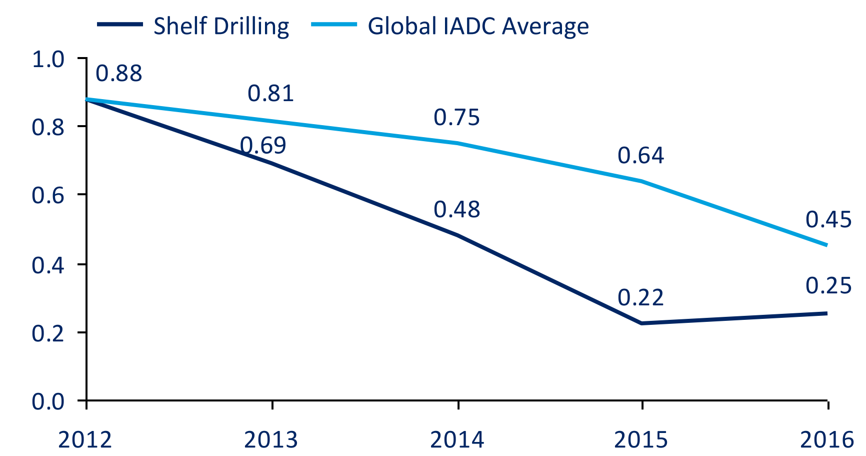
Average Fleet Uptime Track Record



Safety Track Record (TRIR[1])



Operational excellence made possible through

Skilled workforce with **extensive experience in the areas where we work**

"Hand-picked" shore based management team

Average **20 years experience for offshore supervisors**

High national content, 83% across the fleet

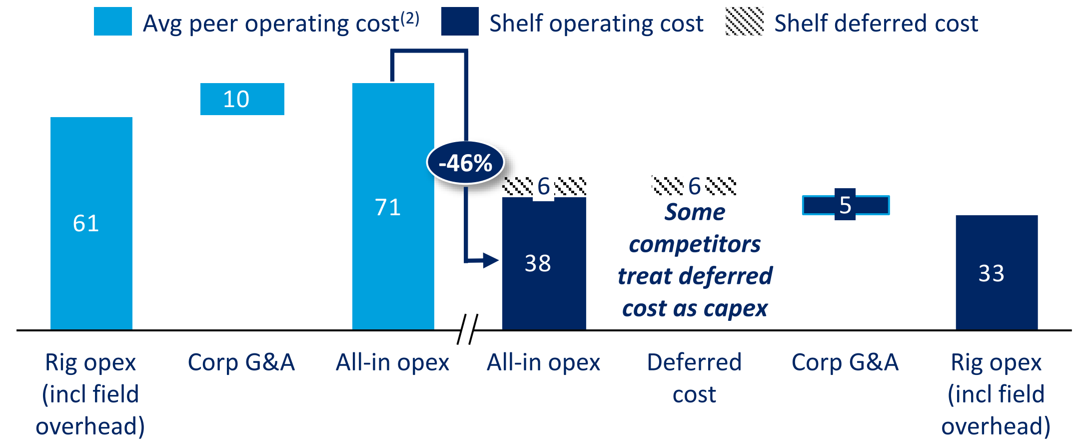
Best-in-class performance based culture with a sole focus on delivering wells in the safest and most efficient manner

Source: Shelf Drilling management records as of December 2016 and Transocean historical data; International Association of Drilling Contractors (IADC) as of December 2016
[1] Total recordable incident rate (incidents per 200,000 man-hours)

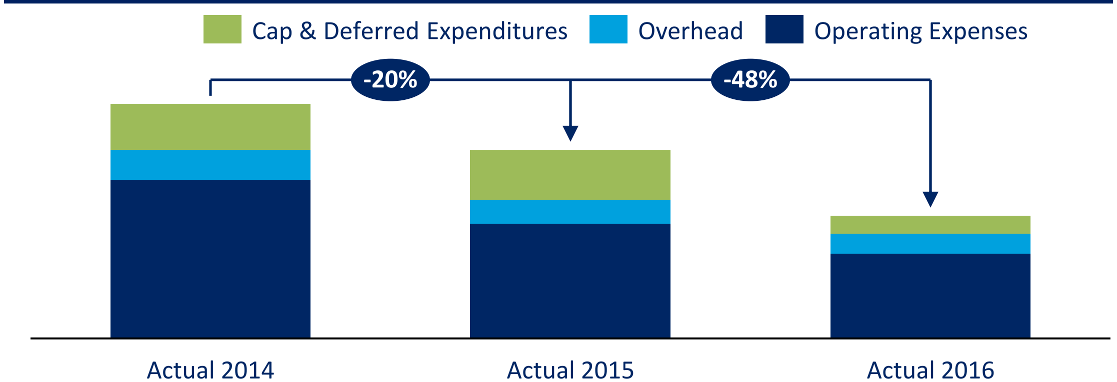
Industry Leading Operating Cost Levels

- Lowest cost international operator
- High national content, standardization of equipment, and centralized management are key enablers in rapidly reducing costs
- Cost reduction efforts have focused on aggressively aligning our expenses in-line with the market environment
- Significant savings across all rig operating expense categories in 2015 and 2016
- Major investment in existing rig fleet from 2013 to 2015 positioned company / fleet well ahead of downturn
- Reorganization of Dubai HQ and field office locations contributed to 37% reduction in G&A over two-year period
- Expect to sustain reduced levels in 2017 and beyond

All-In Opex (US$ 000/Day)[1]



Spending Comparison (US$ 000/Day) [3]



Efficiently reduced costs across all regions to streamline operations and adjust to current market

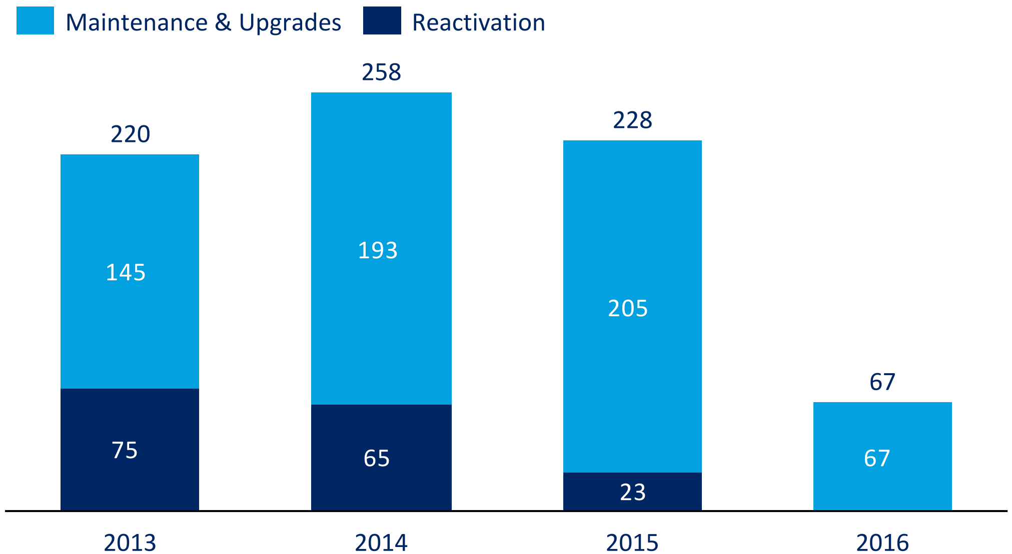
[1] *Source: DNB Markets*
[2] *2016A for Ensco, Rowan, Noble, Atwood, Paragon and Seadrill*
[3] *Per day figures reflect fleet average. Consolidated costs by category allocated evenly across marketable rig fleet of 34.6, 34.5 and 31.2 in 2014, 2015 and 2016, respectively*

High Quality and Well Maintained Asset Base

Key Principles

- Standardization of equipment
- "Smart upgrades" based on long-term market trends and customer requirements
- Capturing best practices from our operations around the world and building a truly performance based culture
- Shelf Drilling brand visible across fleet

Significant Investment in Fleet Since Inception (US$ m)



Note: Figures reflect total non-newbuild capital and deferred expenditure

Rig reactivation / upgrade projects enhanced our fleet profile and helped grow our business at attractive returns on capital

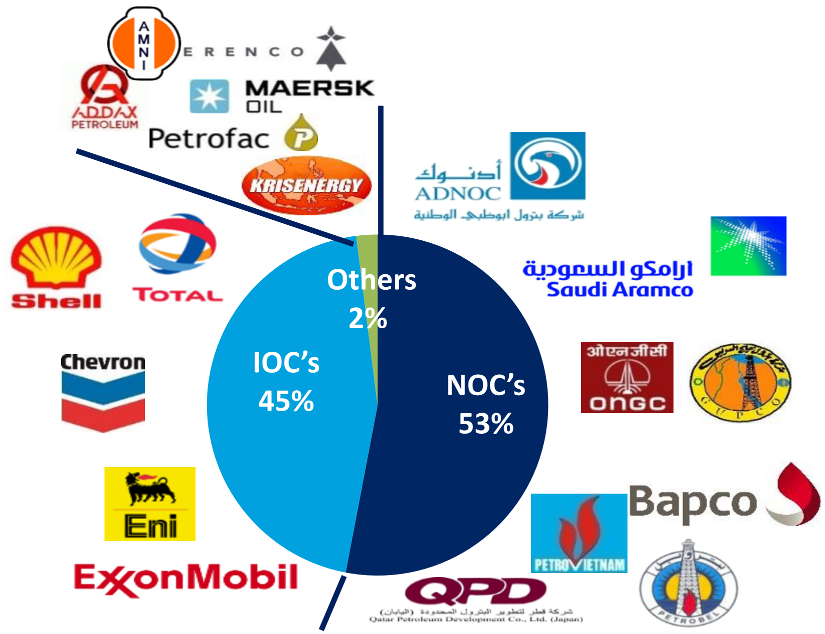






Differentiated Performance in Securing Contracts

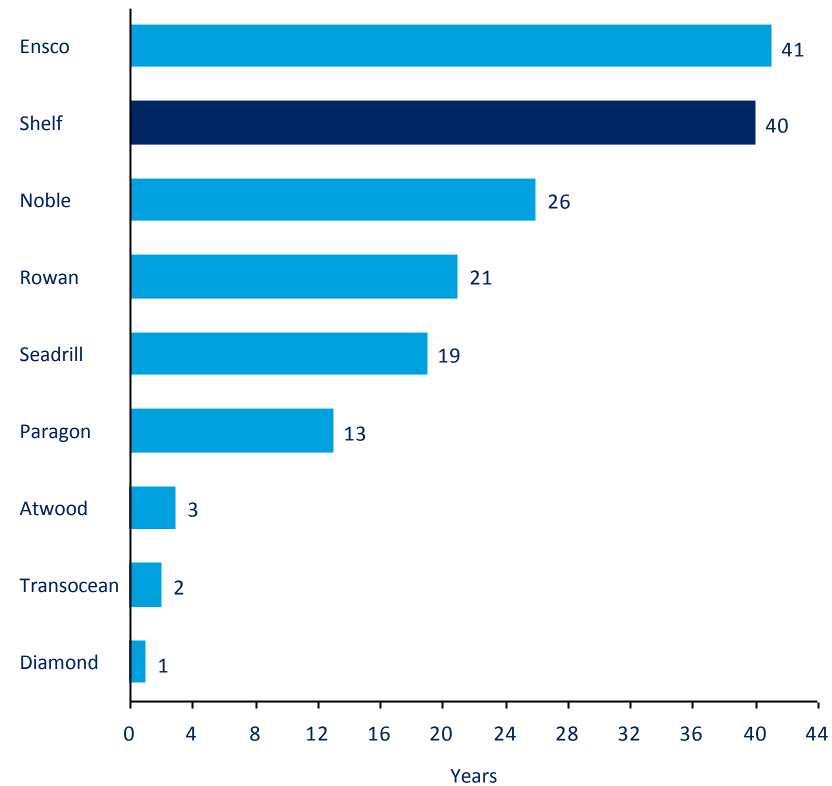
Backlog Quality and Diversity



Source: Shelf Drilling management records as of February 2017
Note: Customer logos include current and prior customers

- US$ 1.6 billion backlog (February 2017)
- 98% of backlog with NOCs and IOCs
- 26 contracted rigs with on average ~2 years of remaining contract term

Jack-up Backlog Years Added (2015-2017 YTD[1])



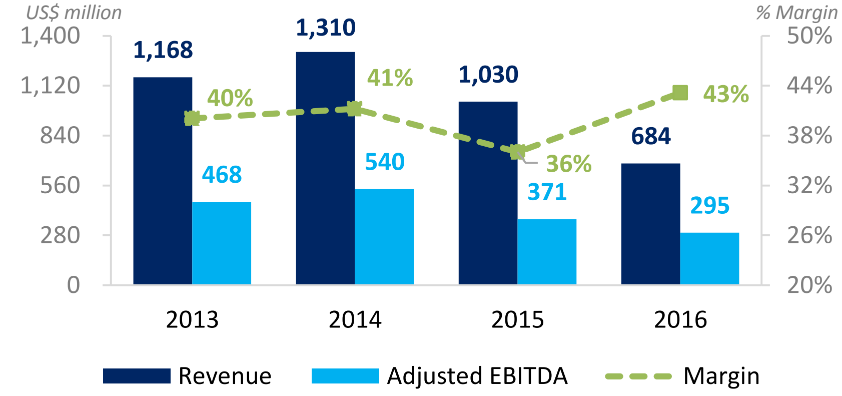
Source: DNB Markets
[1] As of April 2017

Superior contracting performance is demonstrated by contract revenue secured in recent years

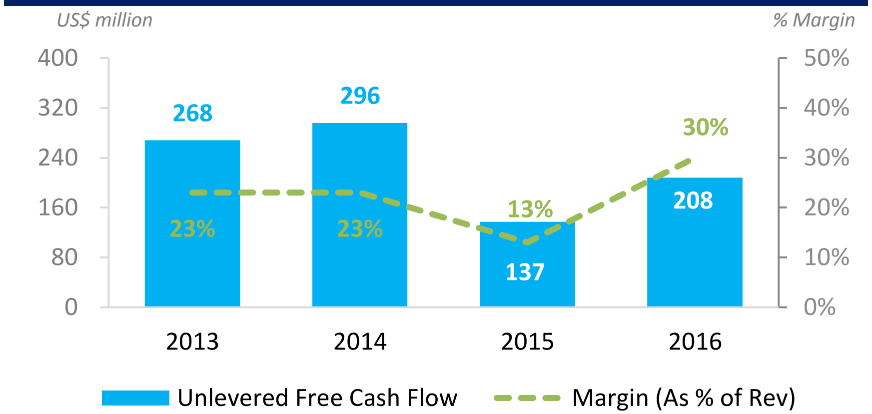
Resilient, Full-Cycle Financial Results and Cash Flow Generation

- Strong financial performance since company inception
  - Disciplined approach to financial planning and capital investment
  - Significantly outperformed budgeted expectations in 2013 and 2014
  - 2015 and 2016 results stronger than initial forecasts due to expense and capex savings
  - Adjusted EBITDA margins consistently in 40% range
- Cash flow generation has driven fleet enhancement and growth in shareholder value
  - US$ 244 million cumulative investment in reactivation and upgrade program (2013 to 2015)[1]
  - US$ 74 million initial payments for 2 newbuilds (20%)
  - US$ 302 million in shareholder distributions (2013/14)
  - US$ 97 million increase in cash balance during 2016
    - Critical achievement to enable 2017 refinancing

Revenue & EBITDA



Free Cash Flow



Unlevered FCF: Adj. EBITDA Less Sustaining Capex Less Taxes

Proven ability to generate positive free cash flow in both upcycles and downturns

[1] *Includes $163 million of capital and deferred expenditure and $81 million of operating expenses*

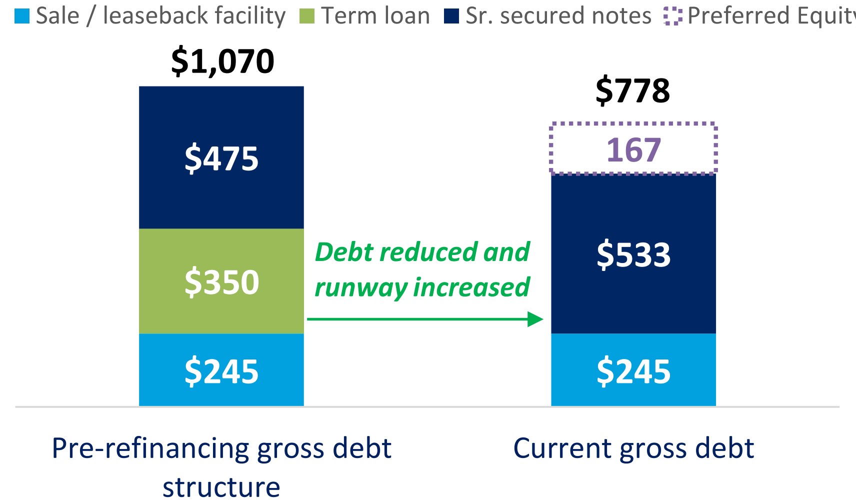
Successful Refinancing Further Enhances Competitive Position

Major Recent Developments

- In January 2017, completed comprehensive recapitalization transaction that creates significant value for the company
- Total principal amount of debt [1] down from US$ 825 million to US$ 533 million
- Reduction in near-term debt maturities from US$ 825 million to US$ 30 million
- Annual cash savings of ~US$ 10 million per year
- Retain strong (and extended) liquidity position
  - 2-year extension of revolving credit facility
- Demonstrated shareholder support through meaningful new capital injection

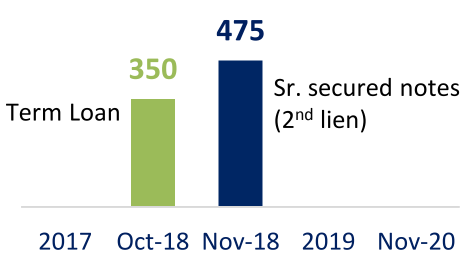
Debt reduced to give the Company strong runway and room for further growth

Reduction in Debt Level (12/31/16 PF) (US$ million)

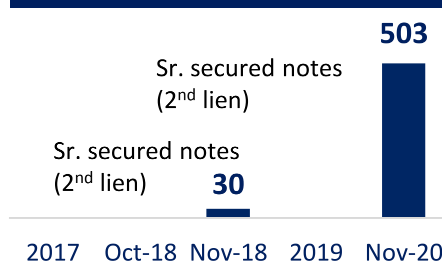


	Pre-refinancing gross debt structure	Current gross debt
Net Leverage	2.9x	2.4x
Liquidity	$357	$195

Pre-refinancing Maturities [(1)]



Current Maturities [(1)]



Note: Illustrative Pro Forma Capital Structure assumes close of transaction as of Dec 31, 2016; closing occurred Jan 12, 2017
[1] Exclude sale leaseback obligations

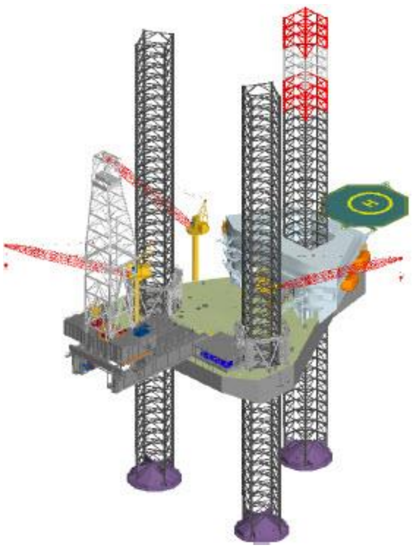
Unique Approach to Newbuild Design and Construction

What are we doing differently?

- Less risk as compared to other newbuilds in the market
  - Coordinated effort between Chevron, Shelf Drilling and Lamprell personnel over several month period
  - High degree of customization to optimize well construction in the Gulf of Thailand
  - Each rig backed by a 5 year contract with Chevron
  - Substantial cost savings relative to existing rig designs
- Design approach: conventional but proven technology
- Designed for more efficient operations

*First newbuild – **Shelf Drilling Chaophraya (SDC),** started contract on 1 December 2016*

*Second rig – **Shelf Drilling Krathong (SDK),** delivered 6 April 2017 with contract commencement in Q2, 2017*

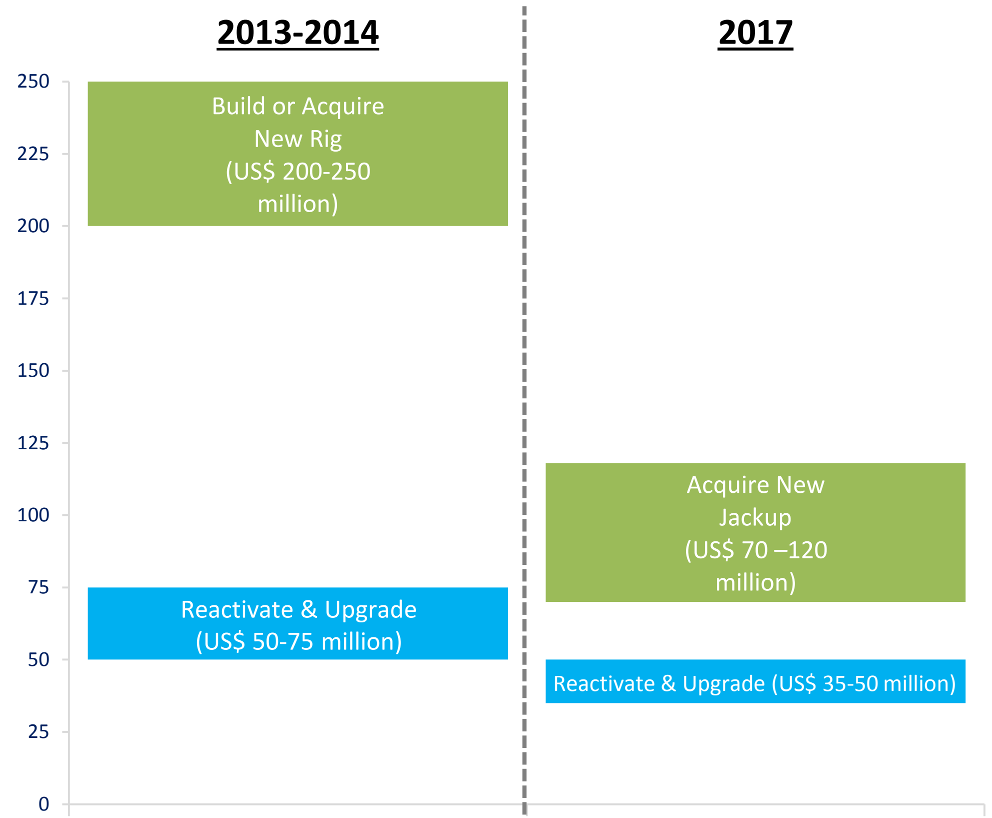


Contract award covering 10 rig-years for two highly customized, fit-for-purpose newbuild jackups

Well Positioned to Drive Further Growth

- Acquired original 38-rig fleet at attractive valuation level
- Initial focus for growth capital allocation (2013 and 2014) on reactivation and upgrade of stacked rigs, which provided meaningful incremental earnings and offered compelling project economics
- Investment in two newbuilds underpinned by long-term contract with Chevron
  - Cost effective and customer-optimized design predicated on delivering superior returns
- Near-term focus on rig acquisitions
  - Opportunities exist to add quality rigs that align with our fit for purpose strategy
  - Leverages Company's integration and execution competency

Illustrative Cost of Upgrades vs New Rig Acquisitions



Value proposition in current environment –
Acquiring high quality jackups at meaningful discount to replacement cost

Investment Highlights

1. Fit-For-Purpose Strategy
2. Leading Position in Key Markets
3. Best in Class Operational Platform
4. Strong Customer Relationships and Industry Leading Backlog
5. Full-Cycle Financial Resilience
6. Well Positioned for Growth

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Differentiated performance through the cycle

Appendix

Backed by Industry Specialist Investors

CASTLE HARLAN NEW YORK • SYDNEY • SINGAPORE	20.7% [1] shareholder	• Founded in 1987, invests in controlling interests in the buyout and development of middle-market companies worldwide. Completed 55 acquisitions with more than 100,000 employees and total transaction value in excess of US$ 11 billion. Castle Harlan, along with its affiliates, has managed investment funds with equity commitments of over US$ 6 billion. The firm traces its roots to the start of the institutionalized private-equity business in the late 1960s. Castle Harlan invested in the Group at the Investment Date in 2012 and companies affiliated with Castle Harlan currently hold 20.7% of the outstanding Common Shares and 50% of the outstanding Preferred Shares.
CHAMP PRIVATE EQUITY	20.7% [1] shareholder	• Private Equity investor with focus on the Australasia region • Capital commitments of more than A$ 4.0 billion across investment funds • Invests in market leaders within their industries and strong management teams
LIME ROCK	20.7% [1] shareholder	• Creative private equity investment partner focused solely on the upstream oil and gas sector • Over US$ 7.4 billion in capital commitments across 11 investment funds within two strategies • Deep E&P and oilfield service experience over 19 years with a global approach

Castle Harlan, CHAMP and Lime Rock (together the Sponsors) have through a shareholder agreement and Shelf's articles of association, control of board nominations, pre-emptive rights to subscribe for shares issued by Shelf in the future and veto rights against resolutions by Shelf's general meeting.

[1]*Common ownership percentages following completion of private placement*

Acquiring Three Premium Jackups at Discount to Historical Values

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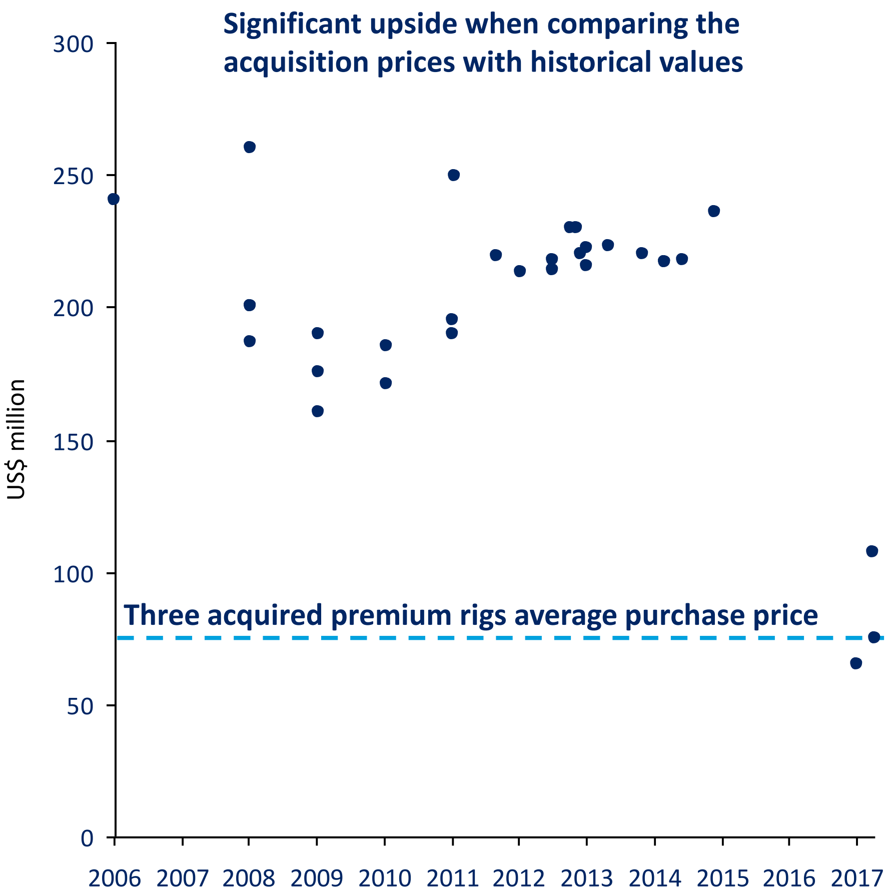
Rig Acquisition

Name	TBN #1 (Previously West Mischief)	TBN #2 (Previously West Resolute)	TBN #3 (Previously West Triton)
			
Make	Le Tourneau Super 116E	Le Tourneau Super 116C	BMC Pacific 375
Yard	Lamprell (UAE)	Keppel AmFels (USA)	PPL Shipyard (Singapore)
Built	Apr 2010	Apr 2008	Jan 2008
Max water depth	350 ft	350 ft	375 ft
Max drilling depth	30,000 ft	30,000 ft	30,000 ft
Region	Middle East	Middle East	Middle East
Status	Drilling	Warm stacked	Warm stacked

- Rigs are aligned with the Fit-For-Purpose Strategy
- Leverages proven integration and execution competency
- Operating history fits well with Shelf's key markets
- Likely to secure employment in the short-to-medium term

Second Hand / M&A Transactions



Acquiring three premium jackups close to historical low price

Source: DNB Markets, IHS Petrodata

Major Upgrades & Reactivations

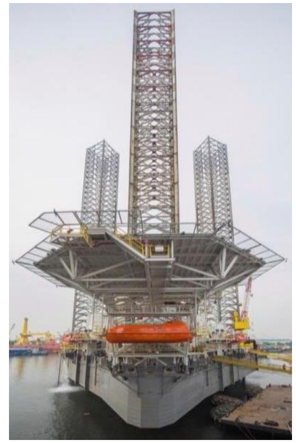
Baltic (MLT Super 300)

- ~US$ 52 million capital investment
- 375 ft water depth
- Static hook load capacity 1,300,000 lbs.
- 3x2200 hp mud pump, 7,500 psi
- 3,000 HP rated drawworks
- Cantilever reach 60 ft x 24 ft
- Rebuilt accommodation for 120 persons
- 12-month contract in Nigeria

Adriatic I (MLT116-C)

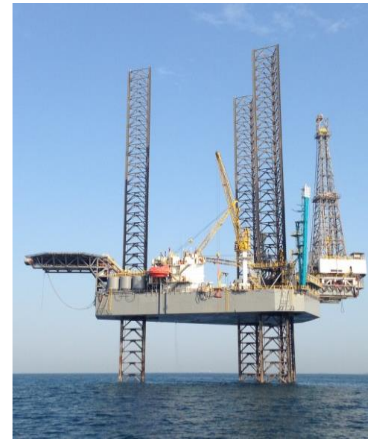
- ~US$ 50 million capital investment
- 350 ft water depth
- Static hook load capacity 1,500,000 lbs.
- 3x1600 hp mud pump, 7,500 psi
- 3,000 HP rated drawworks
- Cantilever reach 60 ft x 30 ft
- Rebuilt accommodation for 120 persons
- 30-month contract in Nigeria

Key Singapore (MLT116-C)



- ~US$ 72 million capital investment
- 350 ft water depth
- Static hook load capacity 1,500,000 lbs
- 3x1600 hp mud pump, 7,500 psi
- 3,000 HP rated drawworks
- Cantilever reach 55 ft x 30 ft
- Rebuilt accommodation for 120 persons
- 36-month contract in Abu Dhabi

High Island V (MLT82-SDC)



- ~US$ 70 million capital investment
- 270 ft water depth
- Static hook load capacity 1,000,000 lbs.
- 2x1600 hp mud pump, 5,000 psi
- 2,000 HP rated drawworks
- Cantilever reach 40 ft x 20 ft
- Rebuilt accommodation for 100 persons
- Repowered with 4 x CAT 3512-C main engines
- 5-year contract with Saudi Aramco

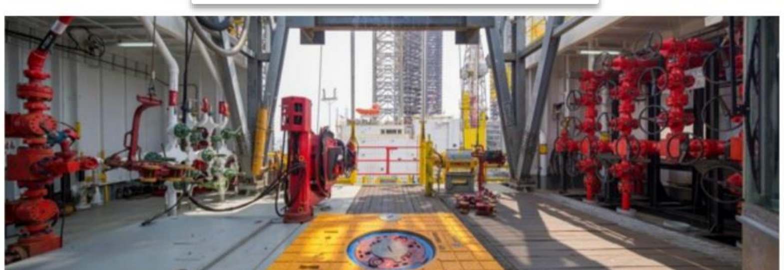
High Island IX (MLT82-SDC)

- ~US$ 90 million capital investment
- 250 ft water depth
- Static hook load capacity 1,000,000 lbs.
- 2x1600 hp mud pump, 5,000 psi
- 2,000 HP rated drawworks
- Cantilever reach 40 ft x 20 ft
- Rebuilt accommodation for 100 persons
- Repowered with 4 x CAT 3516-B main engines
- Continuously contracted to Saudi Aramco for 8 years

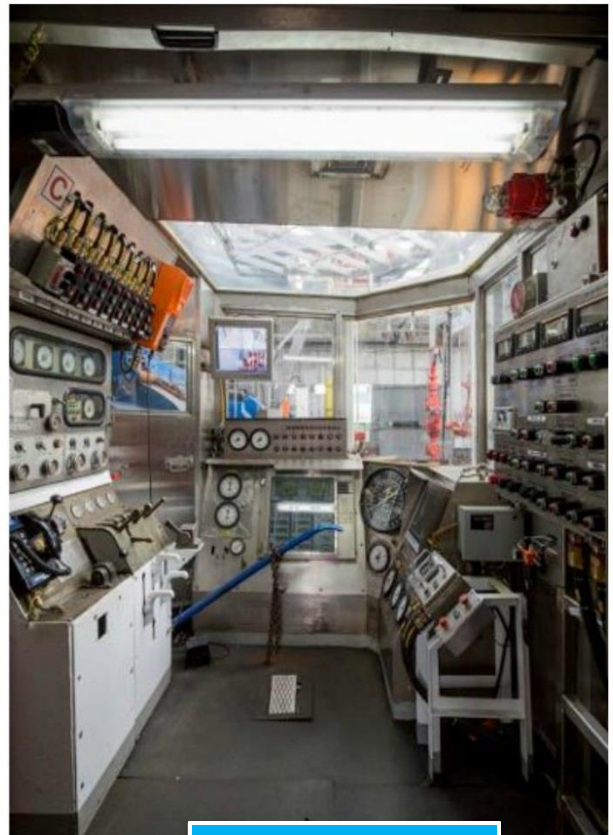
Standardized Approach to Equipment: Rig Equipment

BOP Control System – Accumulator

Engine Room

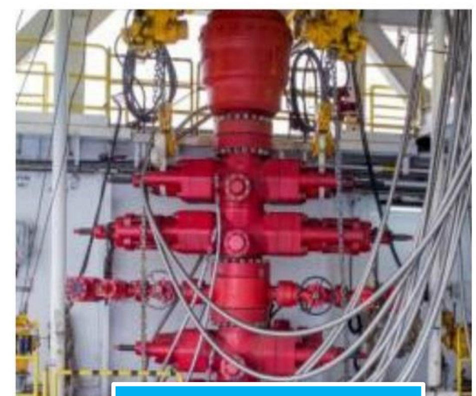


Rig Floor



Driller's Console

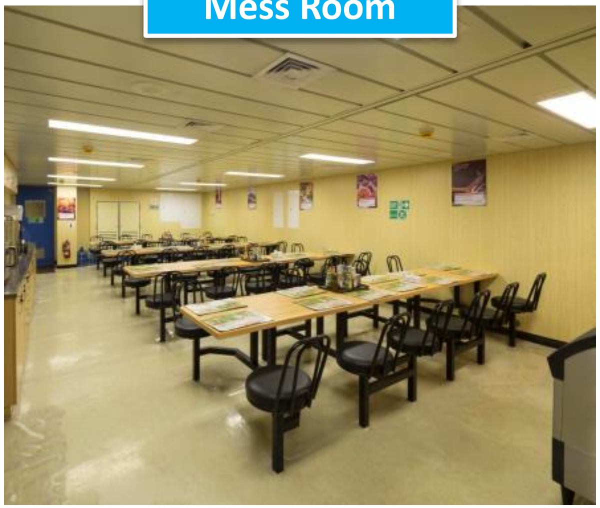
Choke Manifold



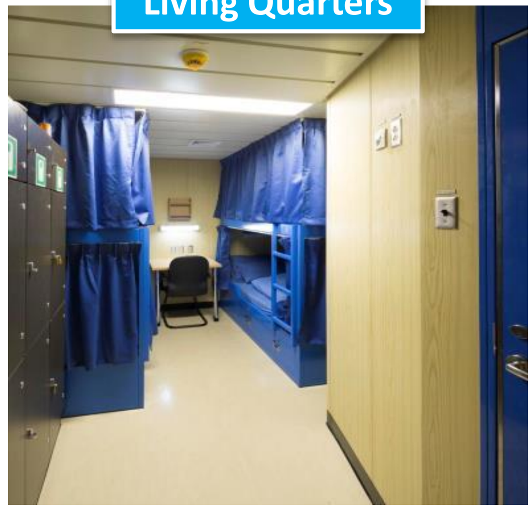
BOP

Standardized Approach to Equipment: Accommodation

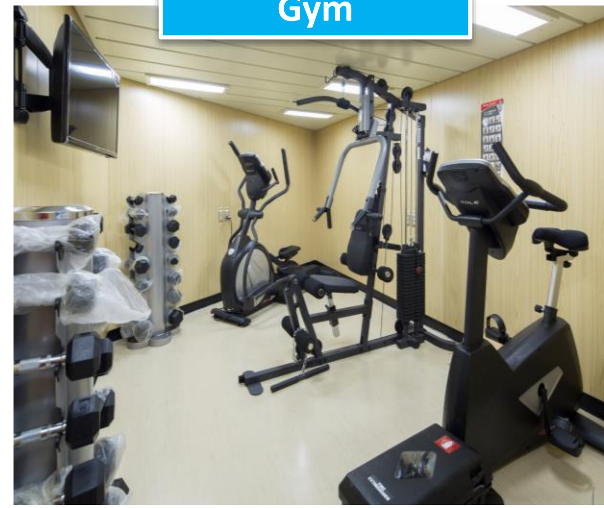
Mess Room



Living Quarters

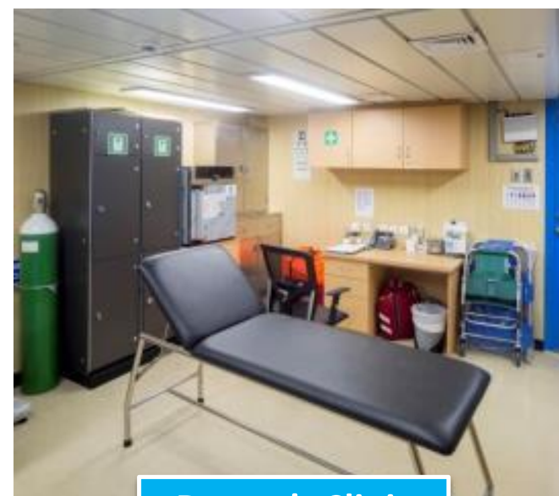


Gym



Recreation Room

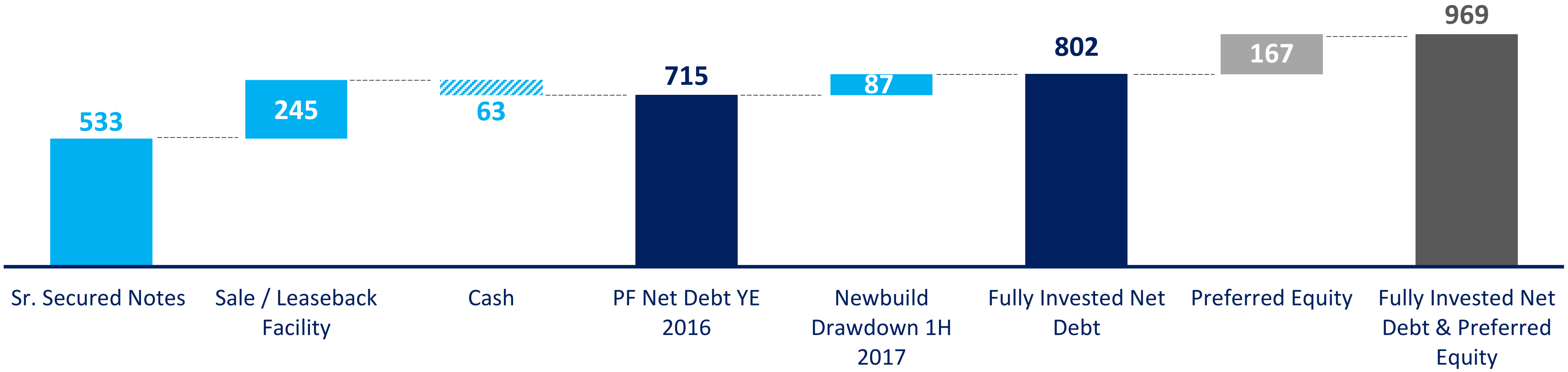
Galley



Doctor’s Clinic

Robust and Flexible Balance Sheet with Considerable Runway

Fully Invested Net Debt and Preferred Equity[(1),(2),(3)]



Sr. Secured Notes (2nd Lien)

- US$ 30 million of 8.625% Notes due 2018
- US$ 503 million of 9.5% Notes due 2020
- Bi-annual interest on May 1 and November 1
- No amortization payments

Sale / Leaseback Facility

- Increase from ~US$ 245 million to ~US$ 332 million during 1H 2017 with delivery of SDK [2]
- Monthly "rent" payments over 5 years
  - Variable interest (L + 400)
  - Fixed amortization (~$48k/rig/day)
  - US$ 82.5 million/rig due at maturity ('21/'22)

Preferred Equity[4]

- Perpetual security (no maturity)
- US$ 166.7 million face value with no conversion feature
- Variable cash dividend on January 31 and July 31 (LIBOR + 9.00% p.a.)
- Intend to redeem in cash in conjunction with potential IPO event

Strong runway and room for further growth

[1] Illustrative Pro Forma Capital Structure (reflecting principal values for each security) assumes close of refinancing transaction as of Dec 31, 2016; closing occurred Jan 12, 2017
[2] $91 million of drawdowns and $3 million of capitalized interest for SDK under sale leaseback facility less $7 million of principal repayments for SDC during Q2 2017
[3] In addition to the debt facilities described, the company has an undrawn RCF of US$ 160 million maturing in April 2020
[4] Subject to certain events, the preferred dividend rate may increase to LIBOR +11.00% p.a. Includes veto rights on amendments to the Company's articles of association, the initiation of an IPO, and certain other corporate actions. No dividend on common shares unless (i) agreed by holders of preferred equity or (ii) preferred equity redeemed.

Risks Related to the Company (1/2)

Below is an overview of certain risks and uncertainties faced by the Group. If any of the risks described were to materialise, individually or together with other circumstances, they could have a material adverse effect on the Group and/or its business, results of operations, cash flows, financial condition and/or prospects, which may cause a decline in the value and trading price of the Company's common shares, resulting in the loss of all or part of your investment. The actual results of the Group could differ materially from those anticipated in the forward-looking statements.

- The Group's business depends on the level of activity in the offshore drilling industry which, as seen in recent years, is significantly affected by the volatile nature of the oil and natural gas exploration and production ("E&P") industry and will be adversely affected by a further decline in oil and gas prices.
- The industry has been historically competitive, cyclical and subject to price competition. If the Group is unable to compete successfully with its competitors, the Group's profitability may be reduced.
- The Group's future business performance depends on its ability to secure new contracts for the fleet of rigs and/or on the renewal of its existing contracts by its customers.
- The Group's future contracted revenue, or backlog, for the fleet of drilling rigs may not be ultimately realized.
- The Group will continue to experience reduced profitability if its customers reduce activity levels, terminate or continue to seek to renegotiate contracts or if the Group experience downtime, operational difficulties or safety-related issues.
- The Group relies on a relatively small number of customers for a substantial portion of future contracted revenue.
- Upgrade, refurbishment and repair projects are subject to risks, including delays and cost overruns, which could have an adverse impact on available cash resources or results of operations.
- Supplier capacity constraints or shortages in parts or equipment, supplier production disruptions, supplier quality and sourcing issues or price increases could increase the Group's operating costs, decrease revenues and adversely impact the Group's operations.
- An over-supply of new jackup rigs may lead to a further reduction in dayrates and therefore may materially impact the Group's profitability.
- The Group's rigs are on average 34 years old and some customers may prefer newer and/or higher specification rigs.
- There may be further asset impairments as a result of future declines in dayrates and utilization for shallow water drilling rigs.
- The Group is exposed to the credit risks of key customers and certain other third parties.
- There may be limits to the Group's ability to mobilize drilling rigs between geographic areas, and the duration, risks and associated costs of such mobilizations may be material to the Group's business.
- The Group's business involves numerous operating hazards and insurance and contractual indemnity rights may not be adequate to cover any losses resulting therefrom.
- The Group's insurance coverage may become inadequate to cover losses, may become more expensive, and may become unavailable in the future.
- If the Group is unable to acquire additional rigs on economically acceptable terms, or at all, future growth will be limited, and any such acquisitions the Group may make could have an adverse effect on results of operations.
- If the Group was to reactivate speculatively any of its stacked rigs or commit speculatively to construct newbuild rigs, the Group could be exposed to a number of risks which could adversely affect the Group's financial position, results of operations and cash flows.
- The Group may not be able to keep pace with technological developments and to make adequate capital expenditures in response to higher specification rigs being deployed within the industry.
- Newbuild projects are subject to various risks which could cause delays or cost overruns and have an adverse impact on the Group's results of operations.
- The market value of the Group's drilling rigs and of any rigs the Group acquires in the future may decrease, which could cause the Group to incur losses if the Group decide to sell them following a decline in the market values of the rigs.
- The Group's labor costs and the operating restrictions that apply to the Group could increase as a result of collective bargaining negotiations and changes in labor laws and regulations.
- The Group is dependent on key employees including senior management team, and the business could be negatively impacted if the Group were unable to attract and retain personnel necessary for its success.
- The Group is dependent on the availability and retention of skilled personnel and may be adversely affected by increases in labor costs.
- The Group's interests in certain of its subsidiaries are subject to arrangements with local partners and the loss of their support could have a material adverse effect on the Group's business.

Risks Related to the Company (2/2)

- The Group is exposed to market risks, which could create the inability to secure financing on terms which are acceptable to management.
- Despite the Group's significant level of indebtedness, the Group may still be able to incur substantially more debt, which could exacerbate the risks associated with the Group's substantial leverage.
- The Group's existing indebtedness imposes significant operating and/or financial restrictions on the Group that may prevent the Group from pursuing certain business opportunities and restrict the Group's ability to operate its business.
- The Group's international operations in the offshore drilling sector involve additional risks, which could adversely affect the Group's business.
- The Group depends heavily upon the security and reliability of its technology systems and those of the Group's service providers, and such systems are subject to cybersecurity risks and threats.
- Any failure to comply with the complex laws and regulations governing international trade, including import, export, economic sanctions and embargoes could adversely affect the Group's operations.
- The Group is subject to complex laws and regulations, including environmental laws and regulations that can adversely affect the cost, manner or feasibility of doing business.
- Failure to comply with applicable anti-corruption laws, sanctions or embargoes, could result in fines, criminal penalties, drilling contract terminations and have an adverse effect on the Group's business.
- Any failure to comply with the complex laws and regulations governing international trade, including import, export, economic sanctions and embargoes could adversely affect the Group's operations.
- The Company is exposed to regulatory and enforcement risks regarding taxes. U.S. tax authorities may treat the Company as a passive foreign investment company, causing potential adverse U.S. federal tax consequences to U.S. holders.
- Any relevant change in tax laws, regulations, or treaties, and relevant interpretations thereof, for any country in which the Group operate or earn income or are considered to be a tax resident, may result in a higher effective tax rate on the Group's worldwide earnings, which could have a material impact on earnings and cash flows from operations.
- The loss of any major tax dispute, or a successful challenge to the Group's intercompany pricing policies or operating structures, or a taxable presence of the Group's key subsidiaries in certain countries could result in a higher effective tax rate on worldwide earnings, which could have a material impact earnings and cash flows from operations.
- There is no guarantee that an active and liquid public market will develop for the investors to resell the Company's common shares.
- The price of the Company's common shares may be volatile.
- Investors' rights and responsibilities as shareholders will be governed by Cayman Islands law and will differ in some respects from the rights and responsibilities of shareholders under other jurisdictions, including Norway and the United States, and shareholder rights under Cayman Islands law may not be as clearly established as shareholder rights under the laws of other jurisdictions.
- Because the Group is incorporated under the laws of the Cayman Islands, investors may face difficulty protecting their interests, and their ability to protect their rights through courts in other jurisdictions, including the United States and Norway, may be limited.
- Future sales of the common shares could cause the market price of the common shares to decline.
- The Sponsors owns a significant proportion of the common shares, and their interests may conflict with those of the Group or other shareholders.
- To service and refinance the Group's indebtedness, pay dividends or liquidation preference on, or the redemption price of, the preferred shares and fund the Group's capital and liquidity needs, the Group will require a significant amount of cash, and the Group may not generate sufficient cash, or have access to sufficient funding, for such purposes, and such failure would have a material adverse effect on the Group and the Company.
- The Company may in the future issue additional securities, which may have a dilutive effect on the Company's shareholders.
- Investors could be unable to exercise their voting rights for common shares registered in a nominee account.
- Shareholder rights and responsibilities will be governed by Cayman Islands law and will differ in some respects from the rights and responsibilities of shareholders under other jurisdictions, including Norway and the United States, and the Company's shareholder rights under Cayman Islands law may not be as clearly established as shareholder rights are established under the laws of other jurisdictions.
- The concentration of the Company's share ownership and existing agreements with Sponsors (CHAMP, Castle Harlan and Lime Rock) will limit your ability to influence corporate matters, including the ability to influence the outcome of director elections and other matters requiring stockholder approval.
- No assurances can be given that the common shares will ever be listed on a stock exchange or another regulated market.
- The Group will incur increased costs if it becomes listed on a stock exchange or another regulated market.
- There may be no public regulated market for the common shares, and an active trading market may not develop.
- The market value of the common shares may fluctuate significantly, which could cause investors to lose a significant part of their investment.
- Preemptive rights with respect to the common shares are not available to you as holders of common shares.

SHELF
DRILLING