



**SHELF
DRILLING**



Shelf Drilling Presentation

David Mullen – CEO

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Shelf Drilling is the World's Largest Jack-up Contractor

Company Overview

- International “pure-play” jack-up drilling contractor
- Fit-for-purpose operations with sole focus on shallow water
- Headquarters centrally located in Dubai
- Best-in class safety and uptime performance
- Robust full cycle financial performance

Fleet Size

40 shallow water drilling rigs
39 ILC jack-ups and 1 swamp barge



Key Milestones

Nov
2012

Shelf Drilling's initial fleet acquisition

Dec
2013

Independence

May
2014

10 rig-years contract with Chevron for 2 newbuilds

Jun
2015

Expansion in Middle East (4 to 10 operating rigs)

Dec
2016

Seamless, on-time and on-budget SDC start-up

Jan
2017

Completed refinancing transaction

Apr
2017

Equity raise on NOTC to acquire 3 premium jack-ups

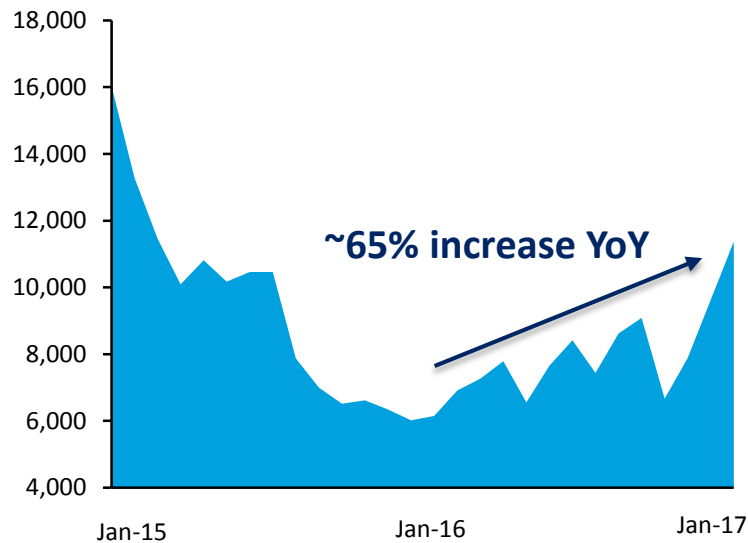
Jun
2017

Seamless, on-time and on-budget SDK start-up

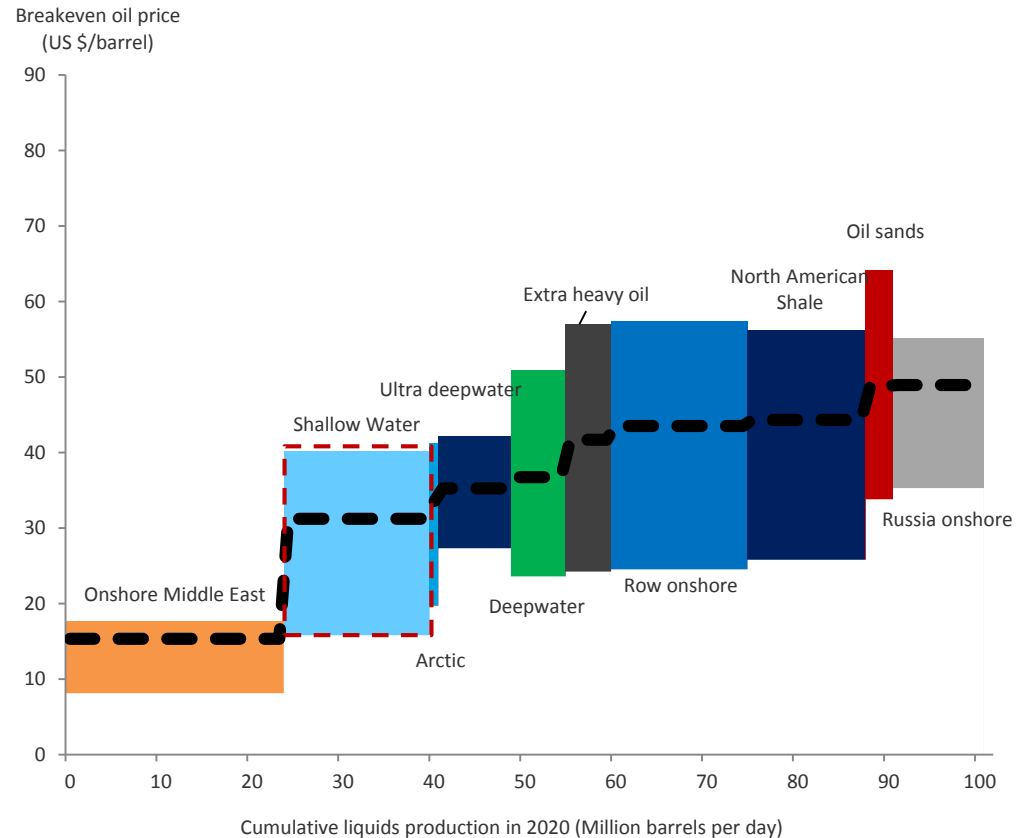
Exposure to Short-Cycle, Low-Cost Oil Supply

Pre-tender Activity

Outstanding rig days in pre-tenders



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

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**



**Differentiated performance
through the cycle**

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



Our three strategic pillars have served us well

1

**Right Assets in
the Right Locations**

2

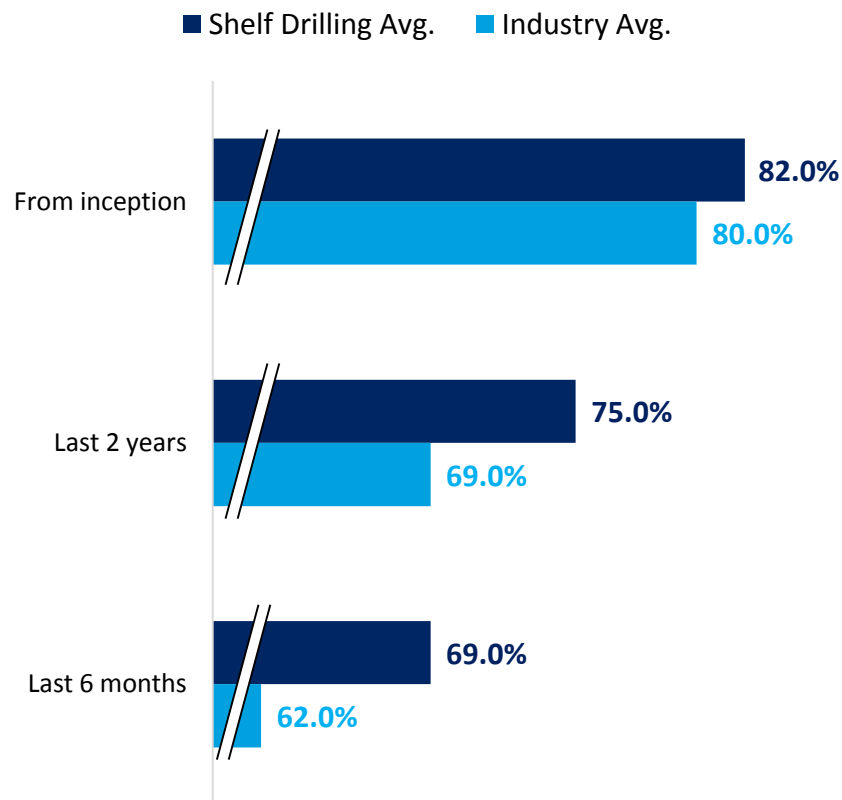
Right-Sized Organization

3

High National Content

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

Utilization Comparison¹



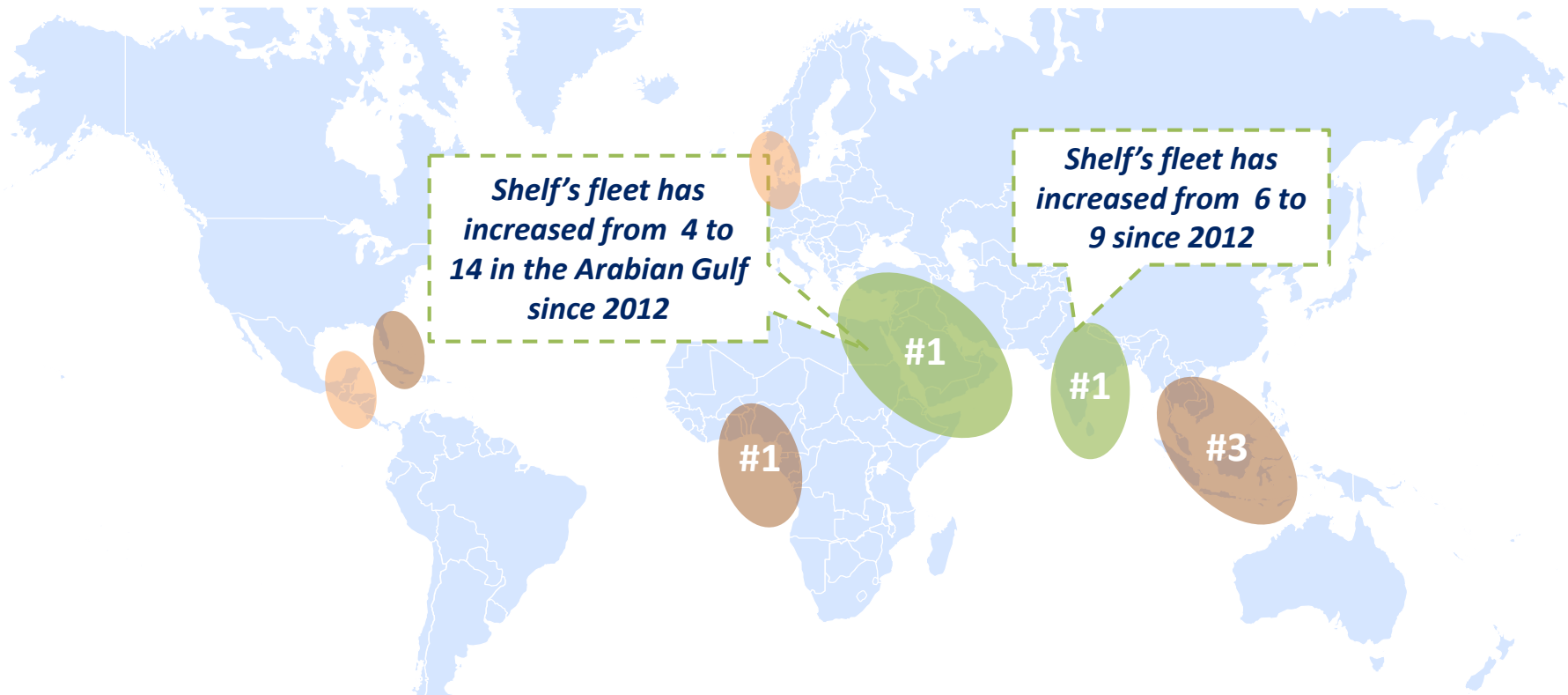
Execution of strategy has resulted in superior performance throughout the cycle

Source: IHS PetroData and Company

¹ Current as of April 2017

Shelf Drilling is the Leading Contractor in Core Jack-up Markets

Global Jack-up Activity vs. Shelf Drilling's Geographical Fleet Distribution



Operating in the most active and promising markets

Color represents jack-up activity level

High

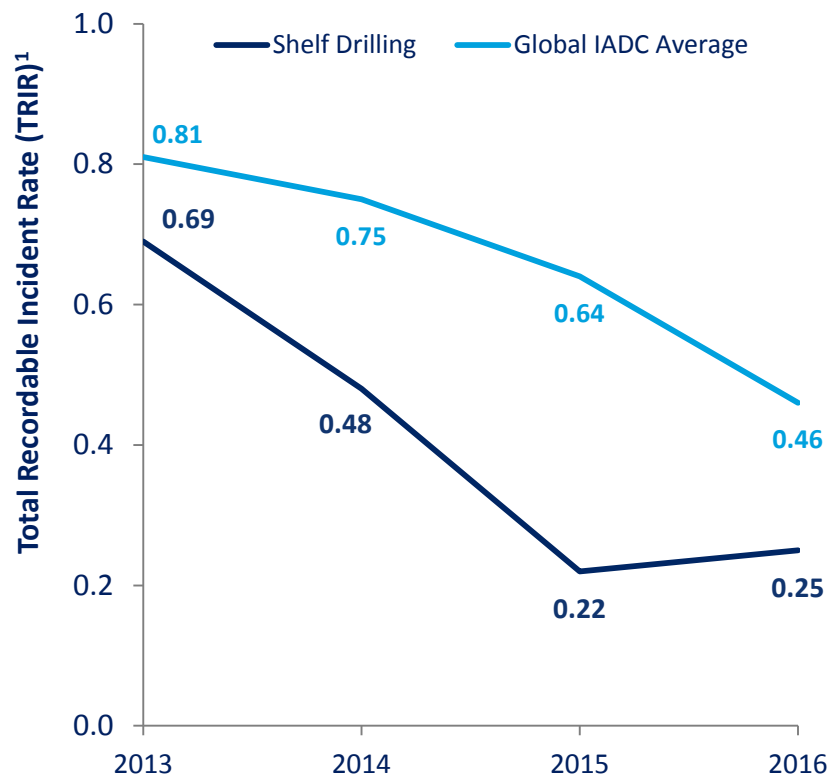
Medium

Low

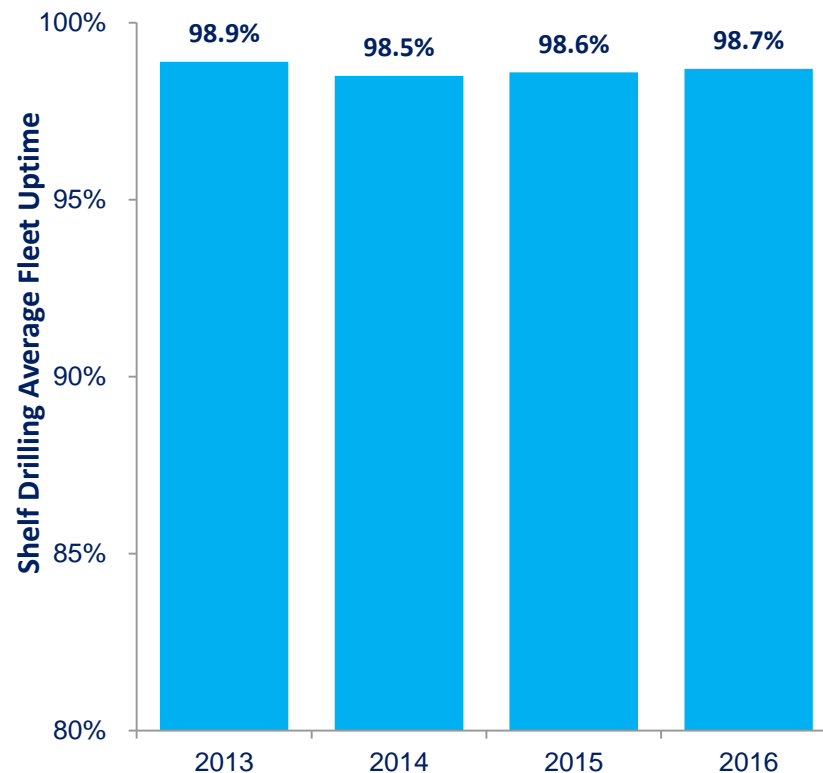
Number (#) represents Shelf Drilling's operating position

Operational Excellence Leading to “Perfect Execution”

Safety Track Record



Uptime Track Record



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

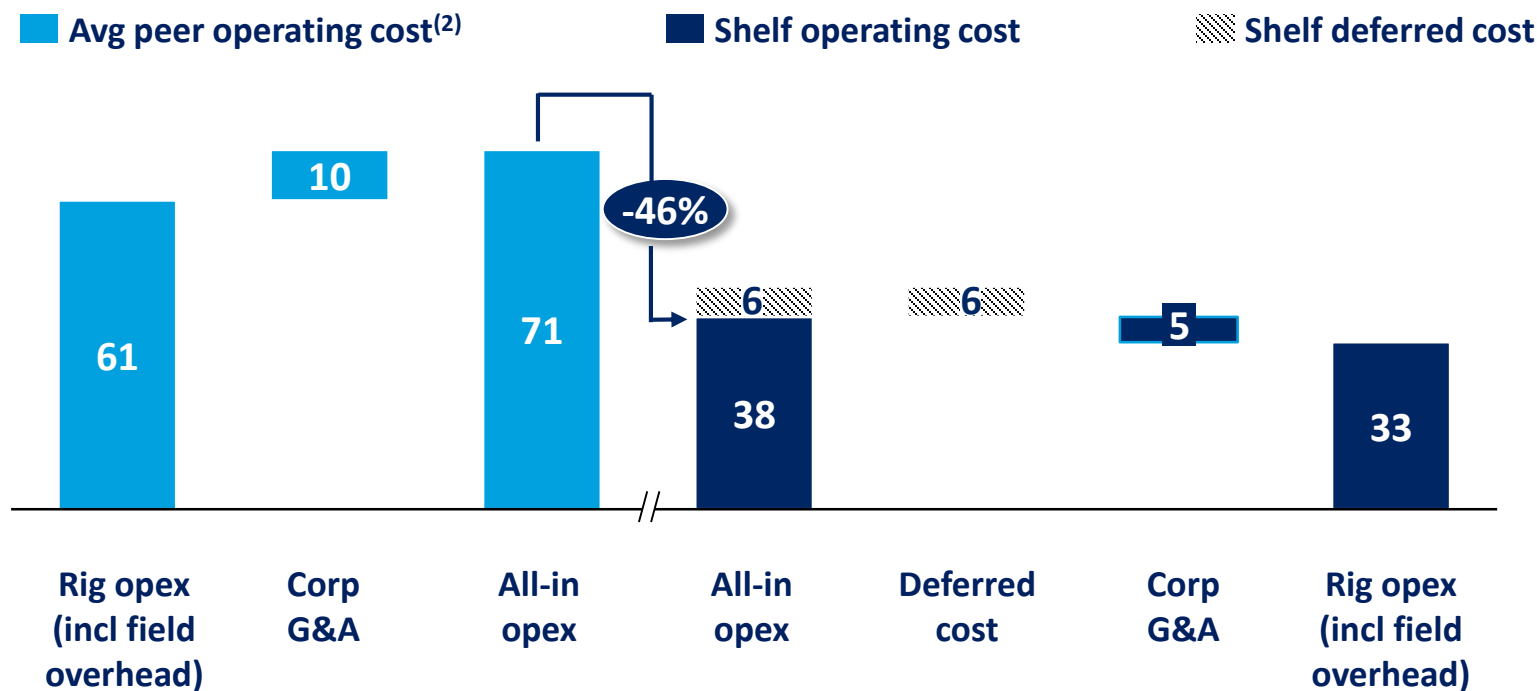
Source: Shelf Drilling management records as of 2016 and Transocean historical data;
International Association of Drilling Contractors (IADC)

¹ Total recordable incident rate (incidents per 200,000 man-hours)

Source: Shelf Drilling management records as of 2016 and Transocean historical data

Lowest Cost International Operator

All-In Opex (US\$ 000/Day)⁽¹⁾



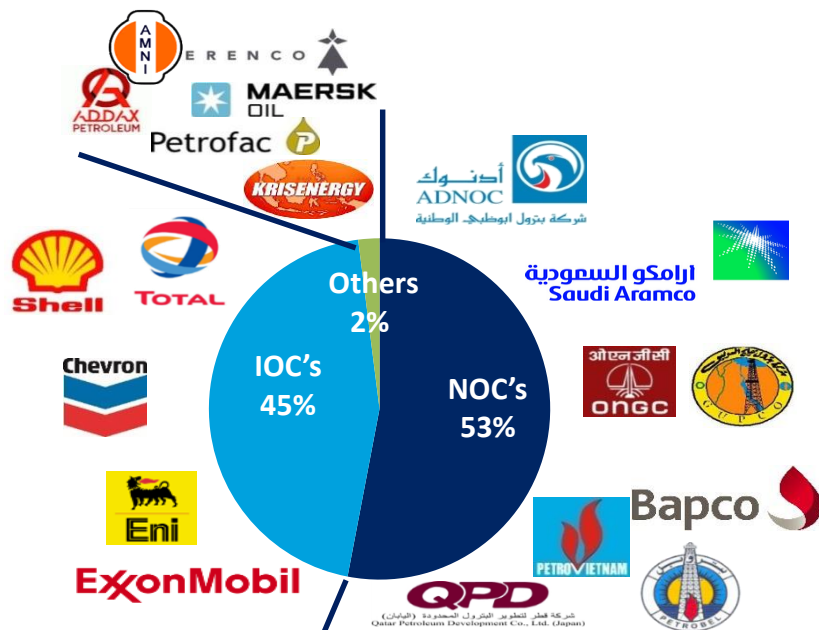
Efficiently reduced costs across all regions to streamline operations and adjust to current market

¹Source: DNB Markets

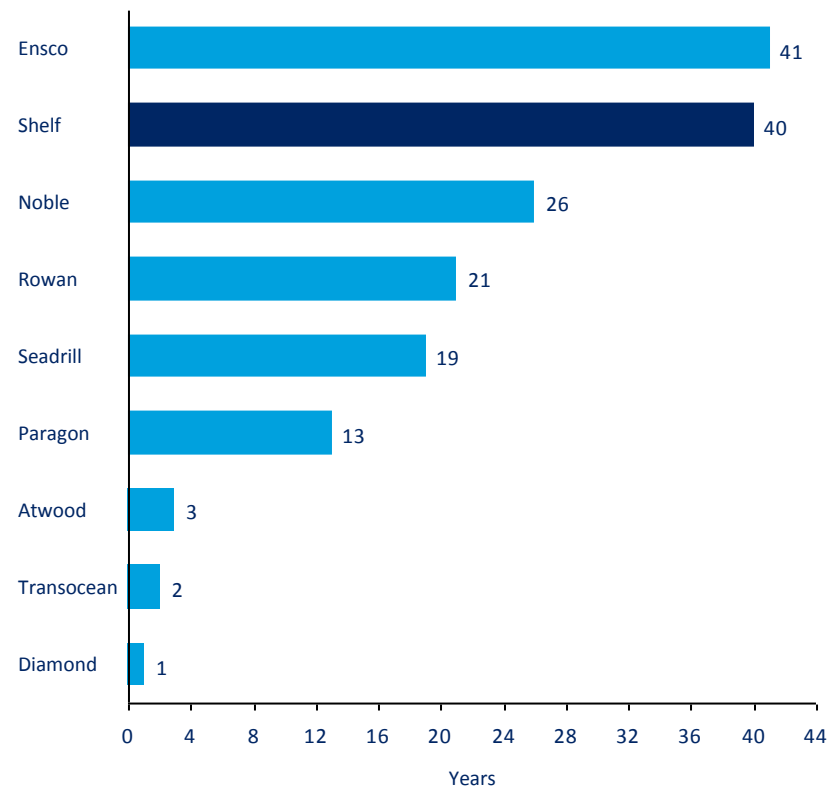
² 2016A for EnSCO, Rowan, Noble, Atwood, Paragon and Seadrill

Differentiated Performance in Securing Contracts

Backlog Quality and Diversity



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



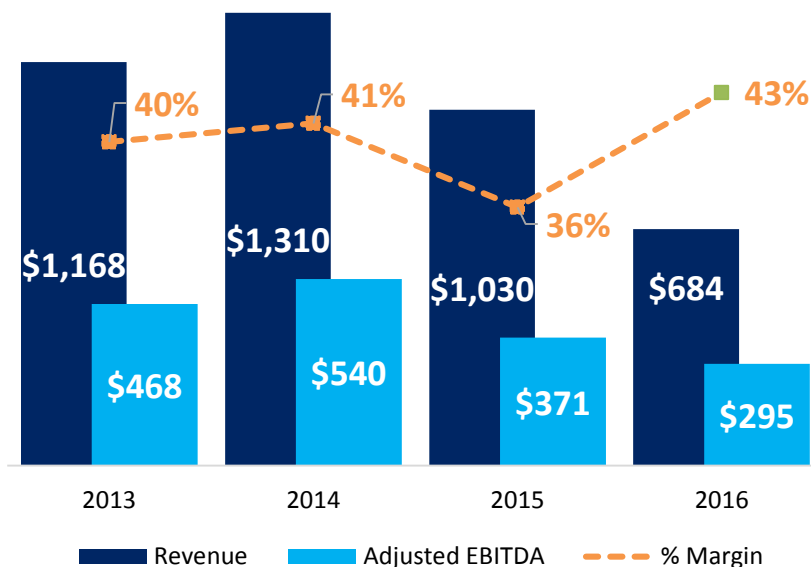
Superior contracting performance is demonstrated by contract revenue secured in recent years

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

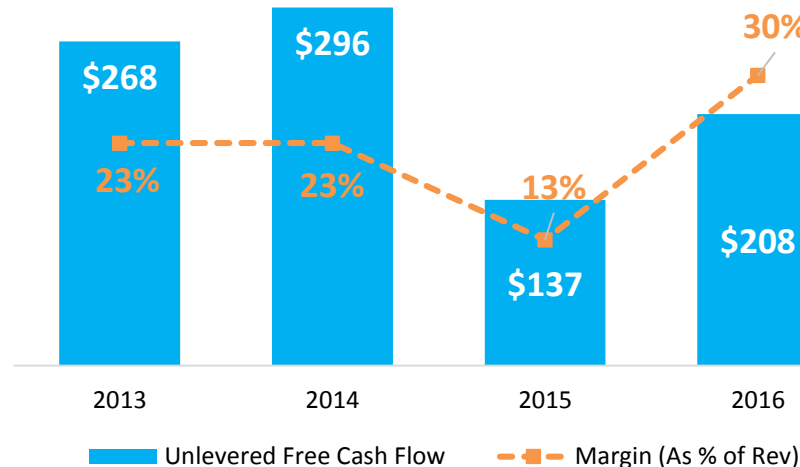
Source: DNB Markets
¹ As of April 2017

Resilient, Full-Cycle Financial Results and Cash Flow Generation

Revenue & EBITDA (US\$ million)



Free Cash Flow (US\$ million)

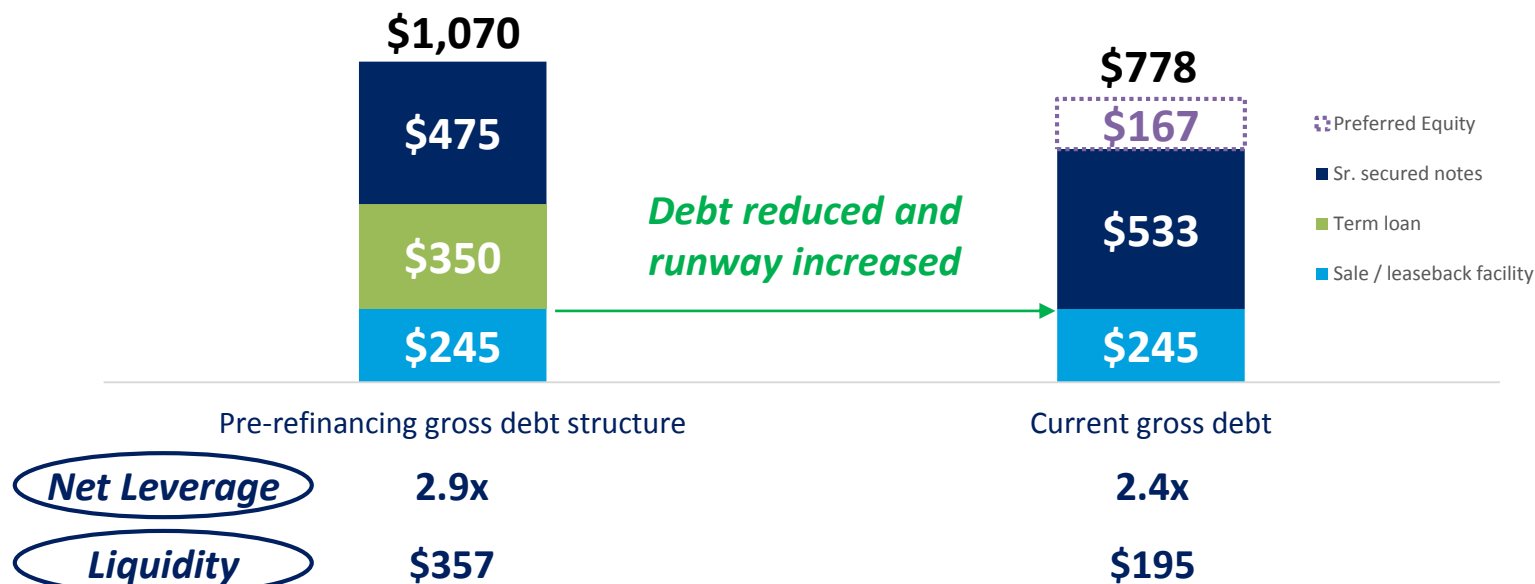


Unlevered FCF: Adj. EBITDA Less Sustaining Capex Less Taxes

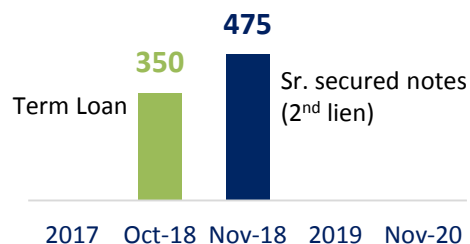
Proven ability to generate positive free cash flow in both upcycles and downturns

Successful Refinancing Further Enhances Competitive Position

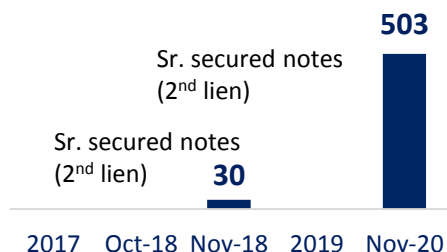
Reduction in Debt Level (12/31/16 PF) (US\$ million)



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

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

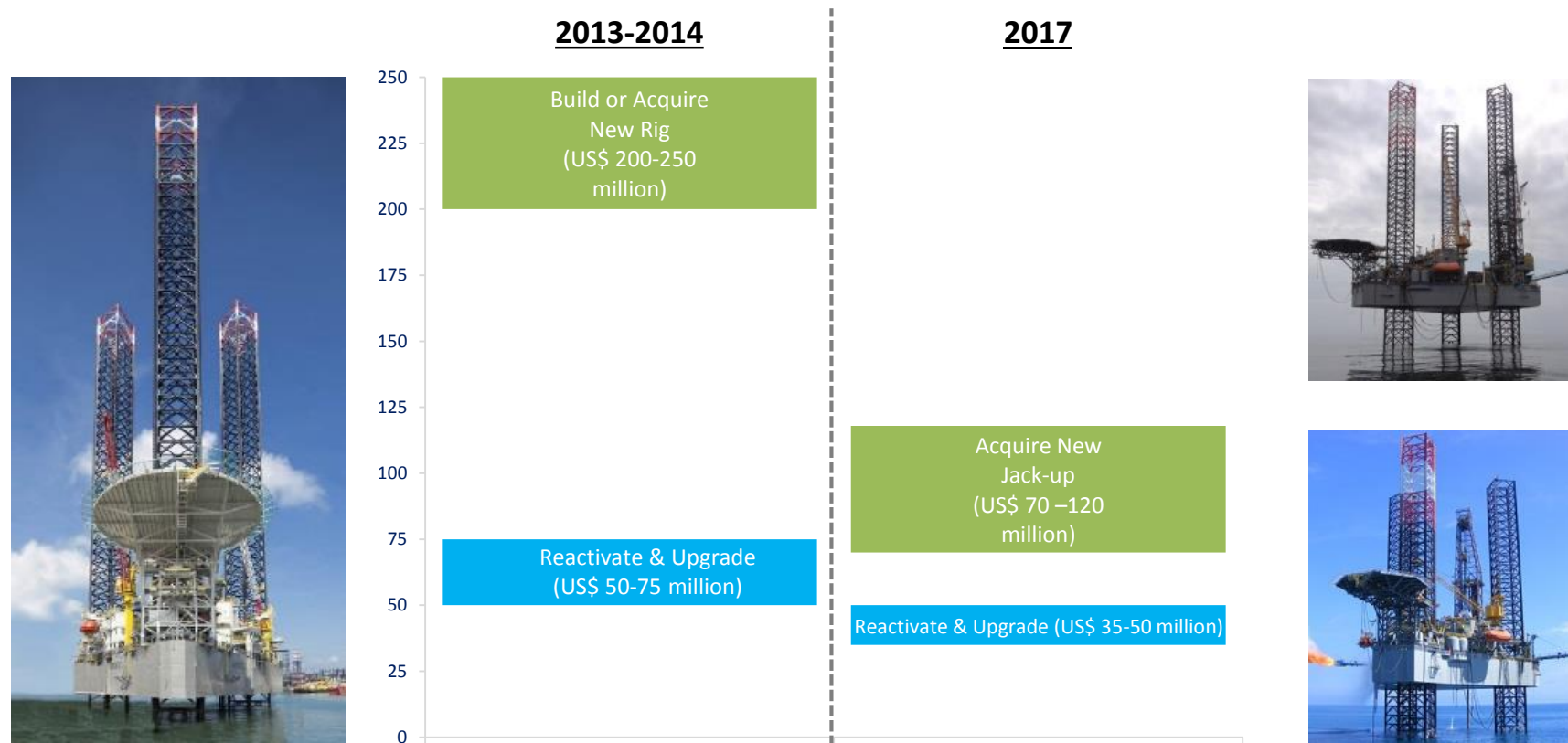
*Second newbuild – **Shelf Drilling Krathong (SDK)**, started contract on June 1, 2017*



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

Well Positioned to Drive Further Growth

Illustrative Cost of Upgrades vs New Rig Acquisitions

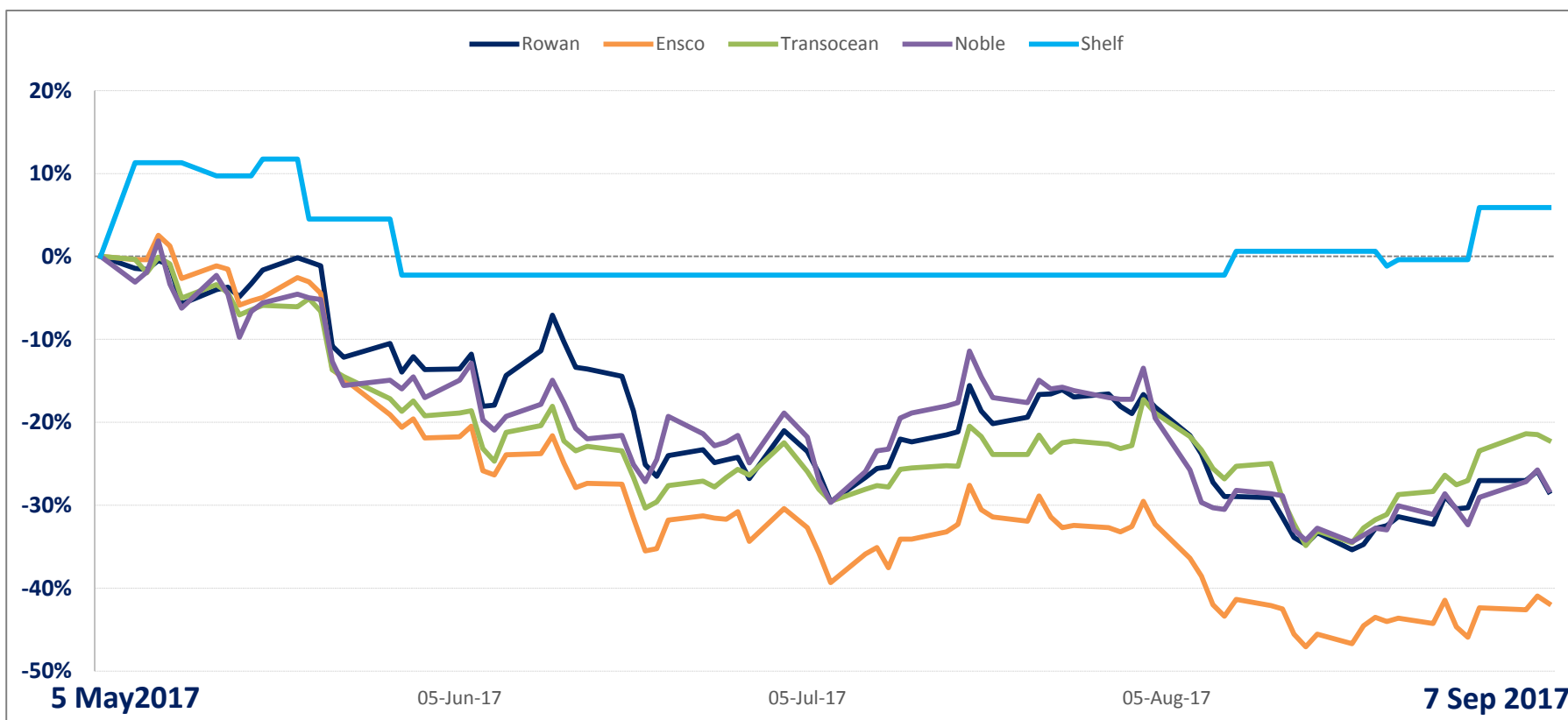


**Value proposition in current environment –
Acquiring high quality jack-ups at meaningful discount to replacement cost**

Peer Group Share Price Movement – Last 4 Months

SHLF	RDC	ESV	RIG	NE	ADES
+6%	-28%	-42%	-22%	-28%	-22%

Shelf Drilling	
Listing Share Price	US\$8.00/share
Current Share Price	US\$8.47/share
Shares Outstanding	83.1 million
Market Capitalization	US\$704 million



Shelf Drilling Tenacious & Shelf Drilling Mentor



- Two year contract secured with **Dubai Petroleum** for each rig
- Each contract includes two one-year options
- Planned start-up of operations in January 2018
- Opportunity further strengthens our market leading position in the Middle East region

Shelf Drilling Resourceful	Baltic	Adriatic I
 <p data-bbox="117 991 637 1229">10 months firm + 6 months option with major international operator in West Africa</p>	 <p data-bbox="703 991 1234 1165">6-month extension with major international operator in West Africa</p>	 <p data-bbox="1309 991 1818 1165">New 6-month contract with an indigenous operator in Nigeria</p>

