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## **PRESS RELEASE**

### **SHELF DRILLING, LTD. – STABILIZATION AND OVER-ALLOTMENT OPTION NOTICE**

Dubai, 25 June 2018: Shelf Drilling, Ltd. ("Shelf Drilling" or the "Company", OSE ticker code "SHLF"). Reference is made to the stock exchange announcement on 21 June 2018, in which Shelf Drilling announced the successful completion of the bookbuilding for its initial public offering (the "Offering").

DNB Markets, a part of DNB Bank ASA (the "Stabilization Manager") may, on behalf of the Managers (as defined below), engage in stabilization activities from today 25 June 2018 to and including 24 July 2018 (the "Stabilization Period"). Any stabilization transactions will be aimed to support the market price of the securities of Shelf Drilling.

In connection with the Offering, the Managers have over-allotted to the applicants in the Offering 4,218,750 securities in the Company, which equals approximately 15% of the number of shares issued and sold in the Offering before over-allotments. In order to permit the delivery in respect of over-allotments made, the Stabilization Manager has been granted an option, on behalf of the Managers, to borrow a number of Shares in the Company equal to the number of over-allotted Shares from funds affiliated with, managed or advised by CHAMP III Management Pty, funds affiliated with Castle Harlan, Inc. and a fund affiliated with Lime Rock Management LP (together the "Sponsors"). For further details on the Offering, see the stock exchange announcement of 21 June 2018 issued by Shelf Drilling.

Further, the Stabilization Manager, on behalf of the Managers, has been granted an option (the "Greenshoe Option") by the Sponsors, which entitles the Managers, at the request of the Stabilization Manager, to purchase up to 4,218,750 common shares in the Company at a price per common share of NOK 65.35, which is equal to the offer price in the Offering (the "Offer Price"). The Greenshoe Option may be exercised at any time, in whole or in part, during the Stabilization Period. The Stabilization Manager may close out the short position created by over-allotting shares by buying shares in the open market through stabilization activities and/or by exercising the Greenshoe Option.

The Stabilization Manager (or persons acting on behalf of the Stabilization Manager) may effect transactions to stabilize or maintain the price of the securities of Shelf Drilling at a level higher than that which might otherwise prevail, by buying securities in Shelf Drilling or associated instruments in the open market at prices equal to or lower than (but not above) the Offer Price. However, there is no obligation on the Stabilization Manager (or persons acting on behalf of the Stabilization Manager) to do so. Moreover, there is no assurance that the Stabilization Manager (or persons acting on behalf of the Stabilization Manager) will undertake stabilization activities. If stabilization activities are undertaken, they may be discontinued at any time, and must be brought to an end upon or before the expiry of the Stabilization Period.

Within one week after the end of the Stabilization Period, the Stabilization Manager will publish a statement through the information system of the Oslo Stock Exchange under the Company's ticker with information as to whether or not any stabilization activities have been undertaken. If stabilization activities were undertaken, the information will also include information about: (i) the total amount of securities purchased; (ii) the date on which the stabilization started; (iii) the date on which stabilization last occurred; and (iv) the price range within which stabilization was carried out, for each of the

dates during which stabilization transactions were carried out, as well as the highest, lowest and average price paid during the Stabilization Period.

Any stabilization activities will be conducted in accordance with section 3-12 of the Norwegian Securities Trading Act and Commission Regulation (EC) No. 2273/2003 implementing Directive 2003/6/EC of the European Parliament and of the Council regarding buy-back programs and stabilization of financial instruments.

DNB Markets, a part of DNB Bank ASA is acting as Global Coordinator and Joint Bookrunner, Clarksons Platou Securities AS is acting as Joint Bookrunner and Arctic Securities AS and SpareBank 1 Markets AS are acting as Co-Managers in the Offering (collectively, the "Managers").

Advokatfirmaet Thommessen AS is acting as Norwegian legal counsel to the Company. Walkers is acting as Cayman Islands legal counsel to the Company.

Wikborg Rein Advokatfirma AS is acting as Norwegian legal counsel to the Managers.

**For further queries, please contact:**

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**About Shelf Drilling**

Shelf Drilling is a leading international shallow water offshore drilling contractor with rig operations across Middle East, Southeast Asia, India, West Africa and the Mediterranean. 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. The company is incorporated under the laws of the Cayman Islands with corporate headquarters in Dubai, United Arab Emirates

**IMPORTANT INFORMATION**

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These materials are an advertisement and 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**").

In any EEA Member State other than Norway that has implemented the Prospectus Directive, this communication is only addressed to and is only directed at “qualified investors” in that Member State within the meaning of Article 2(1)(e) of the Prospectus Directive (“Qualified Investors”), i.e., only to investors to whom an offer of securities may be made without the requirement for the Company to publish a prospectus pursuant to Article 3 of the Prospectus Directive in such EEA Member State.

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This announcement does not constitute a recommendation concerning the Offering. The price and value of securities and any income from them can go down as well as up. Past performance is not a guide to future performance. Information in this announcement or any of the documents relating to the Offering cannot be relied upon as a guide to future performance.

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