



**SHELF
DRILLING**



Shelf Drilling Presentation

June 2018

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Executive 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

- 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



Dzul Bakar
VP, General Counsel & Secretary

- 22 years in the global oil and gas industry
- 11 years with Transocean as Associate General Counsel with postings in Houston, Singapore, Jakarta and Malaysia
- 6 years with Schlumberger with postings in Singapore, Jakarta and Houston
- Admitted as an Advocate and Solicitor of the Malaysian Bar in 2001

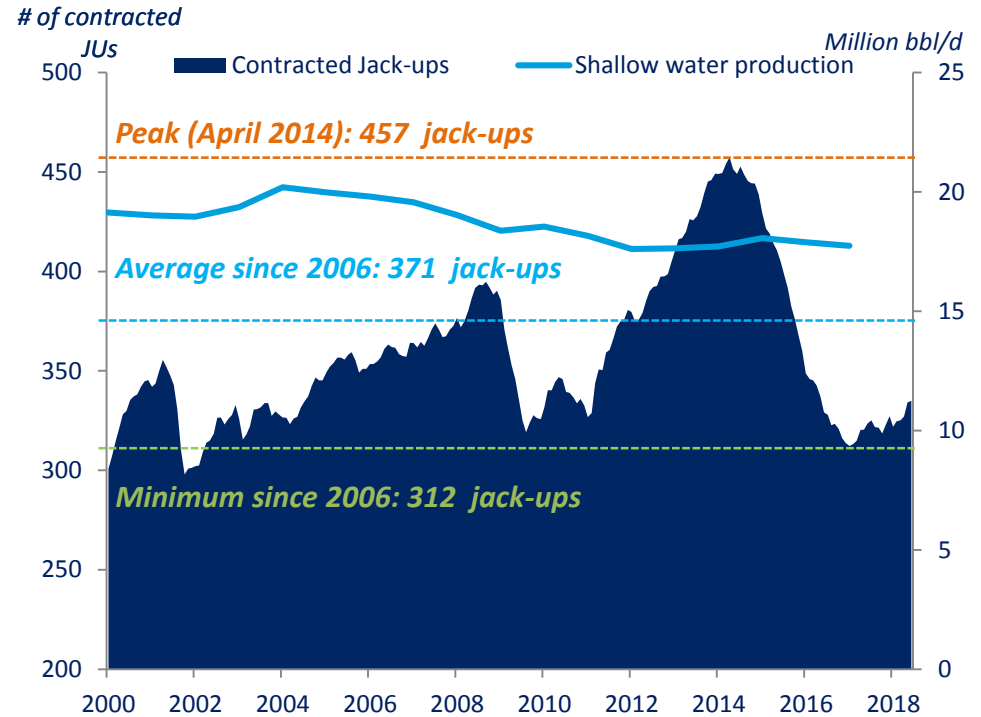
Experienced management team with a proven track record

Jack-up Market Overview

Oil Price Development



of Contracted Jack-ups

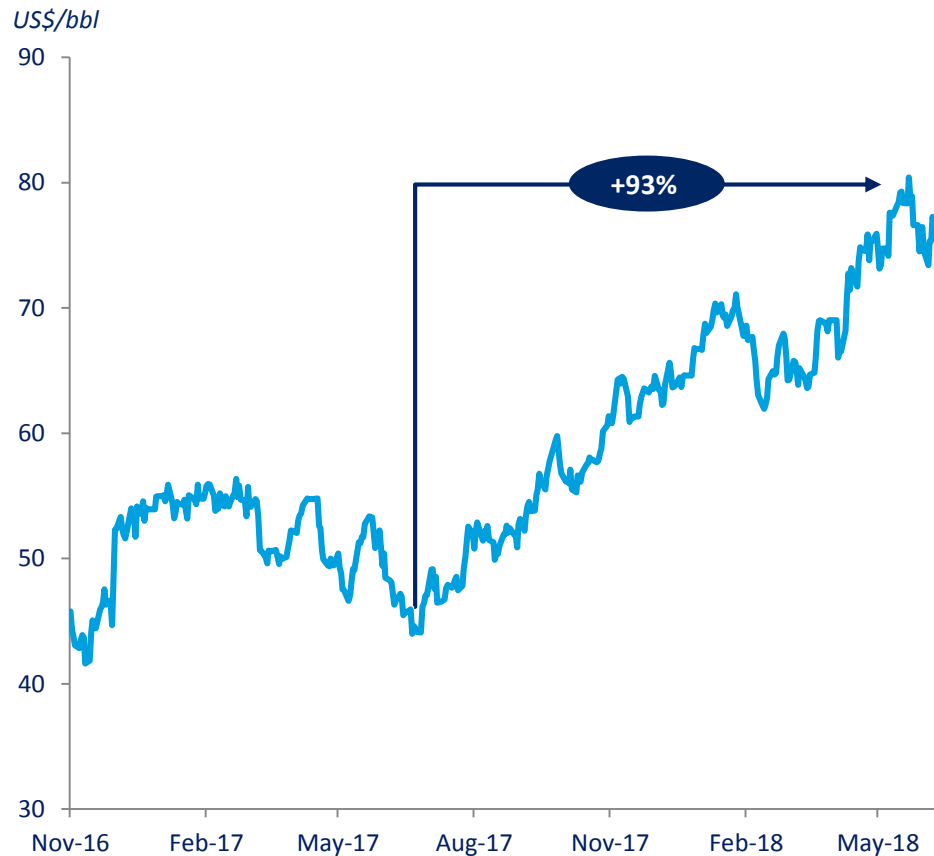


- Jack-up activity in early 2017 at the lowest level since early 2000s – jack-up rig count up 23 since January 2017
- Average rig demand of around 370 units since mid-2000s
- In prior downturns, oil prices tends to bottom out long before low point of rig count (6-12 months)
- Improving commodity prices is the main leading indicator for a rise in drilling activity and rig utilization

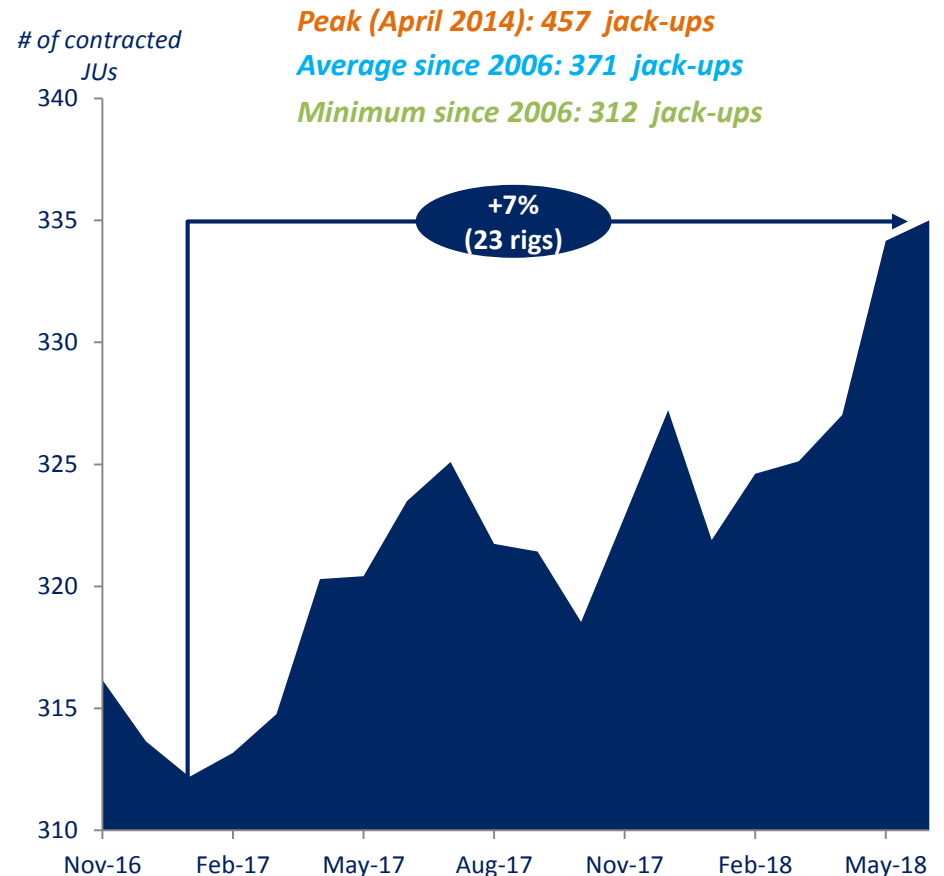
Source: Bloomberg, IHS Petrodata, Rystad Energy

Cycle Turning Off of Historic Lows

Oil Price Development



of Contracted Jack-ups



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

Company Overview

- International “pure-play” jack-up drilling company
- Fit-for-purpose operations with sole focus on shallow water
- Headquarters centrally located in Dubai
- Top tier safety and operational performance
- Robust full cycle financial performance

Fleet Size

38 ILC jack-ups and 1 swamp barge



Note (1): Shelf Drilling Chaophraya (“SDC”) and Shelf Drilling Krathong (“SDK”)

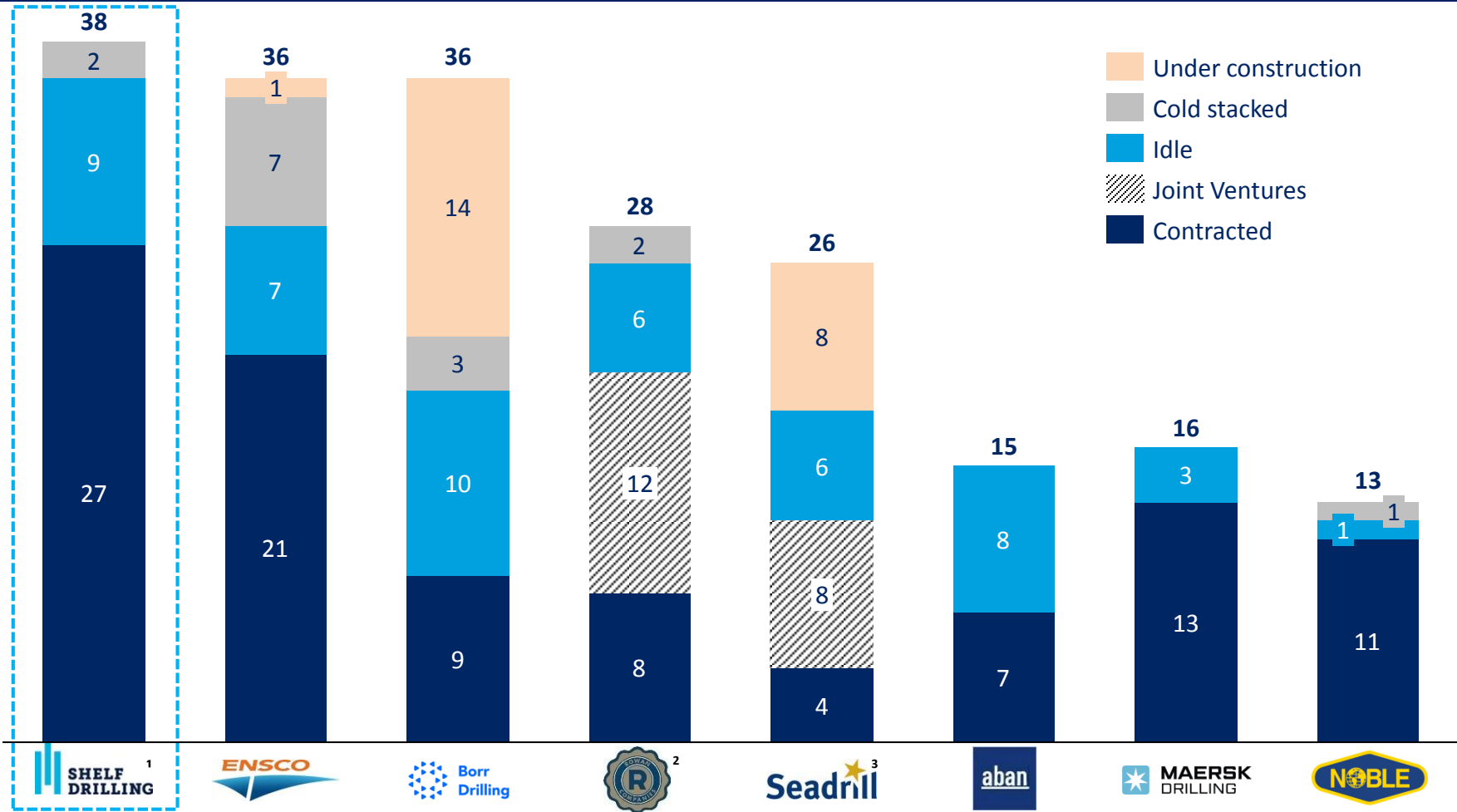
Key Milestones

- | | |
|----------|---|
| Nov 2012 | Shelf Drilling’s initial fleet acquisition |
| Dec 2013 | Operating 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 ¹ |
| Apr 2017 | Equity raise on NOTC to acquire 3 premium jack-ups |
| Jun 2017 | Seamless, on-time and on-budget SDK start-up ¹ |
| Sep 2017 | All recently acquired jack-ups under contract |
| Feb 2018 | Completed bond refinancing transaction |
| Jun 2018 | Completed US\$ 300 million bond tap and extension of revolver and initiated refinancing of sale leaseback |
| Pending | IPO on Oslo Børs |

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

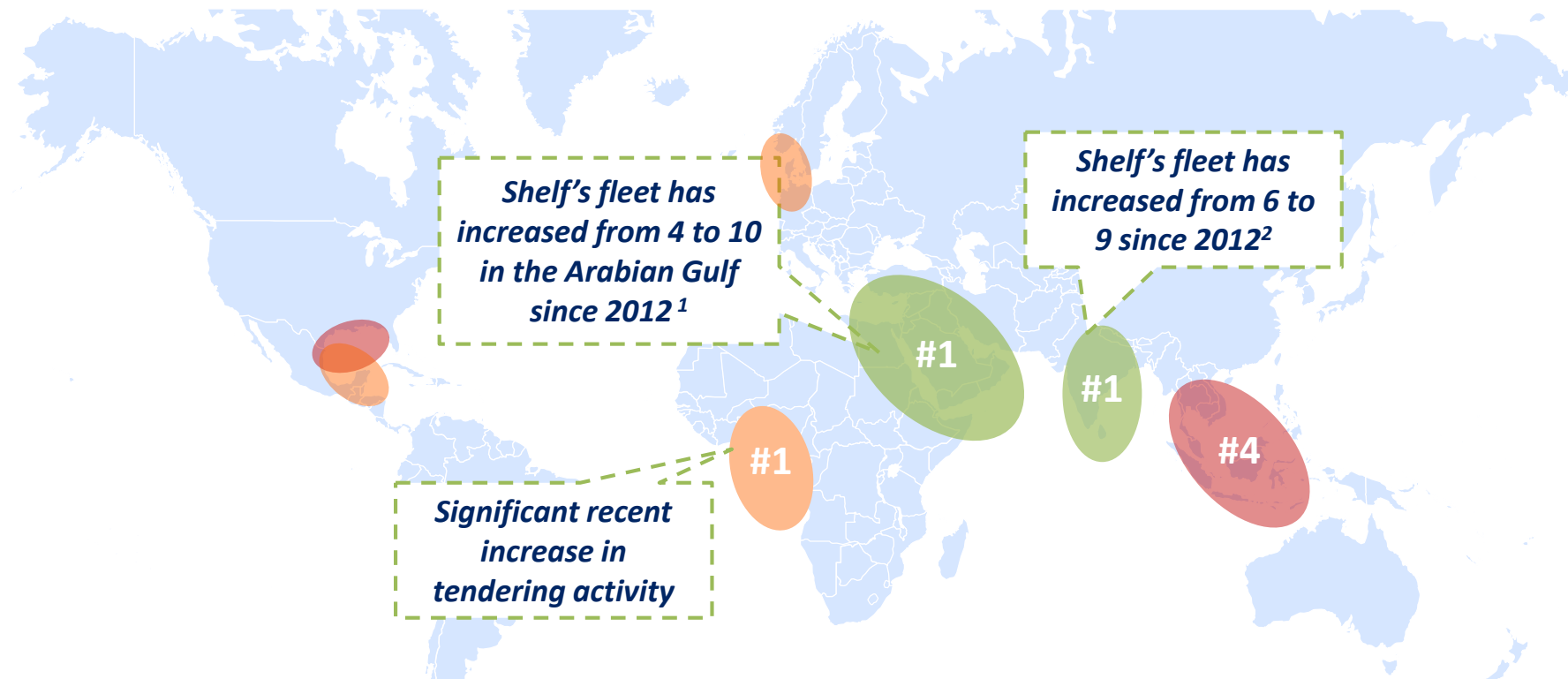


Largest Contracted Fleet of Jack-ups Globally with 27 Units



Source: Company filings
Note (1): Excluding Swamp Barge
Note (2): Includes 12 rigs managed by ARO Drilling, 7 owned by Rowan
Note (3): Includes 5 rigs owned by Sea-Mex and 3 AOD JV rigs, excludes 3 rigs owned by North Atlantic Drilling

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

Source: Rystad Energy RigCube

Note (1): Arabian Gulf defined as Bahrain, Qatar, Saudi Arabia and UAE

Note (2): Shelf Drilling operating position and # of contracted jack-ups in India as of Feb 2018

Differentiated Performance in Securing Contracts

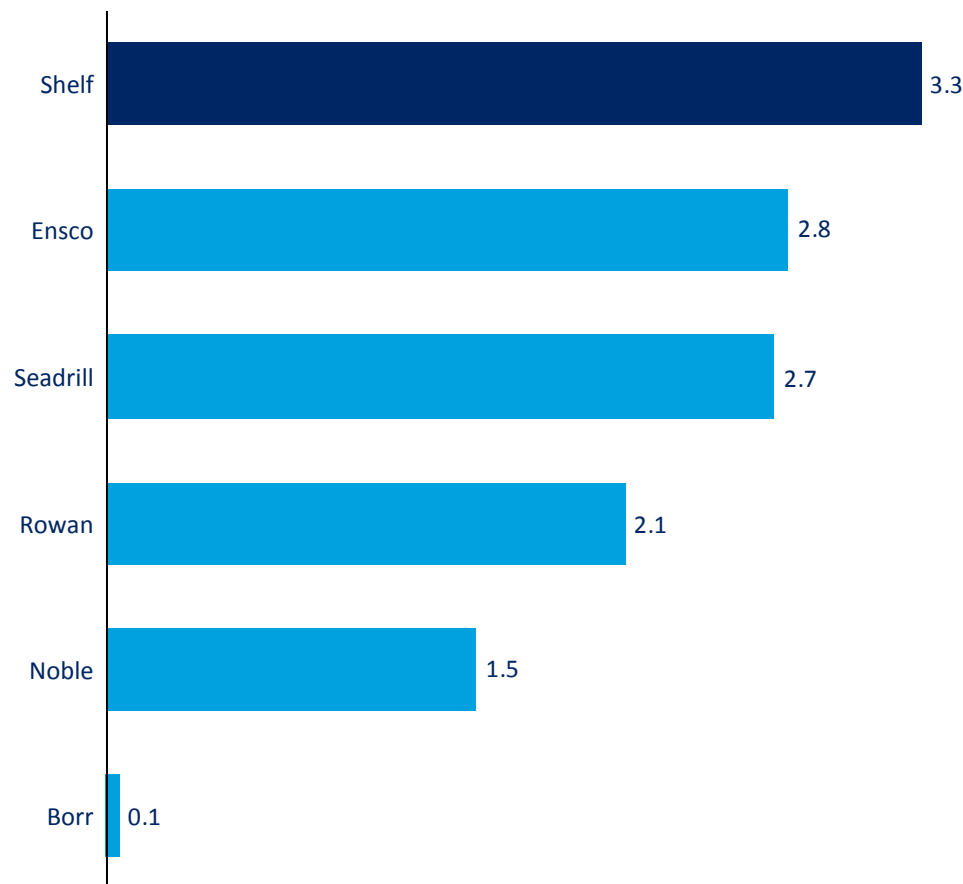
Backlog Quality and Diversity¹



- US\$ 1.16 billion backlog (March 2018)
- 96% of backlog with NOCs and IOCs
- 27 contracted rigs with on average ~1.5 years of remaining contract term

Jack-up Contract Backlog added Since 2014²

US\$ billion



Source: Rystad Energy RigCube

Note (1): Customer logos include current and prior customers

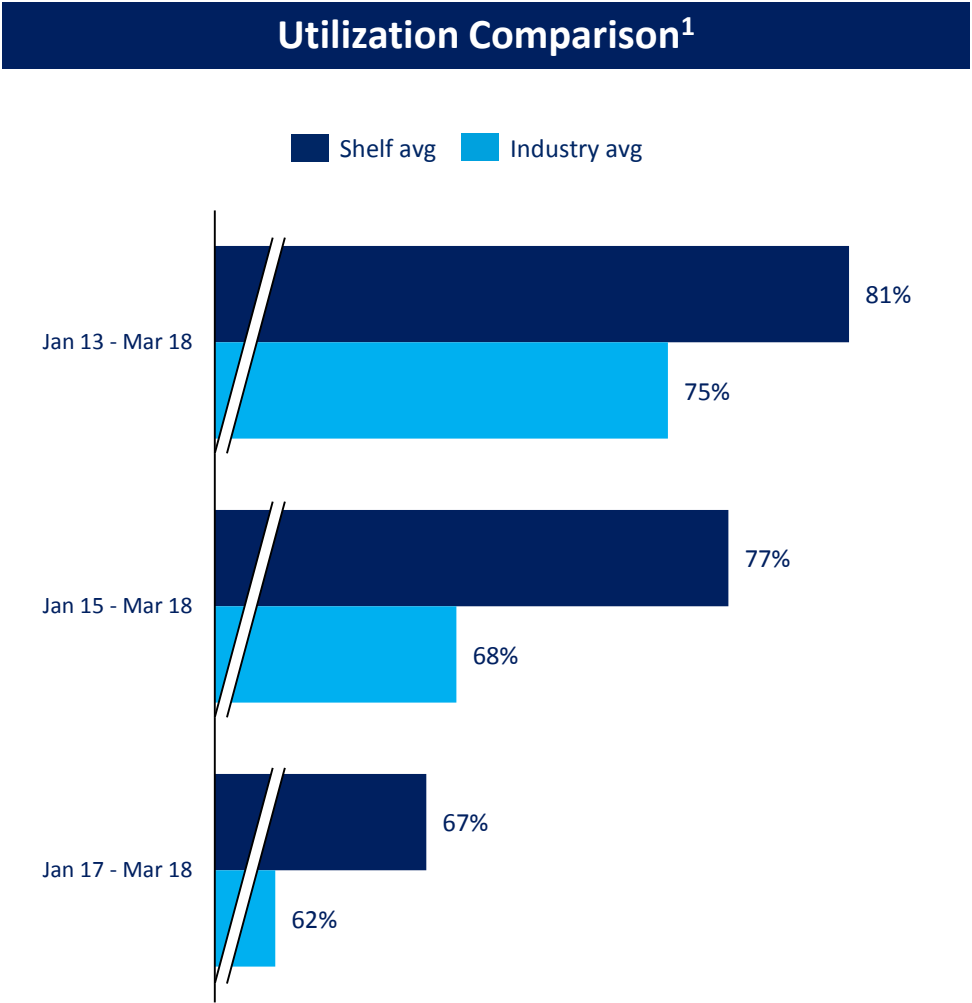
Note (2): Contracts won by Companies, including exercised options and extensions

Fit-For-Purpose Rigs Have Delivered Industry Leading Utilization

Shelf's three strategic pillars have served the company well

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

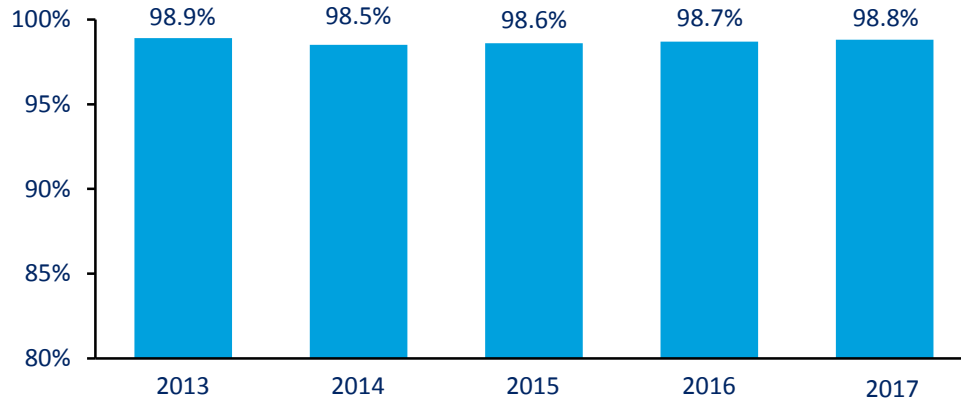
Over US\$ 5.0 billion of new contract awards since November 2012



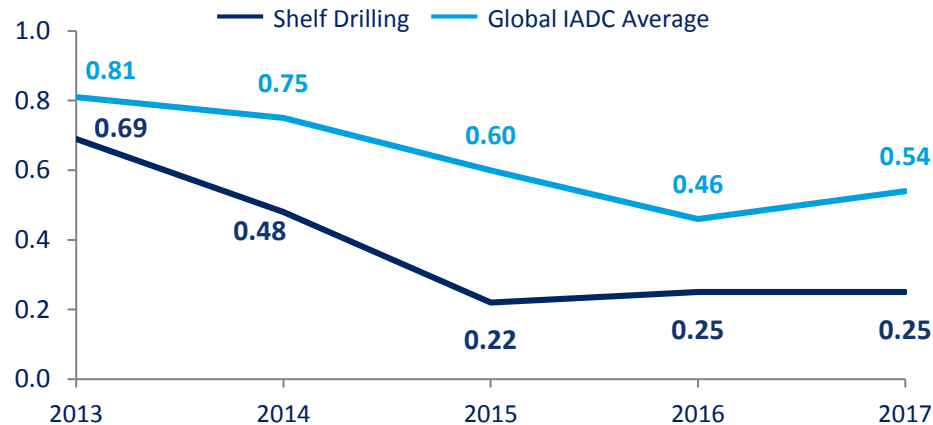
Source: Rystad Energy RigCube
Note (1): Total utilization, current as of April 2018

Operational Excellence Leading to “Perfect Execution”

Average Fleet Uptime Track Record



Safety Track Record (TRIR¹)



Operational excellence made possible through

1

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

2

“Hand-picked” shore based management team

3

Average **20 years** experience for offshore supervisors

4

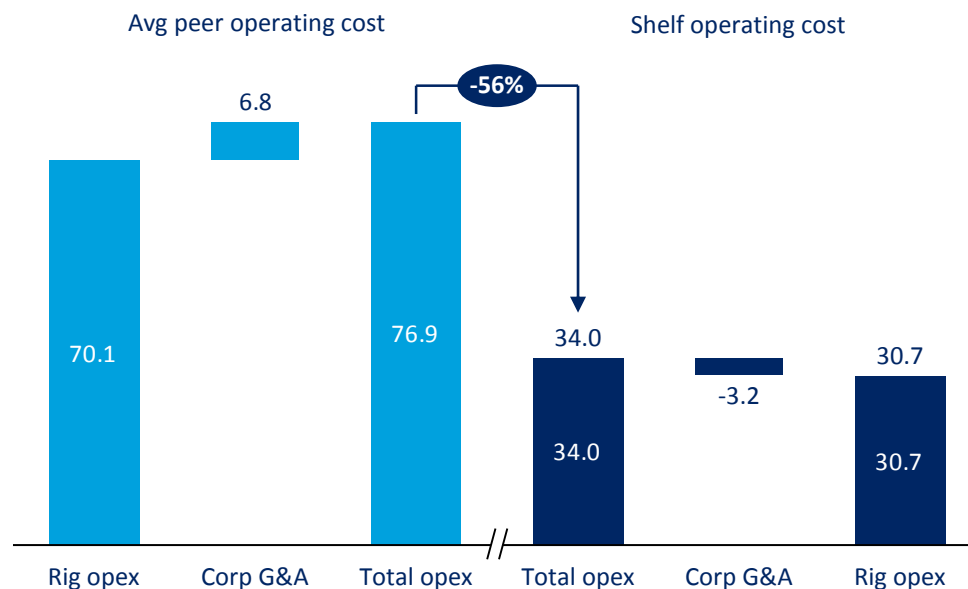
High national content – 84% across the fleet

Source: International Association of Drilling Contractors (IADC) as of December 2017

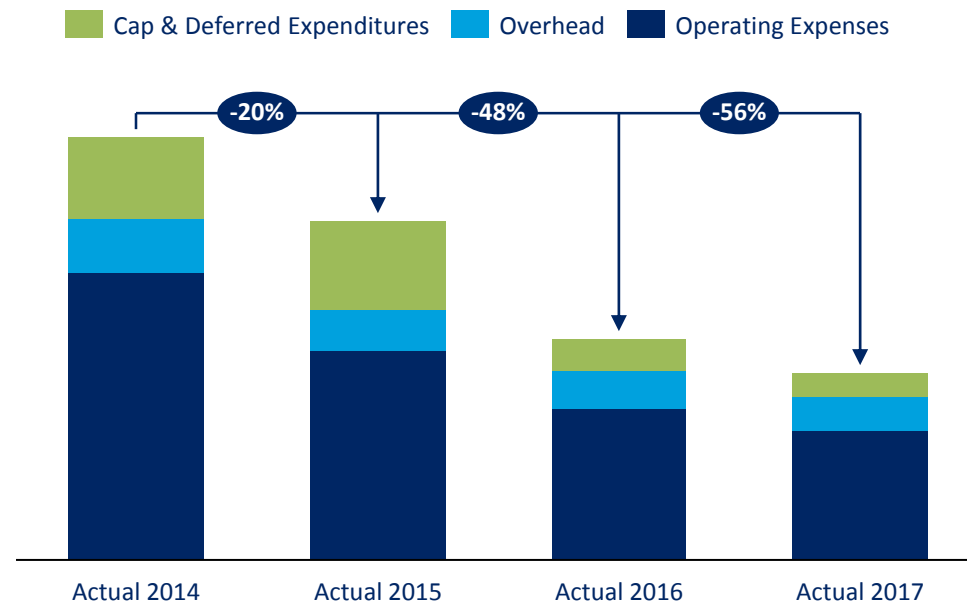
Note (1): Total recordable incident rate (incidents per 200,000 man-hours)

Industry Leading Operating Cost Levels

Industry Study of Opex per Jack-up Rig (US\$000/Day Per Active Rig)¹



Actual Spending Comparison (US\$000/Day)²



- High national content, standardization of equipment, and centralized management are key enablers in maintaining low cost base
- Major investments in existing rig fleet from 2013 to 2015 tailored to enhance cost and operating synergies
- Reorganization of Dubai HQ and field office locations contributed to 38%³ reduction in G&A over two-year period from 2014
- Expect to sustain reduced levels in 2018 and beyond

Source: Rystad Energy RigCube, company filings

Note (1): 2017 financial reports from Shelf, Ensco, Rowan (including rigs owned by ARO Drilling), Seadrill and 2016 report from Paragon (assuming floater opex mark-up of 2.9 compared to jack-ups). Excludes depreciation, amortization and large impairment costs. Assumed cold stack cost of \$5k USD/d and warm stacked cost of \$10k USD/d. Excludes estimated costs for jack-up rigs working in Norway;

Note (2): Per day figures reflect fleet average. Consolidated costs by category allocated evenly across marketable rig fleet of 34.6, 34.5, 31.2 and 33.2 in 2014, 2015, 2016 and 2017, respectively;

Note (3): Includes shore-based G&A and excludes bad debt provision, sponsor fees and share-based compensation

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*



What Shelf Has Done Differently

- Newbuild program in conjunction with Chevron contract award
 - Each rig backed by a five year contract with Chevron
- Less risk as compared to other newbuilds in the market
 - Collaborative effort between Chevron, Shelf Drilling and Lamprell personnel over a period of several months
 - Substantial cost savings relative to existing rig designs
 - Variation order less than 1%
- Uniquely designed for more efficient operations
 - High degree of customization to optimize well construction in the Gulf of Thailand
- Both rigs were delivered within budget and on time, and had smooth start-up for operations

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

Immediately Secured Contracts For Rigs Acquired In 2017

Contract Details



Shelf Drilling Mentor & Shelf Drilling Tenacious



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



Shelf Drilling Resourceful



10 months firm + six-month option with Chevron Nigeria ¹

Timeline of Events

1 May
2017

Announced rig acquisitions from Seadrill

18 May
2017

Concluded delivery of SDT and SDR

8 Sep
2017

Secured contract for SDR with Chevron Nigeria

8 Sep
2017

Concluded delivery of SDM

11 Sep
2017

Secured contracts for SDT and SDM with Dubai Petroleum

14 Jan
2018

Contracts commenced for SDM and SDT

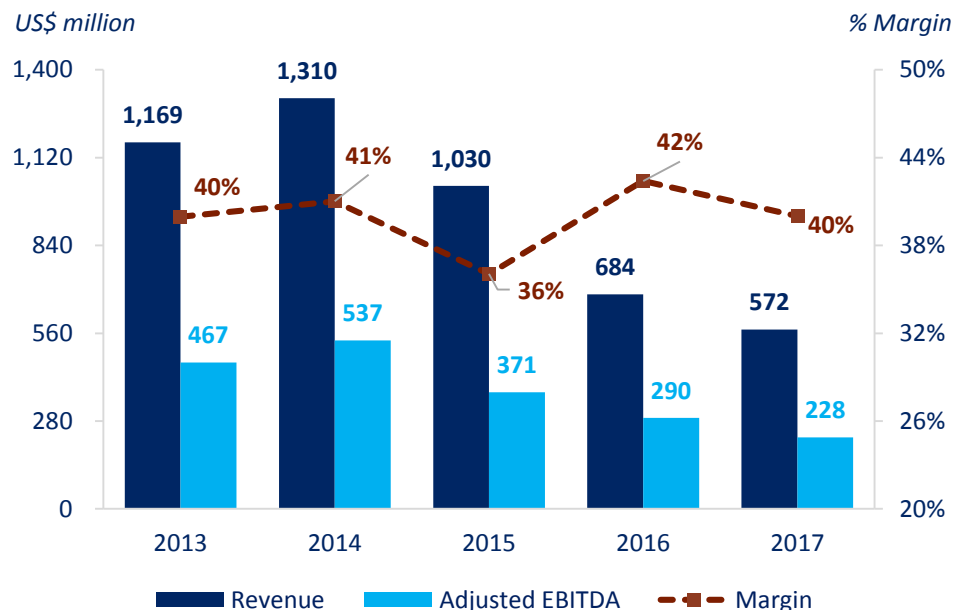
2 Mar
2018

Contract commenced for SDR

Note (1): As signed in 2017.

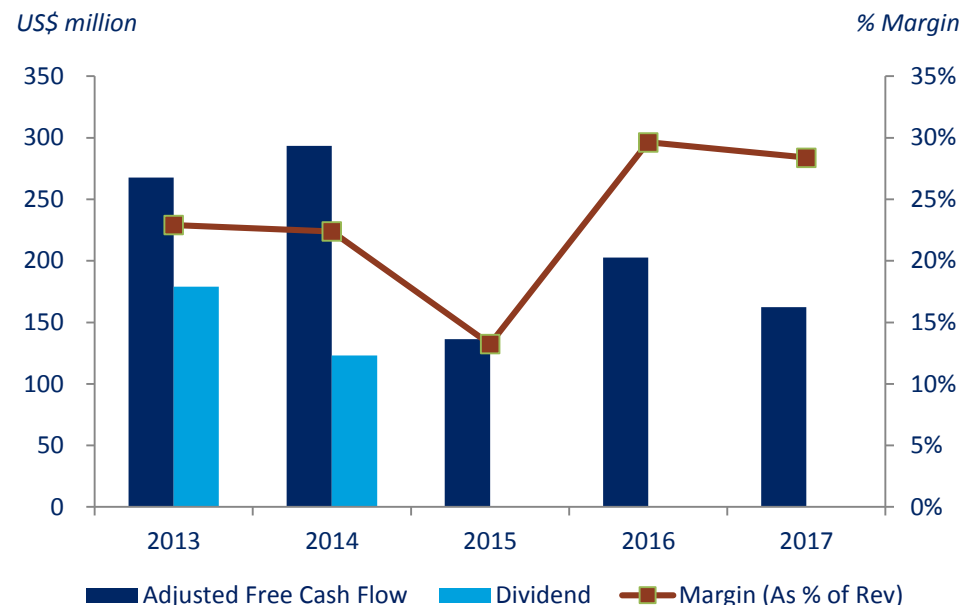
Resilient Full-Cycle Financial Results and Cash Flow Generation

Revenue & Adjusted EBITDA



- Strong financial performance since company inception
- Disciplined approach to financial planning and capital investment
- Track record of paying dividends in strong market – US\$ 302 million in total for 2013/14
- Adjusted EBITDA margins consistently in the 35-40% range
- Resilient cash flow generation throughout the cycle

Unlevered Discretionary Free Cash Flow¹



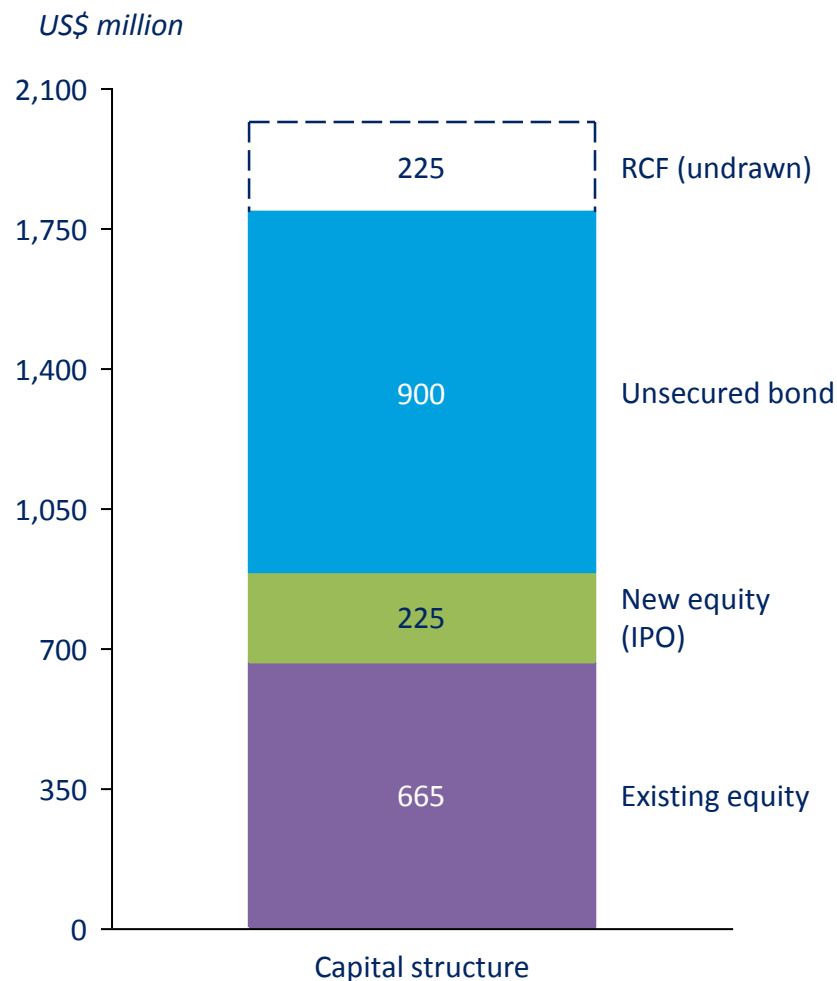
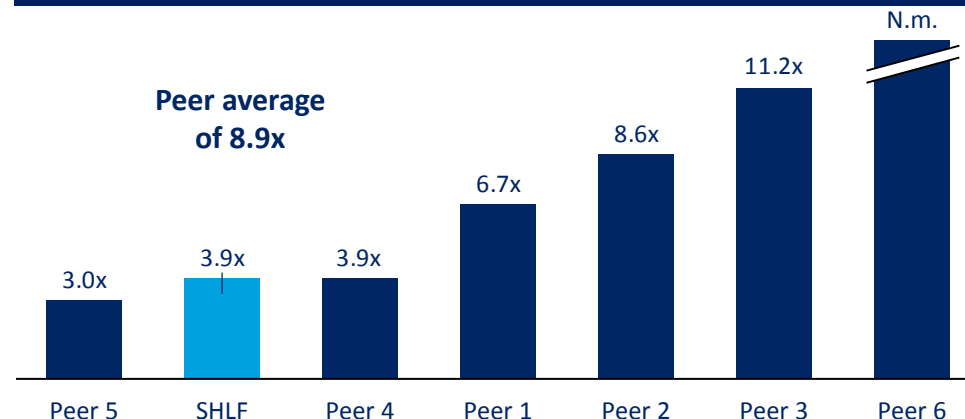
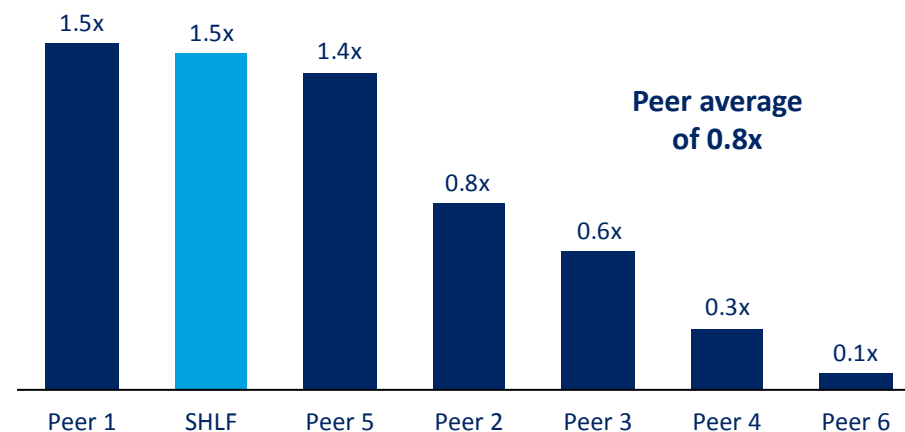
Dividend policy

- Retain earnings to fund operations and value creation in the current attractive window with acquisition prices significantly below newbuild prices
- Ambition to pay dividends as market conditions improve and second-hand prices increase

Note (1): Unlevered discretionary Free Cash Flow calculated by adjusting adjusted EBITDA for tax and capex

Simplified Post IPO Capital Structure with Strong Credit Profile

Post IPO Capital Structure (Illustrative)

Fully Invested Net Debt / LTM EBITDA¹Total Backlog / Fully invested Net Debt²

Source: Company filings

Note (1): Peers include DO, ESV, NE, RDC, RIG and BDRILL; including reported newbuilding capex; max 20.0x for average calculation as of 31 March 2018

Note (2): Reported firm revenue backlog as of 31 March 2018

Investment Highlights

1

Favorable Entry Point

- Jack-up market has historically been the early mover in a recovering offshore market
- At the beginning of June 2018, the number of active jack-ups in the market was up 7% (23 units) compared to the low of January 2017 (312 units)

2

World Class Jack-up Contractor

- Proven track record of securing contracts and building backlog through the cycle
- Added US\$ 3.3 billion backlog since 2014, which is higher than peers
- Marketed utilization 9% higher than the industry average since January 2015
- Industry leading cash operating costs per jack-up rig (56% below peers¹)

3

Tangible Growth Opportunity

- Opportunity to acquire a premium high-spec jack-up at an attractive purchase price²
- Acquiring a second premium high-spec rig at an attractive price is also under consideration
- Both rigs have numerous marketing opportunities within our geographical footprint

4

Attractive Valuation

- Implied asset valuation versus peers suggest around 53% upside to issue price of USD 8.0 per share³
- Peer group up around 39% over the last twelve months, whereas Shelf Drilling OTC registered stock is only up 12% in the same period

5

Solid Financial Run-way

- Upon unwinding the sale-leaseback financing, there will be no debt amortization until 2025
- Significant free cash flow generation from firm backlog with no debt amortization
- Track record of paying dividends when market is strong – US\$ 302 million in total for 2013/14

Note (1): See page 12 for details

Note (2): Estimated all-in cost, including reactivation and contract preparations, at similar level as the average of the three rigs acquired from Seadrill in 2017

Note (3): DNB Markets estimates for implied value for SHLF (SHLF EV is based on Q1 2018 data, adjusted for refinancings, as per the prospectus dated 12 June 2018) and IPO (USD 225m @ USD 8.0 per share), BDRILL, NE, ESV and RDC (excluding ARO), converting the entire fleet of each company into 'premium jack-up equivalents'. DNB Markets estimated implied EV per rig is adjusted for the NPV of the EBITDA backlog less assumed taxes to derive an implied 'steel value' per rig. Hence, the implied 'steel value' represents the proportion of the implied EV per rig not covered by existing backlog. Implied value per premium jack-up equivalent in peer group, per 5 June 2018: BDRILL US\$ 163 million, NE US\$ 113 million, ESV US\$ 108 million, RDC (excl. ARO) US\$ 99 million.

