

## PRESS RELEASE

### SHELF DRILLING

#### ANNOUNCES COMPLETION OF THE ACQUISITION OF TWO JACK-UP RIGS, ISSUANCE OF NEW COMMON SHARES AND BAREBOAT CHARTER AGREEMENTS FOR TWO ADDITIONAL JACK-UP RIGS

Dubai, 9 May 2019: Reference is made to the announcement by Shelf Drilling, Ltd. ("Shelf Drilling" or the "Company", OSE ticker code "SHLF", and together with its direct and indirect subsidiaries the "Group") on 21 February 2019 regarding the entering into of agreements with affiliates of China Merchants & Great Wall Ocean Strategy & Technology Fund ("CM" or "China Merchants") for the (i) contemplated acquisition of two jack-up rigs, (ii) issuance of new common shares and (iii) bareboat charter agreements for two additional jack-up rigs (the "Transaction").

The Transaction was completed today, on 9 May 2019.

David Mullen, Chief Executive Officer said:

*"The closing of this transaction marks an important milestone for Shelf Drilling and we would like to congratulate everyone involved in this process. The on-time delivery of the two premium CJ-46 jack-ups is the result of a truly collaborative effort between Shelf Drilling and China Merchants. Our alliance with China Merchants significantly strengthens our competitive position and creates tangible value for all our stakeholders. It also provides us access to the experience and resources of one of the largest state-owned enterprises in China and we look forward to welcoming their representatives to our Board. The addition of these four premium jack-up rigs creates exciting near-term opportunities for Shelf Drilling in an improving jack-up market."*

In connection with the completion of the Transaction, 26,769,230 new common shares, each with a par value of USD 0.01, (the "New Common Shares") have been issued to Wealthy Marvel International Limited (an affiliate of CM) and Wealthy Marvel Enterprises Limited (a joint venture between CM and CMIC Ocean En-Tech Holding Co., Ltd. (formerly known as TSC Group Holdings Limited)), at a subscription price per share of USD 6.50. The subscription amount will be used to settle the purchase price for the two premium CJ46 jack-up rigs acquired by, and delivered to, the Group.

The New Common Shares have today been legally and validly issued and will be registered in the VPS in the form of depository receipts/securities (the "Securities"). A prospectus for the listing of the Securities on the Oslo Stock Exchange has been approved by the Financial Supervisory Authority of Norway on 7 May 2019 and will be publicly available today on the following website: <https://www.shelfdrilling.com/>. Hard copies of the prospectus are available at the offices of Advokatfirmaet Thommessen AS at Haakon VII's gate 10, 0161 Oslo, Norway.

Following the issuance of the New Common Shares, the share capital of the Company is USD 1,380,096.24 consisting of 138,009,624 common shares, each with a par value of USD 0.01.

Further, the issuance of the New Common Shares resulted in a dilution of existing security holders. Consequently, the shareholding of each of (i) funds affiliated with, managed or advised by CHAMP III Management Pty Ltd., (ii) funds affiliated with Castle Harlan, Inc. and (iii) a fund affiliated with Lime Rock Management LP (together the "Sponsors") fell below 14% of the issued and outstanding common shares of the Company. According to the Company's articles of association, the number of directors to be appointed by each of the Sponsors will, as of today, be reduced by one, so that each of the Sponsors is entitled to appoint only one individual as a member of the board of directors. As such, the following individuals will, as of today, no longer be members of the board of directors of the Company: David Pittaway, John Reynolds and Tyson Smith. The Sponsors and CM have, however, agreed to, at the next general meeting of the Company, vote in favour of the re-appointment of these three directors plus appointment of two new directors nominated by CM.

For further information, please contact [investor.relations@shelfdrilling.com](mailto:investor.relations@shelfdrilling.com).

#### 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. The Company is listed on the Oslo Stock Exchange under the ticker "SHLF".

Additional information about Shelf Drilling can be found at [www.shelfdrilling.com](http://www.shelfdrilling.com).

#### IMPORTANT INFORMATION

Matters discussed in this announcement may constitute forward-looking statements. Forward-looking statements are statements that are not historical facts and may be identified by words such as "believe", "expect", "anticipate", "strategy", "intends", "estimate", "will", "may", "continue", "should" and similar expressions. The forward-looking statements in this release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that these assumptions were reasonable when made, these assumptions are inherently subject to significant known and unknown risks, uncertainties, contingencies and other important factors which are difficult or impossible to predict and are beyond its control. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward-looking statements.

The information, opinions and forward-looking statements contained in this announcement speak only as at its date, and are subject to change without notice. The Company expressly disclaims any obligation or undertaking to update, review or revise any forward-looking statement contained in this announcement whether as a result of new information, future developments or otherwise.

This information is subject to the disclosure requirements pursuant to section 5-12 of the Norwegian Securities Trading Act.