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PRESS RELEASE

SHELF DRILLING: SUCCESSFUL COMPLETION OF PRIVATE PLACEMENT

Dubai, January 31, 2023: Reference is made to the stock exchange announcement published by Shelf Drilling, Ltd. ("Shelf Drilling" or the "Company", OSE: SHLF) on January 31, 2023, regarding a contemplated private placement (the "Private Placement") of up to 17,636,876 common shares in the Company.

Shelf Drilling is pleased to announce that the Private Placement has been successfully placed through an allocation of new 17,636,876 offer shares (the "Offer Shares") at a subscription price of NOK 26.50 per Offer Share, which will raise gross proceeds to the Company of NOK 467 million. The Private Placement which was significantly oversubscribed took place through an accelerated bookbuilding process managed by DNB Markets, a part of DNB Bank ASA acting as sole global coordinator and joint bookrunner (the "Sole Global Coordinator"), and Clarksons Securities AS and Fearnley Securities AS acting as joint bookrunners (together with the Sole Global Coordinator, the "Managers").

The net proceeds from the Private Placement will be used for general corporate purposes, including capex requirements associated with multiple recent long-term contract awards secured by the Company.

The Private Placement and the allocation of the Offer Shares were resolved by the Company's board of directors (the "Board") following advice from the Managers after the bookbuilding process was completed. Completion of the Private Placement is subject to the following conditions: (i) the allocated Offer Shares having been fully paid (facilitated by the Prefunding Agreement (as defined below)) and (ii) the issuance of the Offer Shares in the Norwegian Central Securities Depository ("VPS") having taken place.

Notification of allocation, including settlement instructions are expected to be distributed by the Managers on or about February 1, 2023. Settlement of the Offer Shares will take place on a delivery versus payment ("DVP") basis on or about February 3, 2023 and will be facilitated by a prepayment agreement entered into between Shelf Drilling and the Managers (the "Prefunding Agreement").

The Managers have entered into customary lock-up arrangements from the settlement date of the Private Placement with Shelf Drilling for 90 days and with Shelf Drilling's executive management for 90 days.

Following registration of the share capital increase pertaining to the Private Placements in the register of members in the Cayman Islands, Shelf Drilling will have 194,005,643 common shares outstanding, each with a par value of USD 0.01, while the number of authorized shares will be 234,063,473.

The Company has considered the Private Placement in light of the equal treatment obligations under the Norwegian Securities Trading Act and the rules on equal treatment under Oslo Rule Book II for companies listed on the Oslo Stock Exchange and the Oslo Stock Exchange's Guidelines on the rule of equal treatment,

and the Board is of the opinion that the contemplated transaction is in compliance with these requirements and guidelines. Taking into consideration the time, costs and expected terms of alternative methods of securing the capex desired funding, the Board has concluded that offering new shares in a private placement on acceptable terms at this time is in the common interest of the shareholders of the Company. In reaching this conclusion the Board has among other things considered the discount to the market price of the Company's shares by end of closing prior to launch of the Private Placement and compared to 15-day VWAP for the share, the limited increase of the share capital represented by the Private Placement and the necessity for the Company to cover its capex costs.

In accordance with the above, the Board has also considered whether it is necessary to implement a subsequent offering in order to further justify the different treatment inherent in the Private Placement. The Board noted in this respect that (i) the discount to the last trading price is fairly limited and that the subscription price is in line with the 15-day VWAP for the share, (ii) that existing shareholders were only allocated approximately 30% of the Private Placement and that (iii) the Private Placement was broadly marketed in order to ensure that the subscription price was market based. On this basis, the Board has concluded not to implement a "subsequent offering /repair issue".

Advisors

DNB Markets, a part of DNB Bank ASA is acting as sole global coordinator and joint bookrunner, and Clarksons Securities AS and Fearnley Securities AS are acting as joint bookrunners in connection with the Private Placement.

Advokatfirmaet Thommessen AS is acting as legal advisor to the Company in connection with the Private Placement.

For further information, please contact 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, the Mediterranean and the North Sea. 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.

IMPORTANT NOTICES

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This announcement is made by, and is the responsibility of, the Company. The Managers and their affiliates are acting exclusively for the Company and no-one else in connection with the transactions described in this announcement. They will not regard any other person as their respective clients in relation to the transactions described in this announcement and will not be responsible to anyone other than the Company, for providing the protections afforded to their respective clients, nor for providing advice in relation to the transactions described in this announcement, the contents of this announcement or any transaction, arrangement or other matter referred to herein.

In connection with the transaction described in this announcement, the Managers and any of their affiliates, acting as investors for their own accounts, may subscribe for or purchase securities and in that capacity may retain, purchase, sell, offer to sell or otherwise deal for their own accounts in such securities of the Company or related investments in connection with the transactions described in this announcement or otherwise. Accordingly, references in any subscription materials to the securities being issued, offered, subscribed, acquired, placed or otherwise dealt in should be read as including any issue or offer to, or subscription, acquisition, placing or dealing by, the Managers and any of their affiliates acting as investors for their own accounts. The Managers do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.

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”, “aim”, “expect”, “anticipate”, “intend”, “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. Forward-looking statements speak only as of the date they are made and cannot be relied upon as a guide to future performance. The Company, the Managers and their respective affiliates 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. The information, opinions and forward-looking statements contained in this announcement speak only as at its date and are subject to change without notice.

This information is considered to be inside information pursuant to the EU Market Abuse Regulation (MAR) and is subject to the disclosure requirements pursuant to MAR article 17 and Section 5-12 the Norwegian Securities Trading Act. This stock exchange announcement was published by Prerna Nandwani, Senior Manager – Corporate Communications, at the date and time as set out above.