PROSPECTUS

AWILCO DRILLING PLC

(A public limited company organized under the laws of England and Wales)

Listing of Bonds issued by Awilco Drilling PLC in a

USD125 million Senior Secured Callable Bond issue with maturity in 2019

ISIN: NO 001070928.0

This prospectus (the "**Prospectus**") relates to, and has been prepared in connection with the listing (the "**Listing**") on Oslo Børs, a stock exchange operated by Oslo Børs ASA ("**Oslo Børs**"), of bonds (the "**Bonds**") which were issued by Awilco Drilling PLC ("the "**Company**" or the "**Issuer**") on 9 April 2014 in a USD 125 million senior secured callable bond issue with maturity in April 2019 (the "**Bond Issue**").

The Bonds are expected to be listed and tradable on Oslo Børs on or about 2 July 2014.

The distribution of this Prospectus may in certain jurisdictions be restricted by law. Accordingly, this Prospectus may not be distributed or published in any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. The Company and the Manager (as defined below) requires persons in possession of this Prospectus to inform themselves about, and to observe, any such restrictions.

This Prospectus and the Bonds shall be governed by and construed in accordance with Norwegian law. The courts of Norway, with Oslo City Court as legal venue, shall have exclusive jurisdiction to settle any dispute which may arise out of, or in connection with the Bonds or this Prospectus.

THIS PROSPECTUS IS A LISTING PROSPECTUS FOR BONDS ALREADY ISSUED BY AWILCO DRILLING PLC. NO SECURITIES ARE BEING OFFERED TO ANY PERSON IN ANY JURISDICTION ON THE BASIS OF THIS PROSPECTUS.

Investing in the Company and the Bonds (including but not limited to the Bonds) involves material risks and uncertainties. See section 2 "Risk Factors".

***

Sole Manager and bookrunner

RS Platou Markets AS

30 June 2014

IMPORTANT INFORMATION

Please refer to section 11 "Definition and Glossary" for definitions of terms used throughout this Prospectus, which also apply to the preceding pages.

This Prospectus has been prepared in order to provide information about the Group and its business in relation to the Listing of the Bonds, and to comply with the Norwegian Securities Trading Act of June 29, 2007 no. 75 (the "**Norwegian Securities Trading Act**") and related secondary legislation, including EC Commission Regulation (EC) no. 809/2004 implementing Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive) regarding information contained in prospectuses (the "**Prospectus Directive**"). This Prospectus has been prepared solely in the English language.

The Company has furnished the information in this Prospectus. The Company has engaged RS Platou Markets AS (the "**Manager**") as Manager for the Listing.

Unless otherwise indicated, the information contained herein is current as of the date hereof and the information is subject to change, completion and amendment without notice. In accordance with Section 7-15 of the Norwegian Securities Trading Act, every significant new factor, material mistake or inaccuracy that is capable of affecting the assessment of the Bonds arising after the time of approval of this Prospectus and before the date of listing of the Bonds on Oslo Børs will be published and announced promptly as a supplement to this Prospectus. Neither the publication nor distribution of this Prospectus shall under any circumstances create any implication that there has been no change in the Group's affairs since the date hereof or that the information herein is correct as of any time since its date. The distribution of this Prospectus may in certain jurisdictions be restricted by law. Accordingly, this Prospectus may not be distributed or published in any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. The Company and the Manager require persons in possession of this Prospectus to inform themselves about, and to observe, any such restrictions.

An investment in the Bonds involves inherent risks. Potential investors should carefully consider the risk factors set out in section 2. "Risk Factors" in addition to the other information contained herein before making an investment decision. An investment in the Company or its securities is suitable only for investors who understand the risk factors associated with this type of investment and who can afford a loss of their entire investment. The contents of this Prospectus are not to be construed as legal, business or tax advice. Each prospective investor should consult with its own legal adviser, business adviser and tax adviser as to legal, business and tax advice. In the ordinary course of their respective businesses, the Manager and certain of its affiliates have engaged, and will continue to engage, in investment and commercial banking transactions with the Group. The Bonds are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under applicable securities laws and regulations. Investors should be aware that they may be required to bear the financial risks of an investment in the Bonds for an indefinite period of time. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. Without limiting the manner in which the Company may choose to make any public announcements, and subject to the Company's obligations under applicable law, announcements relating to the matters described in this Prospectus will be considered to have been made once they have been received by Oslo Børs and distributed through its information system.

The distribution of this Prospectus and the offer and sale of the Bonds in certain jurisdictions may be restricted by law. The Company and the Manager require persons in possession of this Prospectus to inform themselves about, and to observe, any such restrictions. This Prospectus does not constitute an offer of, or an invitation to subscribe or purchase any securities in any jurisdiction. Furthermore, the restrictions and limitations listed and described herein are not exhaustive, and other restrictions and limitations in relation to the Prospectus that are not known or identified by the Company and the Manager at the date of this Prospectus may apply in various jurisdictions as they relate to the Prospectus. The Company has not registered the Bonds under the U.S. Securities Act or the securities laws of other jurisdictions other than the Kingdom of Norway and the company does not expect to do so in the future. The Bonds may not be offered or sold in the United States or to U.S. persons (as defined in Regulation S under the Securities Act), except for pursuant to an exemption from the registration requirements of the U.S. Securities Act and applicable state securities law, or pursuant to an effective registration statement.

Table of contents

1 Summary....4
2 Risk Factors....11
3 Responsibility Statement....17
4 Cautionary Note to Investors....18
5 The Bonds....19
6 Information about the Company....12
7 Financial Information....17
8 The Company's Board and Management....35
9 Share capital and Major Shareholders....40
10 Documents on Display and Incorporation by Reference....41
11 Definitions and Glossary....42

Appendices

Appendix 1: Bond Agreement....A 1
Appendix 2: Financial Information for WilPhoenix (Malta) Ltd. for the years ended 2011, 2012 and 2013 ....A 23
Appendix 3: Financial Information for WilPhoenix (UK) Ltd. for the years ended 2011, 2012 and 2013....A 27
Appendix 4: Financial Information for Awilco Drilling Pte. Ltd. for the years ended 2011, 2012 and 2013....A 30

1 SUMMARY

'Summaries are made up of disclosure requirements known as 'Elements'. These elements are numbered in Sections A – E (A.1 – E.7).

This summary contains all the Elements required to be included in a summary for this type of securities and Issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of securities and Issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of 'not applicable'.

Section A – Introductions and warnings		
A.1	Introduction and warning	This summary should be read as introduction to the prospectus. Any decision to invest in the securities should be based on consideration of the prospectus as a whole by the investor. Where a claim relating to the information contained in the prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member States, have to bear the costs of translating the prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the prospectus or it does not provide, when read together with the other parts of the prospectus, key information in order to aid investors when considering whether to invest in such securities.
A.2.	Use of the prospectus in resales by financial intermediaries	Not applicable. The Prospectus will not be used in subsequent resales by financial intermediaries.

Section B – Issuer and guarantors

B.1	Legal and commercial name	The legal and commercial name of the Company is Awilco Drilling Plc. The legal and commercial names of the Guarantors are WilPhoenix (Malta) Ltd, WilPhoenix (UK) Ltd. and Awilco Drilling Pte. Ltd.
B.2	Domicile, legal form, legislation and country of incorporation	The Company is incorporated in the UK with registration number 07114196 and organised as a public limited liability under the laws of England and Wales. WilPhoenix (Malta) Limited is a private company incorporated with limited liability under the laws of Malta, registered with the Registry of Companies under registration number C51565. WilPhoenix (UK) Limited is a private limited company incorporated under the laws of England and Wales, registered with the Companies House underthe registration number 7114213. Awilco Drilling PTE Ltd., a company incorporated with limited liability under the laws of Singapore, registered with the Accounting and Corporate Regulatory Authority (ACRA) under registration number 201109168M.

B3	Principal activities and principal markets	The Group, through its wholly-owned subsidiaries WilPhoenix (Malta) Ltd and WilHunter (Malta) Ltd, owns two semi submersible drilling rigs; WilPhoenix built in 1982 and upgraded in 2011, and WilHunter built in 1983 and upgraded in 1999 and 2011. Both of the rigs are typical "workhorse" rigs used for drilling of oil and gas wells on the UK sector of the North Sea, although they can also be used in other geographical locations. Awilco Drilling PLC is the holding company of the Group and is the ultimate sole shareholder in the subsidiary companies. WilPhoenix (UK) Limited (previously named Awilco Arctic II Limited) and WilHunter (UK) Limited (previously named Awilco Arctic IV Limited) are the rig operating companies for the two rigs WilPhoenix and WilHunter respectively. WilPhoenix (Malta) Limited and WilHunter (Malta) Limited are the rig owning entities and their primary function is to bareboat charter the rigs to the relevant UK operating entities. Awilco Drilling Pte Limited is a Singapore-based company and provides personnel service to the UK operating companies.
B.4a		The UK mid-water semi-submersible drilling market is expected to remain at full utilisation through Q3 2014. As existing contracts draw to a conclusion and with limited new requirements still to be awarded, there is the potential for some spare near term softness from Q4 2014. The Group's firm contract coverage however, positions it well for any near term weaker market conditions.
B.4b	Known trends	There have been no material adverse changes in the prospects of the Company or the Guarantors since the date of its last published audited financial statements (24 April, 2014).
B.5	Group	The Company and the Guarantors constitute the Group. The Company is the parent company of Group and directly and indirectly controls the Guarantors.
B.6	Shares	As of 30 June 2014, (being the latest practicable date prior to the date of publication of this document), the Company is not aware of any other Shareholders or consolidated group of Shareholders having an interest in the Company's capital or voting rights which is notifiable under the laws of England, or which could exercise, directly or indirectly, jointly or severally, control over the Company nor is it aware of any arrangements, the operation of which may at a subsequent date result in a change of control of the Company.

B.7 Historical key financial information

Consolidated statement of comprehensive income	**2013**	**2012**	**Q1 2014**	**Q1 2013**
(In USD 000's)	**Audited**	**Audited**	**Unaudited**	**Unaudited**
	IFRS	**IFRS**	**IFRS**	**IFRS**
Revenue	236,532	152,227	62,747	53,357
Cost of sales	(75,462)	(74,971)	(14,617)	(14,050)
Gross profit	**161,070**	**77,256**	**48,130**	**39,307**
General and administrative expenses	(3,278)	(3,358)	(4,035)	(5,379)
Depreciation	(17,609)	(17,474)	(4,400)	(4,391)
Operating profit	**140,183**	**56,424**	**39,695**	**29,537**
Finance income	120	19	38	16
Finance expense	(9,507)	(14,129)	(2,488)	(2,423)
Foreign exchange gain/(loss) net	972	(238)	(12)	(116)
Gain on forward contracts at fair value through profit and loss	562	-	-	-
Gain on disposal of property, plant and equipment	147	-	-	-
Profit/(loss) before taxation	**132,477**	**42,076**	**37,233**	**27,014**
Tax benefit/(expense)	(10,214)	(2.682)	(2,753)	(2,300)
Net profit	**122,263**	**39,394**	**34,480**	**24,714**
Other comprehensive income	-	-	-	-
Total comprehensive income	**122,263**	**39,394**	**34,480**	**24,714**
Attributable to minority interests	-	-	-	-
Attributable to shareholders of the parent	122,263	39,394	34,480	24,714
Average number of shares	30,032	30,032	30,032	30,032
Basic and diluted earnings per share	4.07	1.31	1.15	0.82
Interest coverage ratio (unaudited) ^	14.92	3.98	16.20	12.19

Consolidated statement Balanse sheet	2013	2012	Q1 2014	Q1 2013
(In USD 000's)	**Audited IFRS**	**Audited IFRS**	**Unaudited IFRS**	**Unaudited IFRS**
Assets				
Property, plant and equipment	245,279	250,173	248,146	248,840
Deferred tax asset	2,763	853	2,977	1,159
Total non-current assets	**248,042**	**251,026**	**251,123**	**249,999**
Inventory	4,799	4,799	4,799	4,799
Trade and other receivables	40,814	37,814	45,777	35,191
Current tax receivable	42,317	6,642	52,355	13,534
Cash and cash equivalents	52,347	16,926	45,175	39,949
Total current assets	**140,277**	**66,081**	**148,106**	**93,473**
Total assets	**388,319**	**317,107**	**399,229**	**343,472**
Equity and liabilities				
Equity				
Paid in capital	130,141	130,141	130,141	130,141
Retained earnings	77,371	48,206	78,816	72,919
Total equity	**207,512**	**178,347**	**208,957**	**203,060**
Liabilities				
Deferred tax liability	554	769	554	770
Loans	87,098	98,098	-	95,348
Other liabilities	2,164	-	-	-
Total non-current liabilities	**89,816**	**98,867**	**554**	**96,118**
Trade and other payables	26,720	14,006	30,511	18,500
Current tax payable	53,271	9,387	63,859	14,794
Current portion of long-term debt	11,000	16,500	95,348	11,000
Total current liabilities	**90,991**	**39,893**	**189,718**	**44,294**
Total liabilities	**180,807**	**138,760**	**190,272**	**140,412**
Total equity and liabilities	**388,319**	**317,107**	**399,229**	**343,472**
Equity/Assets ratio (unaudited)	0.53	0.56	0.52	0.59

B.8	Pro Forma	Not applicable.
B.9	Profit forecast or estimate	Not applicable. The Company and the Guarantors have not made any profit forecasts or estimates.
B.10	Qualifications in the audit report	Not applicable. There are no qualifactions in the audit reports.

B.12	Selected historical key financial information, material adverse changes in prospects and significant changes in the financial or trading position.	The financial statements of the Company, Group and Guarantors are incorporated as reference in section 10.2 and as Appendix 2, 3 and 4. There have been no material adverse changes in the Group's financial or trading position since the date of the last published audited financial statements, being 31 December 2013 nor have their been any significant changes in the financial or trading position subsequent to the period covered by the historical financial information.
B.13	Recent events	Not applicable. There have not been any recent events particular to the Group which is to a material extent relevant to the evaluation of the Group's solvency.
B.14	Group and dependence on other entities	For information on the Group, please refer to Element B.5. The Group is inter-related with regard to both financial and operational matters. As all operations are carried out in, and all fixed assets and employees are held by, the Company's subsidiaries, the Company is dependent on other entities in the Group.
B.15	Principal activities	The Group, through its wholly-owned subsidiaries WilPhoenix (Malta) Ltd and WilHunter (Malta) Ltd, owns two semi submersible drilling rigs; WilPhoenix built in 1982 and upgraded in 2011, and WilHunter built in 1983 and upgraded in 1999 and 2011. Both of the rigs are typical “workhorse” rigs used for drilling of oil and gas wells on the UK sector of the North Sea, although they can also be used in other geographical locations.
B.16	Ownership and control	Awilco Drilling AS holds 48.73% of the Shares in the Company. While Awilco Drilling AS does not hold a majority of the votes in the Company it gives Awilco Drilling AS a significant influence and the potential to exercise control over the Company. The Company owns directly or indirectly all shares in the Guarantors.
B.17	Credit ratings	Not applicable. Neither the Company nor the Guarantors have ordered any credit ratings.
B.18	The nature and scope of the guarantee	The guarantees are unconditional and irrevocable on-demand guarantees from the Guarantors.

Section C - Securities

C.1	Type and class of security	Senior secured callable Bonds with ISIN NO 001 070928.0
C.2	Currency of the securities issue	USD
C.5	Restrictions on the free transferability of the securities	Not applicable. There are no restrctions on the free transferability of the Bonds.
C.8	Rights attached to the Bonds	The Bonds constitute senior debt of the Company, secured on a first priority basis over certain of the assets of the Company and the Guarantors, and otherwise rank at least *pari passu* with the claims of its other creditors, except for obligations which are mandatorily preferred by law.

C.9	Terms of the Bonds	Please se Element C.8 for rights attached to the Bonds Coupon rate: 7% per semi- annual. First Interest Payment Date: 9 October 2014 (6 months after the Settlement Date). Final Maturity Date: 9 April 2019 (5 years after the Settlement Date). The Bonds shall be repaid pro rata as follows; (i) USD 5,000,000 each Interest Payment Date (semi-annually) commencing on the First Interest Payment Date; and (ii) the remaining outstanding amount of the Bonds to be repaid at the Final Maturity Date. All scheduled redemptions herein will be at 100% of par value (plus accrued unpaid interest on redeemed amount). The bondholders are represented by Nordic Trustee ASA, P.O. Box 1470 Vika, N-0116 Oslo, Norway.
C.10	Derivative component	Please see Element C.9 for the terms of the Bonds. Not applicable.
C.11	Admission to trading	The Company has applied for listing of Bonds on Oslo Børs, and admission to trading is expected to be on or about 2 July 2014 with ISIN NO 001 070928.0.

Section D – Risks

D.1/ **D.2**	Key information on the key risks that is specific to the issuer and industry.	• Industry risks • Commodity prices • Oversupply of rigs • Competitors • The UK continental shelf • Regulations governing operations • Risk relating to wars and terrorist attacks • Dependence on a limited number of rigs • Dependence on charter contracts and employment of rigs • The Company may assume substantial liabilities • Operating hazards • Technological developments • Environmental risks • Risks related to upgrading of rigs • Dependence on executive management and other key personnel • Service life • Liquidity risk • Borrowing and leverage • Covenants compliance • Currency fluctuations • Operating costs • Counterparty risks • Tax risks • Risks associated with disputes Requisition or arrest of assets

D.3	Key information on the key risks that are specific to the securities	• General risk regarding interest bearing securities • Price volatility of publicly traded securities • Meeting of the bondholders, modification and waivers • Risks related to the market • Enforceability of Civil Liabilities Enforcement of security

Section E – Offer

E.2b	Reasons for the offer and use of proceeds	Not applicable. The Prospectus relates to the listing of already issued Bonds.
E.3	Terms and conditions of the offer	Not applicable. The Prospectus relates to the listing of already issued Bonds.
E.4	Material interests	The Manager or their affiliates have provided from time to time, and will provide in the future, investment and commercial banking services to the Company and its affiliates in the ordinary course of business, for which they may have received and may continue to receive customary fees and commissions. The Manager, their employees and any affiliate may currently own existing Shares and/or bonds in the Company. The Manager does not intend to disclose the extent of any such investments or transactions otherwise than in accordance with any legal or regulatory obligation to do so. The Manager received a commission in connection with the issue of the Bonds.
E.7	Estimated expenses charged to the investor by the issuer or the offeror	Not applicable. The Company will not charge any expenses to the investors.

2 RISK FACTORS

Prior to any decision to invest in the Company's securities, potential investors should carefully read and assess the following specific risks and the other information contained in this Prospectus. If these risks materialize, individually or together with other circumstances, they may substantially impair the business of the Group and have material adverse effects on the Group's business prospects, financial condition or results of operations and the price of the Company's securities may decline, causing investors to lose all or part of their invested capital. As the assets of the Company are held by various subsidiaries, the risks associated with the Group will also be relevant for the Company. The order in which the individual risks are presented below is not intended to provide an indication of the likelihood of their occurrence nor of the severity or significance of individual risks. An investment in the Company is suitable only for investors who understand the risk factors associated with this type of investment and who can afford a loss of all or part of their investment.

2.1 Risks relating to the Group and the industry in which it operates

2.1.1 Industry risks

The offshore contract drilling industry is cyclical and volatile. The Company's business depends on the level of activity of oil exploration, development and production in the North Sea and internationally. The availability of quality drilling prospects, exploration success, relative production costs, the stage of reservoir development, political concerns and regulatory requirements all affect customers' levels of activity and drilling campaigns. Demand for the Company's services may be adversely affected by declines in exploration, development and production activity associated with depressed oil prices. Even the perceived risk of depressed oil prices and changes in the UK North Sea tax regime often causes exploration and production companies to reduce their spending.

2.1.2 Commodity prices

The profitability and cash flow of the Company's operations will be dependent upon the market price of oil and gas, as the Company's customers are mainly oil companies. The price of oil and gas is known to fluctuate. Oil and gas prices are affected by numerous factors beyond the Company's control, including economic and political conditions, levels of supply and demand, the policies of the Organization of Petroleum Exporting Countries (OPEC), the level of production in non-OPEC countries, the cost of exploring for, developing, producing and delivering oil and gas, currency exchange rates and the availability of alternate energy sources and political and military conflicts in oil-producing and other countries. If the price of oil and gas products should drop significantly, this could have a material adverse effect on the Company.

2.1.3 Oversupply of rigs

Utilization rates, which are the number of days a rig actually works divided by the number of days the rig is available for work, and dayrates, which are the contract prices customers pay for rigs per day, are also affected by the total supply of comparable rigs available for service in the geographic markets in which the Company competes. Improvements in demand in a geographic market may cause the Company's competitors to respond by moving competing rigs into the market, thus intensifying price competition. Significant new rig construction could also intensify price competition. In the past, there have been prolonged periods of rig oversupply with correspondingly depressed utilization rates and dayrates largely due to earlier, speculative construction of new rigs. Improvements in dayrates and expectations of longer-term, sustained improvements in utilization rates and dayrates for drilling rigs may lead to construction of new rigs. These increases in the supply of rigs could depress the utilization rates and dayrates for the Company's rigs and materially reduce its revenues and profitability.

2.1.4 Competitors

The drilling market is highly competitive. Drilling contracts are often awarded on a competitive bid basis, with intense price competition frequently being the primary factor determining which qualified contractor is awarded the job. Many of the Company's competitors have significantly larger resources than the Company.

2.1.5 The UK continental shelf

The Group's drilling units meet the stringent requirements of the UK continental shelf. The mature nature of this region could result in less drilling activity in the area, thereby reducing demand for the Group's services. The UK continental shelf is a mature oil and natural gas production region that has experienced substantial seismic survey and exploration activity for many years. Because a large number of oil and natural gas prospects in this region have already been drilled, additional prospects of sufficient size and quality could be more difficult to identify. Oil and natural gas companies may

be unable to obtain financing necessary to drill prospects in this region. The decrease in the size of oil and natural gas prospects, the decrease in production or the failure to obtain such financing may result in reduced drilling activity on the UK continental shelf and reduced demand for the Group's services.

2.1.6 Regulations governing operations

The Company's services are affected by governmental laws and regulations. The industry in which the Company operates is dependent on demand for services from the oil and gas industry and, accordingly, is indirectly also affected by changing laws and regulations relating to the energy business in general. The laws and regulations affecting the Company's business and services include, among others laws, and regulations relating to;

- Protection of the environment
- Quality, health and safety
- Import-export quotas, wage and price controls, imposition of trade barriers and other forms of government intervention
- Regulation and economic conditions
- Taxation

The Company and its customers are required to invest financial and managerial resources to comply with these laws and regulations. The Company cannot predict the future costs of complying with these laws and regulations, and any new laws or regulations could materially increase the Company' expenditures in the future. Existing laws or regulations or adoption of new laws or regulations limiting exploration or production activities by oil and gas companies or imposing more stringent restrictions on such activities could adversely affect the Company by increasing its operating costs, reducing the demand for its services and restricting its ability to operate its drilling units.

2.1.7 Risk relating to wars and terrorist attacks

War, military tension and terrorist attacks have, among other things, caused instability in the world's financial and commercial markets. This has in turn significantly increased political and economic instability in some of the geographic markets in which the Company operates (or may operate in the future) and has contributed to high levels of volatility in prices for, among other things, oil and gas. Continuing instability may cause further disruption to financial and commercial markets and contribute to even higher levels of volatility in prices. In addition, acts of terrorism, piracy, sabotage and threats of armed conflicts in or around the various areas in which the Company operates could limit or disrupt the Company's markets and operations, including disruptions from evacuation of personnel, cancellation of contracts or the loss of personnel or assets. Armed conflicts, terrorism, piracy, sabotage and their effects on the Company or markets in which the Company operates may significantly affect the Company's business, financial condition, prospects and results of operations in the future.

2.1.8 Dependence on a limited number of rigs

Since the Company's fleet consists of only two rigs any operational downtime or any failure to secure employment at satisfactory rates will affect its results more significantly than for a company with a larger fleet. Furthermore, frequent rig mobilizations could be disruptive to the Company's financial results if it experiences delays due to adverse weather, third party services or physical damage to its rigs. To compensate for above risks the Company has arranged Loss of Hire insurance that on certain conditions and for a defined period provides alternative hire.

2.1.9 Dependence on charter contracts and employment of rigs

The Company's ability to obtain contracts for the rigs will depend on the prevailing market conditions. In cases where the Company is not able to obtain new contracts in direct continuation, or where new contracts are entered into at dayrates substantially below the existing dayrates or on terms less favourable compared to existing contracts terms, the Company's revenues and profitability could be adversely affected.

2.1.10 The Company may assume substantial liabilities

Contracts in the offshore sector require high standards of safety, and it is important to note that all offshore contracts are associated with considerable risks and responsibilities. These include technical, operational, commercial and political risks, and it is impossible to insure against all the types of risk and liabilities mentioned. For instance, under some contracts the Company may have unlimited liability for losses caused by its own gross negligence.

2.1.11 Operating hazards

The Company's operations are subject to hazards inherent in the drilling industry, such as blowouts, loss of well control, lost or stuck drill strings, equipment defects, craterings, fires, explosions and pollution. Contract drilling and well

servicing require the use of heavy equipment and exposure to hazardous conditions, which may subject the Company to liability claims by employees, customers and third parties. These hazards can cause personal injury or loss of life, severe damage to or destruction of property and equipment, pollution or environmental damage, claims by third parties or customers and suspension of operations. The operation of the Company's drilling units is also subject to hazards inherent in marine operations, either while on-site or during mobilisation, such as capsizing, sinking, grounding, collision, damage from severe weather and marine life infestations. Operations may also be suspended because of machinery breakdowns, abnormal drilling conditions, and failure of subcontractors to perform or supply goods or services, or personnel shortages. Insurance coverage, both Loss of Hire and Hull and Machinery insurance, will prove compensation in such instances.

The Company's insurance policies and contractual rights to indemnity are based on the established industry standard "knock-for-knock" principles. However, it may not adequately cover losses, and the Company does not have insurance coverage or rights to indemnity for all risks. The Company currently maintains insurance coverage for property damage, occupational injury and illness, and general and marine third-party liabilities. Pollution and environmental risks are generally not totally insurable.

The Company has adequate insurance coverage relevant for its envisaged operations. However, in all situations it will not provide sufficient funds to protect the Company from all liabilities that could result from its drilling operations. The amount of the Company's insurance cover may be less than the related impact on enterprise value after a loss. The Company's coverage includes policy limits. As a result, the Company retain the risk for any losses in excess of these limits. Any such lack of reimbursement may cause the Company to incur substantial costs. In addition, the Company could decide to retain substantially more risk through self-insurance in the future. Moreover, no assurance can be made that the Company has, or will be able to maintain in the future, adequate insurance against certain risks.

If a significant accident or other event occurs and is not fully covered by the Company's insurance or any enforceable or recoverable indemnity from a client, it could adversely affect the Company's consolidated statement of financial position, results of operations or cash flows.

2.1.12 Technological developments

The market for the Company's services is characterised by continual and rapid technological developments that have resulted in, and will likely continue to result in, substantial improvements in equipment functions and performance. As a result, the Company's future success and profitability will be dependent in part upon its ability to:

- Improve existing services and related equipment
- Address the increasingly sophisticated needs of its customers
- Anticipate changes in technology and industry standards and respond to technological developments on a timely basis

If the Company is not successful in acquiring new equipment or upgrading its existing equipment on a timely and cost effective basis in response to technological developments or changes in standards in the industry, this could have a material adverse effect on the Company's business.

2.1.13 Environmental risks

The Company's operations are subject to regulations controlling the discharge of materials into the environment, requiring removal and clean-up of materials that may harm the environment or otherwise relating to the protection of the environment. As an operator of mobile drilling units the Company may be liable (under applicable laws and regulations or contractually) for damages and costs incurred in connection with spills of oil and other chemicals and substances related to its operations, and the Company may also be subject to significant fines in connection with spills.

Laws and regulations protecting the environment have become more stringent in recent years, and may in some cases impose strict liability, rendering a person liable for environmental damage without regard to negligence. These laws and regulations may expose the Company to liability for the conduct of or conditions caused by others, or for acts that were in compliance with all applicable laws at the time they were performed. The application of these requirements or the adoption of new requirements could have a material adverse effect on the Company's financial position, results of operations or cash flows. The Company may be able to obtain some degree of contractual indemnification pursuant to which its clients agree to protect, hold harmless and indemnify against liability for pollution, well and environmental damage; however, there is no assurance that the Company can obtain such indemnities in all of its contracts or that, in the event of extensive pollution and environmental damage, its clients would have the financial capability or the willingness to fulfil their contractual obligations. Also, these indemnities may be held to be unenforceable as a result of public policy or for other reasons.

2.1.14 Risks related to upgrading of rigs

The Company's rigs will periodically need to undergo repairs or upgrading. The timing and costs of repairs on rigs are difficult to predict with certainty and may be substantial. Many of these expenses, such as dry-docking and certain repairs for normal wear and tear, are typically not covered by insurance. Large repair expenses could decrease the Company's profits. In addition, repair time means a loss of revenue.

2.1.15 Dependence on executive management and other key personnel

The Company's development and prospects are dependent upon the continued services and performance of its executive management and other key personnel. The loss of the services of any of the executive management or key personnel may have an adverse impact on the Company. In addition to the executive management the Company depends on professional and operational personnel. An inability to attract and retain such professional and operational personnel, or the unavailability of such skilled crews, could have an adverse impact on the Company.

2.1.16 Service life

The service life of the rigs to be operated by the Company will ultimately depend on their efficiency. There can be no assurance of how long the rigs will be in operation. The capital associated with the repair and maintenance of each rig increases with age. In addition, there may be technical risks associated with ageing rigs, including operational problems leading to unexpectedly high operating costs and/or lost earnings, and which may have a material adverse effect on the financial position of the Company.

2.1.17 Liquidity risk

The Company is dependent upon having access to long term funding. There can be no assurance that the Company may not experience net cash flow shortfalls exceeding the Company's available funding sources nor can there be any assurance that the Company will be able to raise new equity, or arrange new borrowing facilities, on favourable terms and in amounts necessary to conduct its ongoing and future operations, should this be required. The Company may not be able to secure new sources of liquidity or funding, should projected or actual liquidity fall below levels the Company requires. The factors giving rise to the Company's liquidity needs could also constrain the ability to replenish the liquidity of the Company. The Company may not have access to funding from banks and other lenders in the amounts or on the terms it may be seeking. These same factors could also impact the ability of the Company's shareholders to provide it with liquidity, and there can be no assurance that the Company could obtain additional shareholder funding. Failure to access necessary liquidity could require the Company to scale back its operations, postpone or cancel plans to acquire rigs or could have other materially adverse consequences for its business and its ability to meet its obligations.

2.1.18 Borrowing and leverage

Borrowings create leverage. To the extent income derived from assets obtained with borrowed funds exceeds the interest and other expenses that the Group will have to pay, the Group's net income will be greater than if borrowings were not made. Conversely, if the income from the assets obtained with borrowed funds is insufficient to cover the cost of such borrowings, the net income of the Group will be less than if borrowings were not made. The Group will borrow only when it is believed that such borrowings will benefit the Group after taking into account considerations such as the costs of the borrowing and the likely returns on the assets purchased with the borrowed monies, but no assurances can be given that the Company will be successful in this respect.

2.1.19 Covenants compliance

Except as set out in the Bond Agreement, the Company does not currently have any financial covenants related to its financing, however this may be the case with future financing. If the Company is unable to comply with the restrictions and covenants in the agreements governing its indebtedness or in future debt financing agreements, there could be a default under the terms of those agreements. The Company's ability to comply with these restrictions and covenants, including meeting financial ratios and measures, is dependent on its future performance and may be affected by events beyond its control. If a default occurs under these agreements, lenders could terminate their commitments to lend or accelerate the outstanding loans and declare all amounts borrowed due and payable. Borrowings under debt arrangements that contain cross-acceleration or cross-default provisions may also be accelerated and become due and payable. If any of these events occur, the Company cannot guarantee that the Company's assets will be sufficient to repay in full all of its outstanding indebtedness, and the Company may be unable to find alternative financing. Even if the Company could obtain alternative financing, that financing might not be on terms that are favourable or acceptable.

2.1.20 Currency fluctuations

Due to its international supplier base, the Group's may experience currency exchange losses when expenses are paid in nonconvertible currencies or when the Group does not hedge an exposure to a foreign currency. The Group may also incur losses as a result of an inability to collect revenues because of a shortage of convertible currency available to the country of operation, controls over currency exchange or controls over the repatriation of income or capital.

2.1.21 Operating costs

Most drilling contracts provide for the payment of a fixed dayrate during periods of operation, and reduced dayrates during periods of other activities. Many of the Company's operating costs are unpredictable and can vary based on events beyond the Company's control. The Company's gross margins will therefore vary over the terms of its contracts. If the Company's costs increase or it encounters unforeseen costs, it may not be able to recover them from its customers, which could adversely affect its financial position, results of operations and cash flows.

2.1.22 Counterparty risks

The revenues of the Company will depend on the financial position of its customers and also to a certain extent the willingness of these to honour their obligations towards the Company. There can be no guarantees that the financial position of the Company's customers and other contract parties will be sufficient to perform their obligations under the contracts with the Company. Failures by customers or other contract parties to comply with their contracts with the Company might have a significant adverse effect on the revenues and financial position of the Company.

2.1.23 Tax risks

The Company conducts its operations through subsidiaries in various countries. Tax laws and regulations are highly complex and subject to interpretation. Consequently, the Company is subject to changing tax laws, treaties and regulations in and between countries in which it operates. The Company's income tax expense is based upon its interpretation of the tax laws in effect in various countries at the time that the expense was incurred. A change in these tax laws, treaties or regulations, or in the interpretation thereof, which is beyond the Company's control could result in a materially higher tax expense or a higher effective tax rate on the Company's earnings.

2.1.24 Risks associated with disputes

The operating hazards inherent in the Company's business expose the Company to litigation, including personal injury litigation, environmental litigation, contractual litigation with clients, intellectual property litigation, tax or securities litigation, and maritime lawsuits including the possible arrest of the Company's drilling units. The Company is currently not involved in any litigation that, in the Company's view, may have a significant effect on the Company's financial position or profitability. However, the Company anticipates that the Company will in the future, be involved in litigation matters from time to time. The Company cannot predict with certainty the outcome or effect of any claim or other litigation matter. Any future litigation may have an adverse effect on the Company's business, financial position, results of operations and the Company's ability to pay dividends, because of potential negative outcomes, the costs associated with prosecuting or defending such lawsuits, and the diversion of management's attention to these matters.

2.1.25 Requisition or arrest of assets

The Company's rigs could be requisitioned by a government in the case of war or other emergencies or become subject to arrest. This could significantly and adversely affect the earnings of the Company as well as the Company's liquidity.

2.2 Risk factors relating to the Bonds

2.2.1 General risk regarding interest bearing securities

All investments in interest bearing securities, such as the Bonds has risks associated with it, such as risks related to the general volatility in the market for such securities, varying liquidity in a single bond issue as well as company specific risk factors. There are three main risk factors that sum up the investors total risk exposure when investing in interest bearing securities: liquidity risk, interest rate risk and market risk (both in general and issuer specific) as described in sections 2.2.2, 2.2.3 and 2.2.4 respectively. Certain other risks related to the Bonds are described in sections 2.2.6 and 2.2.7.

2.2.2 Liqudity risk

There can be no assurance that there will be a liquid market for the Bonds. Therefore, investors may not be able to sell their bonds easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. Illiquidity may have severely adverse effect on the market value of the Bonds.

2.2.3 Interest rate risk

The Bonds carry interest at a fixed rate of 7.00 per cent. The price of bonds with fixed interest rates is exposed to changes in the market rates. If the market rates increase, the price of the bonds can be expected to decrease.

2.2.4 Market risk

The price of a single bond will fluctuate in accordance with the interest rate and credit markets in general, the market view of the credit risk of that particular bond issue, and the liquidity of these bonds in the market. The interest rates can, and will, experience substantial fluctuations caused by a number of factors based on the development in the international economy, and are dependent on the Company's operations.

2.2.5 Enforcement of security

Although the Bonds are secured, there can be no assurance that the security will be sufficient to cover the Company's payment obligations under the Bonds in case of a default.

Furthermore, the Bond Agreement allows the Company to, on certain terms, raise additional debt financing that will be secured by the existing security (without any obligation to create additional guarantees or security), i.e. the Company may accrue more debt under the same security as for the Bonds. Hence the debt/secured assets ratio may increase significantly and the security may not be sufficient to cover the Company's payment obligations under the Bonds in case of a default.

3 RESPONSIBILITY STATEMENT

The Company, with registered office at 1 Finsbury Circus London EC2M 7SH, United Kingdom is responsible for this Prospectus. The Company declares that, having taken all reasonable care to ensure that such is the case; the information contained in this Prospectus is to the best of the Company's knowledge in accordance with the facts and contains no omissions likely to affect its import.

Aberdeen, 30 June 2014

Awilco Drilling PLC

4 CAUTIONARY NOTE TO INVESTORS

4.1 Manager's liability disclaimer

The Manager makes no representation or warranty, express or implied, as to the accuracy or completeness of the information in this Prospectus, and nothing contained in this Prospectus is, or shall be relied upon as, a promise or representation by the Manager. Neither the Company nor the Manager has authorised any other person to provide investors with any other information related to the Listing and neither the Company nor the Manager will assume any responsibility for any information other persons may provide.

5 THE BONDS

5.1 Overview

On 31 March 2014, Awilco Drilling announced the successful placing of a new senior secured callabale bond issue with a total loan amount of USD 125 million (the "**Bonds**" or the " **Bond Issue**"). The issue of the Bonds was approved by the Board on 8 April 2014. The Bonds were issued on 9 April 2014 and will mature on 9 April 2019.

The net proceeds from the Bond Issue (net of legal costs, fees of the Managers and the Trustee and any other agreed costs and expenses) shall, subject to the applicable conditions precedents, be applied as follows:

(i) firstly, on 14 April 2014 the net proceeds were used to repay the Transocean Seller Note (as defined below) in full; and

(ii) secondly, the remaining proceeds shall be used for general corporate purposes.

5.2 Listing

The Company has applied for listing of Bonds on Oslo Børs, and admission to trading is expected to be on or about 2 July 2014 with ISIN NO 001 070928.0. Except for the Company's shares, which are listed on Oslo Axess, neither the Company nor any other members of the Group have securities listed on any EEA regulated market.

The Bonds are registered in book-entry form in the VPS under ISIN NO 001 070928.0. The account operator (issuer) for the Bonds is DNB Bank ASA, Securities Services, of Dronning Eufemias Gate 30, 0191 Oslo, Norway.

5.3 The terms and details of the Bonds

Below is an overview of the key terms and details of the Bonds. The full bond agreement for the Bonds (the "**Bond Agreement**") is included in Appendix A to this Prospectus.

Issuer:	Awilco Drilling PLC a UK registered company (registration no. 07114193).
Guarantors:	The Issuer's subsidiaries WilPhoenix (UK) Ltd., a UK registered company (registration no 07114213), WilPhoenix (Malta) Ltd., a - Maltese registered company (registration no. C51565) (the “Rig Owning Guarantor”), and Awilco Drilling Pte. Ltd., a Singapore registered company (registration no. 201109168M).
Nature and scope of the guarantees:	The guarantees are unconditional and irrevocable on-demand guarantees from the Guarantors. Each Guarantor has waived: (a) any requirement that the Bond Trustee or any of the Bondholders in case of an Event of Default first have to make demand upon or seek to enforce remedies against the Issuer; (a) any and all defences or objections from any party in or based on underlying relationships, agreements and transactions whatsoever, including, without limitation, any such relationships, agreements or transactions with any third party for Security Interests or otherwise, and right to limit the liability under the guarantee provided hereunder resulting from any failure to give notice of any kind; (b) any right to exercise a right of subrogation into the rights of the Bondholders under the Bond Agreement, without the prior written consent of the Bond Trustee until such time that no amounts are outstanding under this Bond Agreement and any other Finance Document;

(c) any right to claim reimbursement from the Issuer and/or any other Obligor for payment made hereunder until such time that no amounts are outstanding under this Bond Agreement and any other Finance Document; and

(d) any requirement that additional Security Interests be provided or maintained.

Obligors: The Issuer and the Guarantors (each an "Obligor").

Currency: USD

Loan Amount: USD 125 million

Interest Rate: 7.00% p.a., semi-annual interest payments.

Settlement Date: 9 April 2014.

Final Maturity Date: The date falling five (5) years after the Settlement Date, 9 April 2019.

Amortization: The Bonds shall be repaid pro rata as follows;

(iii) USD 5,000,000 each Interest Payment Date (semi-annually) commencing on the First Interest Payment Date; and

(iv) the remaining outstanding amount of the Bonds to be repaid at the Final Maturity Date.

All scheduled redemptions herein will be at 100% of par value (plus accrued unpaid interest on redeemed amount).

First Interest Payment Date:	The date falling six (6) months after the Settlement Date, 9 October 2014.
Last Interest Payment Date:	Final Maturity Date.
Interest Payment Date	Each 9 April and 9 October in each year.
Interest Payments:	Interest on the Bonds will accrue from (and including) the Settlement Date and shall be payable semi-annually in arrears on the Interest Payment Dates. Day-count fraction is "30/360", business day convention is "unadjusted". Business day is "Oslo and New York".
The time limit on the validity of claims to interest and repayment of principal:	The Bond Agreement does not impose any time limit on the validity of claims to interest and repayment of principal. The general period of limitation under Norwegian law, by which the Bonds are governed, is three years, meaning that the time limit for any claims for the payment of interest be three years from the due date for such payment. Pursuant to an exemption from the main rule, the time limit for claims for repayment of the principal amount of the Bonds is 10 years from the due date.
Issue Price:	100% of par value.
Yield:	Dependent on the market price. On 9 April 2014 the yield is indicated to 7.1225% % p.a. The effective interest rate/yield per annum has been calculated based on a nominal interest rate/yield of 7% per annum with semi-annual interest payments according to the effective interest rate formula stated below: R = (1+i/n)n -1 Where: R = effective interest rate I = nominal interest rate N=number of annual interest payments Assuming that the bonds trade at par the effective annual interest rate is: R = (1+7%/2)2-1, this gives an effective interest rate of 7.1225% per year.
Nominal value:	The Bonds will have a nominal value of USD 1. Minimum subscription and allotment amount shall be USD 200,000.
Status of the Bonds:	The Bonds shall constitute senior debt of the Issuer and shall be secured on a first priority basis against certain assets of the Obligors as set out herein, and otherwise rank at least pari passu with the claims of the Obligors' other creditors, except for obligations which are mandatorily preferred by law. The Bonds shall rank ahead of any subordinated capital.
Call Options:	The Issuer may redeem the Bonds (all or nothing) at any time from and including: (i) the Settlement Date to, but not including, the date falling two (2) years after Settlement Date at a price equal to: a) the present value on the relevant record date of 103.375% of par value as if such payment originally should have taken place on the Interest Payment Date b) falling two (2) years after Settlement Date; and (b) the present value on the relevant record date of the remaining interest payments (less any accrued but c) unpaid interest) through to and including the Interest Payment Date falling two (2) years after Settlement Date, and

d) accrued but unpaid interests on the redeemed amount, where the present value under both (a) and (b) calculated by using a discount rate of 50 basis points over the comparable U.S. Treasury Rate (i.e. comparable to the remaining duration of the Bonds until the mentioned interest payment date two (2) years after the Settlement Date) on the 10th banking day prior to the repayment date and where "relevant record date" shall mean a date agreed upon between the Trustee and the Issuer in connection with such repayment. The call notice shall be provided no later than 10 banking days prior to the repayment date;

(ii) the date falling two (2) years after the Settlement Date to, but not including, the date falling three (3) years after the Settlement Date, at a price equal to 103.375% of par value (plus accrued unpaid interest on redeemed amount);

(iii) the date falling three (3) years after the Settlement Date to, but not including, the date falling four (4) years after the Settlement Date at a price equal to 102.50% of par value (plus accrued unpaid interest on redeemed amount); and

(iv) the date falling four (4) years after the Settlement Date to, but not including, the Final Maturity Date at a price equal to 101.50% of par value (plus accrued unpaid interest on redeemed amount).

Any exercise of the Call Option must be notified by the Company to the Bond Trustee and the Bondholders at least 30 Business Days prior to the settlement date of the Call Option.

Purpose of the Bond Issue: The net proceeds from the Bond Issue (net of legal costs, fees of the Managers and the Trustee and any other agreed costs and expenses) shall, subject to the applicable conditions precedents, be applied as follows:

(i) firstly, on the Disbursement Date (as defined below), to repay and retire in full the Transocean Seller Note (as defined below) by way of an intercompany loan from the Issuer to the Rig Owning Guarantor (the "**Refinancing Intercompany Loan**"); and

(ii) secondly, any remaining proceeds shall be released to the Issuer for general corporate purposes.

Transocean Seller Note: In 2010, the Issuer was granted a five year seller´s credit from Transocean Inc. of USD 165 million in connection with the acquisition of the Issuer group's two drilling rigs (the Rig and the rig called "WilHunter") from Transocean Inc. The debt is secured inter alia by first priority mortgages over the two drilling rigs, and the borrowers are currently the Rig Owning Guarantor and WilHunter (Malta) Ltd. The outstanding balance as of 1 March 2014 under the Transocean Seller Note was approx. USD 95.3 million (of which USD 60.5 millon is owed by the Rig Owning Guarantor and USD 34.8 million is owed by the Issuer's subsidiary WilHunter (Malta) Ltd).

Rig: "WilPhoenix", the 1982 built Friede & Goldman L 907 Enhanced Pacesetter semi-submersible drilling rig built at Gotaverken, Sweden and subsequently upgraded in 2011, with IMO 8752350. The Rig shall be registered with the Office of the Deputy Commissioner of Maritime Affairs of the Republic of Vanuatu or such other registry satisfactory to the Trustee.

Drilling Contracts: The Rig may during the term of the Bond be operating under one or more drilling contracts (each a "**Drilling Contract**") with clients in different jurisdictions (each a "**Client**"). The Rig is currently operating West of Shetland (UK) under a drilling contract dated 3 May 2012 with Premier Oil UK Ltd. (the "**Existing Drilling Contract**"), which will be succeeded by operations under a drilling contract with Apache North Sea Ltd. dated 12 August 2013 (the "**New Drilling Contract**").

Security: All amounts outstanding under the Finance Documents to the Trustee and the bondholders from time to time, including but not limited to interest, default

interest, costs and expenses, shall to the extent legally permissible be secured by the following security on a first priority basis (the "**Security**"):

Pre-Settlement Security:

(i) a Norwegian law pledge over the Issuer's claim against the bank for the amount from time to time standing to the credit of the Issuer in the Escrow Account (as defined below) (the "Escrow Account Pledge");

Pre-Disbursement Security:

By the Issuer:

(ii) an assignment of the earnings (or such similar security under the relevant jurisdiction) under the Existing Drilling Contract (the "**Earnings Assignment**");
(iii) if permitted under the Existing Drilling Contract, an assignment of all other rights (than the earnings) of the Issuer, including step-in rights, under the Existing Drilling Contract, and if not permitted without consent from the Client, the Issuer shall use its reasonable best endeavours, to obtain the Client's consent to such assignment with corresponding step in rights (the "**Drilling Contract Assignment**");
(iv) a pledge over the Issuer's claim against the bank for the amount from time to time standing to the credit of the Issuer in the Issuer Earnings Account (as defined below) (the "**Issuer Earnings Account Pledge**");
(v) a pledge granted by the Issuer over 99.95% of the shares in the Rig Owning Guarantor (the "**Rig Owning Guarantor Share Pledge**") together with, inter alia, letters of resignation (effective upon an Event of Default) from the current board members of the Rig Owning Guarantor and covenants to obtain same from future board members;
(vi) a pledge granted by the Issuer over 100% of the shares in the WilPhoenix (UK) Ltd. (the "Sub-Contractor Share Pledge") together with, inter alia, letters of resignation (effective upon an Event of Default) from the current board members of WilPhoenix (UK) Ltd. and covenants to obtain same from future board members;
(vii) a pledge or an assignment (or such similar security under the relevant jurisdiction) of the rights of the Issuer as lender under the Refinancing Intercompany Loan and any other existing intercompany loans from the Issuer to any of the Guarantors (the "Existing Intercompany Loans"), however allowing for such loans to be converted into equity in the relevant Guarantor (the "Assignment of Intercompany Loans");

By WilPhoenix (UK) Ltd.:

(viii) an unconditional and irrevocable on-demand guarantee issued by WilPhoenix (UK) Ltd. (payment to be made within 14 banking days of any demand received together with or following a notice from the Trustee that an Event of Default has occurred and is continuing) (the "WilPhoenix (UK) Guarantee");
(ix) a pledge granted over all of the shares (0.05%) in the Rig Owning Guarantor (the "Minority Rig Owning Guarantor Share Pledge"), together with, inter alia, letters of resignation (effective upon an Event of Default) from the current board members of the Rig Owning Guarantor and covenants to obtain same from future board members;
(x) an assignment of all (both accrued and future) claims and other rights under, and a subordination and termination right of, the drilling services sub-contract between WilPhoenix (UK) Ltd. and the Issuer (the "Sub-Contract", and the assignment thereof the "Sub-Contract Assignment");

By Rig Owning Guarantor:

(xi) an unconditional and irrevocable on-demand guarantee issued by the Rig Owning Guarantor (payment to be made within 14 banking days of any demand received together with or following a notice from the Trustee that an Event of Default has occurred and is outstanding) (the "WilPhoenix (Malta) Guarantee");

(xii) a mortgage over the Rig including all relevant equipment being legally part of the Rig under relevant law (the "Rig Mortgage");

(xiii) an assignment of any relevant insurances related to the Rig (the "Assignment of Insurances");

(xiv) an assignment of all right rights under, and a subordination and termination right of, the bareboat charter agreement between WilPhoenix (UK) Ltd. and the Rig Owning Guarantor (the "Bareboat Charter", and the assignment thereof the "Bareboat Charter Assignment"); and

By Awilco Drilling Pte. Ltd.:

(xv) an unconditional and irrevocable on-demand guarantee issued by Awilco Drilling Pte. Ltd. (payment to be made within 14 banking days of any demand received together with or following a notice from the Trustee that an Event of Default has occurred and is continuing) (the "Awilco Drilling Pte. Ltd. Guarantee").

In addition, the Issuer shall (to the extent relevant) assign, and procure that any group company (other than the Rig Owning Guarantor) being, or at any time becoming, an additional assured or co-assured under any insurances related to the Rig, assigns, as part of the Pre-Disbursement Security or promptly upon becoming assured or co-assured (as the case may be), any of its rights under the relevant insurances.

The Pre-Settlement Security shall be established no later than on the Settlement Date.

The Pre-Disbursement Security shall be established prior to the first release from the Escrow Account, prior to or on the Disbursement Date.

Any Security in place with respect to the Existing Drilling Contract, including Earnings Assignment and a Drilling Contract Assignment, shall be established relating to the New Drilling Contract, and (to the extent applicable) any additional Drilling Contract(s) for the Rig during the term of the Bonds.

The documents related to the Security above shall be referred to herein as the Security Documents.

For the avoidance of doubt, in no event shall the Trustee (on behalf of the bondholders) be entitled to recover in the aggregate more than the amounts owed under the Finance Documents, including through the enforcement of the Security.

Quiet Enjoyment Letter: The Trustee shall issue a quiet enjoyment letter if so required by any Client, with wording as reasonably requested by such Client. The quiet enjoyment letter may only be issued if the letter provides for e.g. the Trustee to assign the Drilling Contract to a nominee of the Trustee being reasonably satisfactory to the Client.

Accounts: Unless otherwise set out herein, each Obligors shall maintain its and its subsidiaries accounts with first class international bank(s) with a credit rating of at least ‘A’ from Standard & Poor or similar level from Moody or Fitch.

The following accounts shall be established and/or maintained by the Issuer (both as defined and described below):

(i) the Escrow Account; and
(ii) the Issuer Earnings Account.

Issuer Earnings Accounts: The Issuer shall procure that all its earnings under Drilling Contracts for the Rig to which it is a party and all its other net earnings relating to the Rig shall be paid directly from the relevant Client to the earnings accounts in its name that has been

established in order to receive such earnings for the Rig (the "**Issuer Earnings Account**"). The Issuer Earnings Account shall be pledged in favour of the Trustee, but not blocked (unless the Trustee has issued a notice to the account bank that an Event of Default has occurred and is continuing), and the account bank shall waive any set-off rights. The Issuer Earnings Account shall be established and maintained with first class international bank(s) with a credit rating of at least 'A' from Standard & Poor or similar level from Moody or Fitch.

Information Covenants: The Issuer (and, where relevant, the other Obligors) shall:

(i) without being requested to do so, promptly inform the Trustee in writing of any Event of Default, any event or circumstance which the Issuer understands or ought to understand may lead to an Event of Default and any other event which may have a Material Adverse Effect;
(ii) without being requested to do so, inform the Trustee in writing if the Issuer agrees to sell or dispose of all or a substantial part of its assets or operations, or change the nature of its business;
(iii) prepare consolidated annual audited reports and unaudited quarterly reports for the Issuer and make such reports available on the Issuer's website as soon as they become available, and not later than 120 days after the end of the financial year and not later than 60 days after the end of the relevant quarter, provided always that such preparation and publication of reports are in accordance with applicable rules and regulations. Such reports shall be prepared in accordance with IFRS, and include a profit and loss account, balance sheet, cash flow statement and management commentary or report from the Issuer's Board of Directors;
(iv) at the request of the Trustee, report the balance of the Issuer's Bonds; (v) without being requested to do so, send the Trustee copies of any statutory notifications of any of the Obligors, including but not limited to in connection with mergers, de-mergers and reduction of the Issuer's share capital or equity;
(v) after the Bonds are listed on an exchange, without being requested to do so, send a copy to the Trustee of its notices to the exchange;
(vi) without being requested to do so, inform the Trustee of changes in the registration of the Bonds in the Securities Depository; and
(vii) within a reasonable time, provide such information about the Obligors' business, assets and financial condition as the Trustee may reasonably request.

Permitted Corporate Reorganization: Notwithstanding anything to the contrary herein, a reorganization of the Issuer and/or its subsidiaries, including the Obligors, undertaken to improve the overall efficiency of the business, including without limitation, for the purpose of tax planning by the group shall be permitted, provided that the Bondholders under such structure will obtain a security position which, in the reasonable opinion of the Trustee, is no less favourable to the Bondholders than those contemplated by the Finance Documents and approved by the Bond Trustee (a "**Permitted Corporate Reorganization**"). Such reorganization may include, without limitation, mergers, de-mergers, change of corporate status or jurisdiction, and creation or liquidation of subsidiaries. It may also include the transfer of assets (including pledged assets) and obligations between subsidiaries so long as the subsidiary owning the Rig is a guarantor and is able to make the representations and warranties and satisfy the covenants required to be made by the Rig Owning Guarantor immediately following the acquisition of such assets and following such transfer the Bondholders under such new structure will obtain a security position which, in the reasonable opinion of the Trustee, is no less favourable to the Bondholders than those contemplated by the Finance Documents.

Special Covenants: During the term of the Bonds, the Issuer and the Guarantors (as the case may be) shall (unless the Trustee or the bondholders' meeting (as the case may be) in writing has agreed otherwise) comply and/or ensure compliance with the following general and special covenants:

Ownership. The Issuer shall maintain a 100% direct or indirect ownership and control over the Guarantors (or such replacement guarantors as may be substituted as a result of a Permitted Corporate Reorganization), provided however that it can carry out a sale of the Rig Owning Guarantor subject to the Mandatory Prepayment provisions.

Pari passu ranking. The Issuer and the Guarantors shall ensure that its obligations under this Bond Agreement and any other Finance Document shall at all time rank at least as set under "Status of the Bonds" above.

Mergers. The Issuer shall not carry out any merger or other business combination or corporate reorganisation involving the consolidation of the assets and obligations of the Issuer with any other companies or entities if such transaction would have a Material Adverse Effect.

De-mergers. The Issuer shall not carry out any de-merger or other corporate reorganisation involving a split of the Issuer into two or more separate companies or entities if such transaction would have a Material Adverse Effect.

Continuation of business. The Issuer and the Guarantors shall not cease to carry on its business, except as, in case of the Guarantors only, a result of a Permitted Corporate Reorganization.

Disposal of business. The Issuer and the Guarantors shall not sell or otherwise dispose of all or a substantial part of its assets or operations, except as a result of a Permitted Corporate Reorganization, provided however that it can carry out a sale of the Rig subject to the Mandatory Prepayment provisions.

Arm's length transactions. The Issuer and the Guarantors shall not enter into any transaction with any person except on arm's length terms and for fair market value. For avoidance of doubt, the Bareboat Charter and the Sub-Contract (on their existing terms, or any replacement thereof on substantially the same terms) shall be deemed to be an arm's length transaction.

Corporate status. The Issuer and the Guarantors shall not change its type of organization or jurisdiction of incorporation, except as a result of a Permitted Corporate Reorganization.

Compliance with laws. The Issuer and the Guarantors shall perform its business in accordance with acknowledged, careful and sound practices in all material aspects and comply in all material respects with all laws and regulations it or they may be subject to from time to time. The Issuer and the Guarantors shall ensure that it is not engaged in any conduct prohibited by any legal requirement of any program administered by the Office of Foreign Asset Control ("**OFAC**") of the U.S. Department of Treasury and the Issuer shall not engage in any conduct that would cause adverse consequences to the Issuer and the Guarantors or the bondholders under any program administered by OFAC.

Project Documents. The Issuer and the Guarantors shall (i) perform and observe in all material respects with all of its covenants and agreements contained in any of the Project Documents to which it is or becomes a party, and (ii) not consent to any amendment of any Project Document if this would have a Material Adverse Effect.

Payment under the Bareboat Charter, the Sub-Contract, the Service Agreement etc. The Issuer and the relevant Guarantor shall ensure that any amounts payable in respect of the Bareboat Charter, the Sub-Contract, any service agreements or other management agreements between WilPhoenix (UK) Ltd and/or the Rig Owning Guarantor and any other group company (as amended, restated or replaced from time to time, the "**Service Agreement**") or any other intra-group agreement for the charter, management and similar services in respect of the Rig shall be and remain subordinated to any claims under the Finance Documents.

Security Documents and status of the Bonds. The Issuer and the Guarantors shall maintain the Security Documents in good condition and repair, and do all acts which may necessary to ensure that such security remains duly created,

enforceable and perfected on first priority, at the expense of the Issuer and the Guarantors or the relevant security provider (as the case may be), and shall ensure that its and the other Obligors' obligations under the Bond Agreement and any other Finance Document at all time rank at least as set out above.

Drilling Contracts. The Issuer shall ensure that any new Drilling Contract replacing the Existing Drilling Contract is entered into by the Issuer and that the earnings from such Drilling Contract is paid from the Client to the Issuer Earnings Account and first priority security satisfactory to the Trustee is established in the earnings under such Drilling Contract and shall use its reasonable best endeavours to obtain the Client's consent to the assignment of all other rights (than the earnings) of the Issuer under such Drilling Contract, including step-in rights.

Financial Assistance. Neither the Issuer nor the Guarantors shall grant any loans, guarantees or other financial assistance (including, but not limited to granting security) to any person other than group companies.

Inspection. Upon request of the Trustee, the Obligors shall arrange for the Trustee, and/or any persons appointed by the Trustee, to undertake a technical inspection of the Rig (no more than once annually unless an Event of Default has occurred and is continuing) without interference of the daily operation of the Rig and at the expense of the Issuer. The Bond Agreement shall include other standard covenants as customary in the Norwegian high-yield bond market.

Additional WilPhoenix (UK) Ltd and WilPhoenix (Malta) Ltd. Special Covenants:

During the term of the Bonds, WilPhoenix (UK) Ltd and/or the Rig Owning Guarantor (as relevant, or their successors in the event of a Permitted Corporate Reorganization) shall (unless the Trustee or the bondholders' meeting (as the case may be) in writing has agreed otherwise) comply with the following general and special covenants:

Ownership. The Rig Owning Guarantor (or its successor/transferee in the event of a Permitted Corporate Reorganization) shall maintain a 100% direct ownership and control over the Rig, provided however that it can carry out a sale of the Rig subject to the Mandatory Prepayment provisions.

Continuation of business. The Rig Owning Guarantor and WilPhoenix (UK) Ltd shall not cease to carry on their businesses, and shall procure that they remain single purpose vehicles with no other business than, as relevant, owning, chartering and operating the Rig, in each case, unless they no longer carry on the business of owning, chartering and/or operating the Rig as the result of a Permitted Corporate Reorganization.

No Financial Indebtedness. The Rig Owning Guarantor and WilPhoenix (UK) Ltd shall not incur or permit to remain outstanding, any Financial Indebtedness (whether secured or unsecured) other than (i) the Financial Indebtedness arising under the Bond Issue, (ii) the Refinancing Intercompany Loan (iii) any other intercompany loan so long as it is fully subordinated to the relevant Guarantors' obligations under the Finance Documents, and pledged in favor of the Trustee or (iv) as a result of seller's credit provided by third party suppliers in the ordinary course of business consistent with market practice.

Negative pledge. The Rig Owning Guarantor and WilPhoenix (UK) Ltd shall not create, permit to subsist or allow to exist any security over any of its present or future respective assets or revenues, other than (i) the Security under this Bond Issue, (ii) security for unpaid purchase in favour of third party suppliers in the ordinary course of business consistent with market practice or (iii) any lien or security arising by operation of law in the ordinary course of business in respect of claims that are not overdue.

Mergers. WilPhoenix (UK) Ltd and WilPhoenix (Malta) Ltd. shall not carry out any merger or other business combination or corporate reorganization involving a consolidation of their assets and with any other companies or entities except in connection with a Permitted Corporate Reorganization.

De-mergers. WilPhoenix (UK) Ltd and WilPhoenix (Malta) Ltd. shall not carry out any de-merger or other corporate reorganization involving a split thereof into

	two or more separate companies or entities, except in connection with a Permitted Corporate Reorganization.
Issuer Financial Covenants:	**Liquidity.** The Issuer shall at all times from and including the Disbursement Date have a minimum Liquidity of USD 10,000,000. **Equity Ratio.** The Issuer shall at all times maintain an Equity Ratio of minimum 35%. The Issuer undertakes to comply with the above financial covenants at all times, such compliance to be measured on each quarter date and certified by the Issuer in conjunction with each quarterly financial reporting. **"Equity"** means the aggregate amount which would in accordance with IFRS be shown in the Issuer's consolidated financial statements as the shareholders' equity. **"Equity Ratio"** means Equity to Total Assets. "**IFRS**" means International Financial Reporting Standards, and guidelines and interpretations issued thereto by the International Accounting Standards Board (or any predecessor and successor thereof), in force from time to time. "**Liquidity**" means, at any given time, the aggregate book value of (i) the freely available and unencumbered cash standing to the credit of the Issuer or any of the Guarantors and (ii) the balance from time to time of the Issuer Earnings Account. **"Total Assets"** means the aggregate amount which would in accordance with IFRS be shown in the Issuer's consolidated financial statements as its total assets.
Rig Covenants:	Standard covenants applicable to the Rig, including without limitation: (i) maintenance of insurances (see below), (ii) no sale or transfer of the Rig without redemption of the Bond Issue (see Mandatory Prepayment) or in connection with a Permitted Corporate Reorganization, (iii) maintenance of highest applicable class, (iv) maintenance of flag, name and registry, (v) Rig to be kept in a good and safe condition and state of repair consistent with first class ownership and industry standards, (vi) operation in accordance with applicable laws and regulations; (vii) restrictions on modifications; (viii) notifications (accidents, total loss, arrest and lien, material requirements and recommendations, laws and regulations, litigation, termination or material amendments of drilling and charter arrangements etc.
Insurances:	The Rig shall be adequately insured against such risks and in such amounts as per industry standards and otherwise reasonably required by and placed or entered with such reputable insurers, brokers or P&I clubs acceptable to the Trustee on agreed value basis, including without limitation war risk, Hull & Machinery, Hull Interest and/or Freight Interest, Protection & Indemnity, and any additional insurance required under any law or the relevant Drilling Contract. The amounts in respect of each of (a) Hull & Machinery (including Hull Interest and (if relevant) Freight Interest) and (b) war risk shall be equal to at least the higher of (i) the full market value of the Rig and (ii) 120% of the outstanding amount under the Finance Documents. The deductible amount in respect of claims shall in each event not exceed fair market terms for any one occurrence or such higher amount as the Trustee (acting on theinstructions of the bondholders) otherwise agrees. The Trustee shall be named as an additional assured and as exclusive loss payee on the relevant insurances. In addition the Issuer shall reimburse any premium for Mortgage Right Insurance, Mortgagee Interest Insurance and Mortgagee Additional Perils Insurance (pollution) up to 120% of the outstanding under the Finance Documents. The insurances and loss payee clause shall be in accordance with the Nordic Marine Insurance Plan of 2013 (as amended from time to time) or other insurances with no less favorable terms.
Change of Control:	Upon a Change of Control Event occurring, each Bondholder shall have a right of pre-payment (Put Option) of the Bonds at a price of 101% of par value (plus accrued interest). The Put Option may be exercised during a period of sixty (60) days following the notice of a Change of Control Event. The Company is required to give the Bond Trustee notice of any Change of Control Event as soon as

	possible after the Change of Control Event has occurred. The settlement date of the Put Option shall be the third (3rd) banking day after the end of the sixty (60) day period.
Change of Control Event:	Change of Control Event means any person or group other than Awilco Drilling AS (as long as Awilco Drilling is controlled by AWilhelmsen AS, becomes the owner, directly or indirectly, of 50% or more of the outstanding shares and/or voting rights of the Issuer.
Mandatory Prepayment:	Upon a Mandatory Prepayment Event (excluding, for the avoidance of doubt, a Total Loss Event) occurring, the Issuer shall not later than 30 days following the relevant Mandatory Prepayment Event (unless there is an Event of Default in which case it will be promptly), redeem 100% of the outstanding Bonds at a price equal to the relevant Call Options level on such date (plus accrued interest on redeemed amount). For the avoidance of doubt, the aforesaid redemption prices shall be determined based on the date the Mandatory Prepayment Event occurred and not based on the date of repayment. If the Bonds are redeemed according to this Mandatory Prepayment provision, any amounts received as damages payments under the any of the insurance proceeds, may be used as part payment in relation to the Mandatory Prepayment. Upon the occurrence of (i) several Mandatory Prepayment Events or (ii) one or several Mandatory Prepayment Events and a Total Loss Event, the Issuer shall only be obliged to pay the lowest applicable redemption amount.
Total Loss Event:	Means an actual or constructive total loss of the Rig.
Total Loss Prepayment:	Upon a Total Loss Event, the Issuer shall promptly once insurance proceeds are available redeem 100% of the outstanding Bonds at 100% of par value (plus accrued interest on redeemed amount).
Mandatory Prepayment Event:	Means if: (i) the Rig is sold (directly or indirectly); or (ii) the Issuer ceases to control 100% ownership, directly or indirectly, of any of the Obligors. For avoidance of doubt, the transfer of the Rig between group companies as a result of a Permitted Corporate Reorganization shall not constitute a Mandatory Prepayment Event.
Event of Default:	The Bond Agreement shall include standard remedy and event of default provisions, including with respect to prepayment provisions, remedy periods and cross default provisions relating to the Issuer and any of its subsidiaries with a threshold of (on an aggregated basis) USD 2,000,000. The Finance Documents will contain waterfall provisions in case of partial payments i.e. first to cover costs, fees and expenses of the Trustee (the "**Trustee Expenses**") and thereafter any other outstanding amounts under the Finance Documents. In case the Issuer does not pay the Trustee for incurred fees, then the Trustee may seek funding of the Trustee Expenses from the bondholders, or failing them, other sources, in which case such other sources will be subrogated into the position of the Trustee, but subordinate to any further Trustee Expenses.
Termination of payment and terms of Bareboat Charter, Sub-Contract, Service Agreement etc:	In case of an Event of Default, any payment obligation by the Obligors under the Bareboat Charter, the Sub-Contract, the Service Agreement or any other intra-group agreement for the charter, management and similar services in respect of the Rig shall, upon the notice by the Trustee to the Issuer, be suspended, and such funds be deposited and maintained on the Issuer Earnings Account. In case of acceleration by the Trustee under the Finance Documents, the Trustee shall be entitled, in its sole discretion and notwithstanding any terms to the contrary in any other agreement, to terminate the whole of the Bareboat Charter, the Sub-Contract, the Service Agreement and/or any other similar agreement with or

between any of the Guarantors with immediate effect (or within such reasonable periods as the Trustee may deem fit), in which case and at such time the relevant Guarantor shall be released from any and all due and undue payments, indemnities and other obligations under the relevant agreement.

Material Adverse Effect: A material adverse effect on: (i) financial condition or operations of any of the Obligors, (ii) any of the Guarantors' or the Issuer's ability to perform and comply with its obligations under the Finance Documents, (iii) the validity or enforceability of any Finance Document.

Financial Indebtedness: Means any indebtedness incurred in respect of:

(iii) moneys borrowed (including acceptance credit and any overdraft facility);
(iv) any bond, note, debenture, loan stock or other similar instrument;
(v) the amount of any liability in respect of any lease, hire purchase contract which would, in accordance with IFRS, be treated as a finance or capital lease;
(vi) receivables sold or discounted (other than any receivables sold on a non-recourse basis);
(vii) any sale and lease-back transaction, or similar transaction which is treated as indebtedness under IFRS;
(viii) any liability under a deferred purchase agreement where the deferred payment is arranged primarily as a method of raising finance or financing the acquisition of that asset;
(ix) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price, including without limitation currency or interest rate swaps, caps or collar transactions (and, when calculating the value of the transaction, only the marked-to-market value shall be taken into account);
(x) any amounts raised under any other transactions having the commercial effect of a borrowing or raising of money, (including any forward sale or purchase agreement);
(xi) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of any underlying liability; and
(xii) (without double counting) any guarantee, indemnity or similar assurance against financial loss of any person in respect of any of the items referred to above.

Issuer's ownership of Bonds: The Issuer has the right to acquire and own Bonds. Such Bonds may at the Issuer's discretion be retained by the Issuer, sold or discharged.

Issuer Bonds: Bonds held by the Issuer, any party who has decisive influence over the Issuer, or any party over whom the Issuer has decisive influence; where “decisive influence” means a person having, as a result of an agreement or through the ownership of shares or interests in another person, (i) a majority of the voting rights in that other person; or (ii) a right to elect or remove a majority of the members of the board of directors of that other person.

Manager: RS Platou Markets AS, Haakon VII`s gate 10, NO-0116 Oslo, Norway

Trustee: Nordic Trustee ASA, Postboks 1470 Vika, 0116 Oslo.

The Trustee shall monitor the compliance by the Issuer of its obligations under the Bond agreement and applicable laws and regulations which are relevant to the terms of the Bond agreement, including supervision of timely and correct payment of principal or interest, inform the Bondholders, the Paying Agent and the Exchange of relevant information which is obtained and received in its capacity as Trustee (however, this shall not restrict the Trustee from discussing matters of confidentiality with the Issuer), arrange Bondholders’ meetings, and

	make the decisions and implement the measures resolved pursuant to the Bond agreement. The Trustee is not obligated to assess the Issuer's financial situation beyond what is directly set forth in the Bond agreement.
Governing Law and jurisdiction:	Norwegian law and Norwegian courts (at the competent legal venue of the Trustee) for the Bond Agreement and appropriate law for the other Finance Documents.
Legislation under which the securities have been created:	Norwegian law.
Registration:	The Bonds will be registered in the Norwegian Central Securities Depository (VPS). Principal and interest accrued will be credited the bondholders through VPS.
Paying Agent:	DNB Bank ASA.
Taxation:	The Issuer shall pay any stamp duty and other public fees accruing in connection with the issuance of the Bonds or the Security Documents, but not in respect of trading of the Bonds in the secondary market. If payments under the Bonds are subject to withholding tax, the Issuer shall deduct before payment to the bondholders at source any applicable withholding tax payable pursuant to law and make an additional payment to the bondholders' equivalent to such deduction (gross up).
Market making:	No market-maker agreement has been made for this Bond Issue.
Listing:	The Issuer intends to apply for listing of the Bonds on Oslo Børs.
Bond Agreement:	The Bond Agreement has been entered into between the Borrower and the Trustee. The Bond Agreement regulates the Bondholder's rights and obligations in relations with the issue. The Trustee enters into the Bond Agreement on behalf of the Bondholders and is granted authority to act on behalf of the Bondholders to the extent provided for in the Bond Agreement. When Bonds are subscribed / purchased, the Bondholder has accepted the Bond Agreement and is bound by the terms of the Bond Agreement. The Bond Agreement is attached to this Prospectus and is also available through the Manager or from the Issuer.
Eligible purchasers:	The Bonds are being offered only (i) to non-"U.S. persons" in "offshore transactions" within the meaning of Rule 902 under the U.S. Securities Act of 1933, as amended ("**Securities Act**") and (ii) to "qualified institutional buyers" ("**QIBs**") within the meaning of Rule 144A under the Securities Act in a transaction exempt from the registration requirements under the Securities Act. In addition to the Application Form that each investor will be required to execute, each U.S. investor that wishes to purchase Bonds will be required to execute and deliver to the Issuer a certification in a form to be provided by the Issuer stating, among other things, that the investor is a QIB. The Bonds will not be offered to and may not be purchased by any investor save for in accordance with the above mentioned exemptions within the United States or appropriate exemptions under the laws of any other jurisdictions. The Bonds may not be purchased by, or for the benefit of, persons resident in Canada. See further details and description of applicable subscription and transfer restrictions in the Investor Presentation and the Application Form. Failure by investors to comply with these restrictions may constitute a violation of applicable securities legislation.
Transfer restrictions:	Except as set out below, and subject to any restrictions to which a bondholder may be subject due to local law or otherwise, the Bonds are freely transferable

	and may be pledged, subject to the following: Bondholders may be subject to purchase or transfer restrictions with regard to the Bonds, as applicable from time to time under local laws to which a bondholder may be subject (due e.g. to its nationality, its residency, its registered address, its place(s) for doing business etc). Each bondholder must ensure compliance with local laws and regulations applicable at own cost and expense. Notwithstanding the above, a bondholder who has purchased the Bonds in contravention of mandatory restrictions applicable may nevertheless utilize its voting rights under the Bond Agreement. Bondholders understand that the Bonds will be "restricted securities" within the meaning of Rule 144(a)(3) of the Securities Act and may not be offered, sold, pledged or otherwise transferred except (A) (i) to the Issuer, (ii) to a person who the seller reasonably believes is a QIB within the meaning of Rule 144A under the Securities Act purchasing for its own account or for the account or benefit of a QIB in a transaction meeting the requirements of Rule 144A, (iii) outside the United States in compliance with Rule 903 or Rule 904, as applicable, of Regulation S under the Securities Act, (iv) pursuant to an exemption from registration under the Securities Act provided by Rule 144 thereunder (if available), (v) pursuant to any other available exemption from registration under the Securities Act, subject to the receipt by the Issuer of an opinion of counsel or such other evidence that the Issuer may reasonably require confirming that such sale or transfer is in compliance with the Securities Act; or (vi) pursuant to an effective registration statement under the Securities Act and (B) in accordance with all applicable securities laws of the states of the United States and any other jurisdiction. No representation can be made as to the availability of the exemption from registration provided by Rule 144 for resales of the Bonds.
Bondholders' meeting	At the Bondholders' meeting each Bondholder has one vote for each bond he owns. In order to form a quorum, at least half (1/2) of the votes at the Bondholders' meeting must be represented. See also Clause 16.4 in the Bond Agreement. Resolutions shall be passed by simple majority of the votes at the Bondholders' Meeting, unless otherwise set forth in clause 16.3.5 in the Bond Agreement. In the following matters, a majority of at least 2/3 of the votes is required: a) any waiver or amendment of the terms of the Bond Agreement; or b) change of Bond Trustee. (For more details, see also Bond Agreement clause 16)

5.4 Expenses related to the listing of the Bonds

The Company shall cover all expenses in connection with the Listing of the Bonds such as. The listing fee payable for 2014 is NOK 14,636 in addition to a registration fee of NOK 5.175. The total costs incurred by Awilco Drilling in connection with the issue and the listing of the Bonds are expected to amount to approximately NOK 7.2 million.

5.5 Advisers

RS Platou Markets AS is acting as Manager in relation to the issue and the Listing of the Bonds. Advokatfirmaet Wiersholm AS is acting as legal adviser to the Company.

5.6 Interests of natural and legal persons involved in the Bond

The Manager or its affiliates have provided from time to time, and will provide in the future, investment and commercial banking services to the Company and its affiliates in the ordinary course of business, for which they may have received and may continue to receive customary fees and commissions. The Manager, its employees and any affiliate may currently own existing Shares and/or bonds in the Company. The Manager does not intend to disclose the extent of any such investments or transactions otherwise than in accordance with any legal or regulatory obligation to do so. The Manager received a commission in connection with the issue of the Bond.

6 INFORMATION ABOUT THE COMPANY

You should read the following discussion of the financial condition and results of operations in conjunction with the financial statements incorporated hereto by reference, cf. section 10.2 "Incorporation by Reference" of this Prospectus.

6.1 Incorporation, registered office and registration number

6.1.1 The Company

Awilco Drilling was incorporated as a private limited company under the laws of England and Wales on 30 December 2009 and registered with the Companies House under the registration number 07114196.

The Company was converted to a public limited liability company by a special resolution passed at the Company's annual general meeting held on 13 April 2011, and the Company's name was changed to Awilco Drilling PLC. The Company operates under the laws of England and Wales, specifically the Companies Act 2006.

The Company's registered office is SH COMPANY SECRETARIES LIMITED, 1 Finsbury Circus, London EC2M 7SH, United Kingdom and its business address is 12 Abercrombie Court, Prospect Road, Westhill, Aberdeen AB32 6FE, United Kingdom. The Company's telephone number is +44 1224 737900, facsimile +44 1224 737905 and its web address is www.awilcodrilling.com.

The legal and commercial names of the Guarantors are WilPhoenix (UK) Ltd. and Awilco Drilling Pte. Ltd.

The Articles of Association do not specifically define the Company's business. The Company is incorporated in England & Wales and this is in line with standard practice for a UK registered company.The principal business of the company is to own and operate two drilling rigs in the UK sector of the North Sea, although they can be used in other geographical locations.

The Company shares are trading under ticker "AWDR" on the Oslo Axess.

6.1.2 The Guarantors

WilPhoenix (Malta) Limited is a private company incorporated with limited liability under the laws of Malta, registered with the Registry of Companies under registration number C51565, and having its registered office situated at Marine House, Dun Karm Street, B'kara-By-Pass, Birkirkara, Malta. Its telephone number is 00 356 2742 4405. WilPhoenix (Malta) Limited has has an issued share capital of two thousand US. Dollars ($2,000) divided into one thousand nine hundred ninety-nine (1,999) Ordinary A Shares and one (1) Ordinary B Share, each having a nominal value of one U.S Dollar ($1) , each fully paid-up, and owned as follows (i) Awilco Drilling PLC 1,999 Ordinary 'A' Shares, (ii) WilPhoenix (UK) Limited 1 Ordinary 'B' Share. WilPhoenix (Malta) Limited was incorporated on 30 December 2010. It operates under the laws of Malta, specifically the Malta Companies Act.

WilPhoenix (UK) Limited is a private limited company incorporated under the laws of England and Wales, registered with the Companies House underthe registration number 7114213, and having its registered office is SH COMPANY SECRETARIES LIMITED, 1 Finsbury Circus, London EC2M 7SH, United Kingdom. Its telephone number is +44 1224 737900. Wilphoenix (UK) Limited has an issued share capital of $ 100,000 divided into 100,000 shares, each having a nominal value of one U.S Dollar ($1), each fully paid-up, and all of which are owned by Awilco Drilling PLC. WilPhoenix (UK) Limited was incorporated on 30 December 2009. It operates under the laws of England and Wales, specifically the Companies Act 2006.

Awilco Drilling PTE Ltd., a company incorporated with limited liability under the laws of Singapore, registered with the Accounting and Corporate Regulatory Authority (ACRA) under registration number 201109168M, and having its registered address at 8 Wilkie Road, #03-01 Wilkie Edge, Singapore, 228095. Its telephone number is +65 6533 7600. Awilco Drilling PTE Ltd has an issued share capital of one Singapore Dollar ($$1) consisting of one share with a nominal value of S$1.00, fully paid-up and owned by Awilco Drilling PLC. Awilco Drilling PTE Ltd. was incorporated on 15 April 2011. It operates under the laws of Singapore, specifically the Singapore Companies Act.

The articles of association of the respective Guarantors do not specifically define the business Guarantors. This is in line with standard practices in the jurisdictions of incorporation of the Guarantors.

6.2 History and development of the Company

Awilco Drilling was incorporated on 30 December 2009 for the purpose of acquiring the two semisubmersible drilling rigs GSF Arctic II (renamed WilPhoenix) and GSF Arctic IV (renamed WilHunter) from subsidiaries of Transocean.

Awilco Drilling was established by Awilco AS, a company in the Awilhelmsen Group which has fostered several companies previously listed on Oslo Børs.

The background for Transocean's sale of the rigs relates to the merger of Transocean and GlobalSantaFe in 2007. In connection with the merger, the combined company was deemed by the UK Office of Fair Trading ("OFT") to have a

too large market share in the UK drilling market. As a consequence, Transocean was required to sell off two rigs. The acquisition by the Group was approved by UK authorities and the Group confirmed its firm intention to the OFT to operate these units in the UK sector of the North Sea for a period of three years from January 2010.

The rigs were acquired from Transocean in January 2010 at an aggregate price of USD 205 million which was, in combination with working capital of USD 10 million, financed by seller's credit of USD 165 million and equity of USD 50 million. The equity was raised through a private placement in January 2010, after which the Company's shares were traded on the Norwegian OTC market.

WilPhoenix and WilHunter are typical rigs for drilling mid-water wells in the UK market, although they can also be used in other geographical regions. At the time of the acquisition, WilPhoenix had been idle since 2008, while WilHunter was operative. WilHunter continued to be employed on a bareboat contract to Transocean until mid-November 2010.

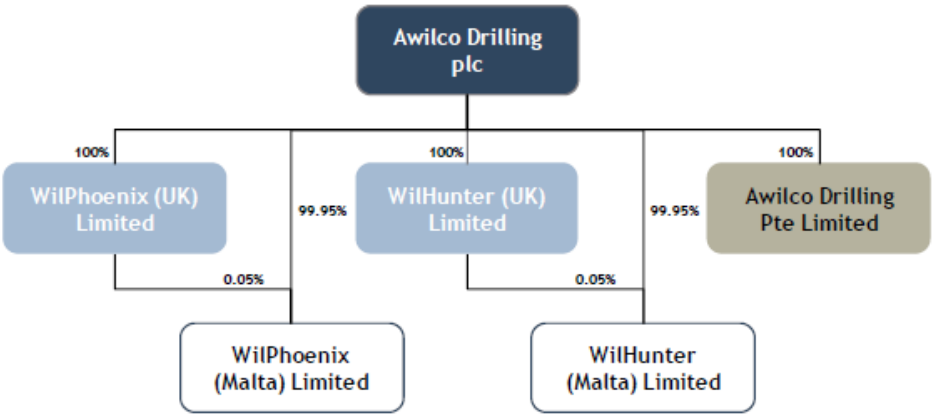
As part of the effort to bring WilPhoenix back into operation and become an attractive unit in the market, the rig needed a significant upgrading. The WilHunter did not require any similar upgrading, but was due for classification renewal in May 2011. As a consequence, the rigs were brought to the Remontowa yard in Poland in April 2010 and November 2010, respectively. In December 2010, an accommodation upgrade was added to the WilPhoenix project scope. Both rigs were redelivered from the yard in May 2011.

The aggregate upgrading, maintenance and classification amounted to approximately USD 97 million for both rigs. This amount was part financed by a USD 65 million private placement of equity in October 2010, as well as by a USD 17.5 million private placement of equity in June 2011.

In parallel with the upgrading of the rigs, the Group developed its organisation to provide the relevant in-house services for a UK drilling contractor, and to gradually reduce its dependency on its founder. Mr. Jon Oliver Bryce was appointed as the Company's CEO in July 2010. The Company secured key management with extensive project and operational experience, and secured crews for starting up operations with its rigs in mid 2011.

The Company's rigs originally entered a market which is generally characterised by short-term contracts, mainly towards smaller oil companies. However, the UK market tightened from 2011 onwards with the company securing long term work.The contracts currently secured have an aggregate revenue of ~USD 680 million, with additional revenue if options are exercised. The Company believes that the current contracts demonstrates the Company's ability to deliver as a drilling contractor, and will prove the standard and attractiveness of the Company's upgraded rigs.

6.3 Description of the legal structure of the Group



Awilco Drilling PLC is the holding company of the Group and is the ultimate sole shareholder in the subsidiary companies. Awilco Drilling PLC owns 100% of WilPhoenix (UK) Limited and WilHunter (UK) Limited. Awilco Drilling PLC also has a 99.95% ownership of each of the Maltese entities with the remaining 0.05% being owned by WilPhoenix (UK) Limited for WilPhoenix (Malta) Limited and a similar amount owned by WilHunter (UK) Limited for WilHunter (Malta) Limited.

WilPhoenix (UK) Limited (previously named Awilco Arctic II Limited) and WilHunter (UK) Limited (previously named Awilco Arctic IV Limited) are the rig operating companies for the two rigs WilPhoenix and WilHunter respectively.

WilPhoenix (Malta) Limited and WilHunter (Malta) Limited are the rig owning entities and their primary function is to bareboat charter the rigs to the relevant UK operating entities. Awilco Drilling Pte Limited is a Singapore-based company and provides personnel service to the UK operating companies.

6.4 Business overview

6.4.1 Principal activities

The Group owns and operates two semi submersible drilling rigs; WilPhoenix built in 1982 and upgraded in 2011, and WilHunter built in 1983 and upgraded in 1999 and 2011. Both of the rigs are typical "workhorse" rigs used for drilling, or decommissioning, of oil and gas wells on the UK sector of the North Sea, although they can also be used in other geographical locations. The Group employs approximately 220 personnel and utilises the services of approx. 20 contract personnel. This comprises approx. 210 personnel offshore and 30 personnel onshore.

6.4.2 Principal markets

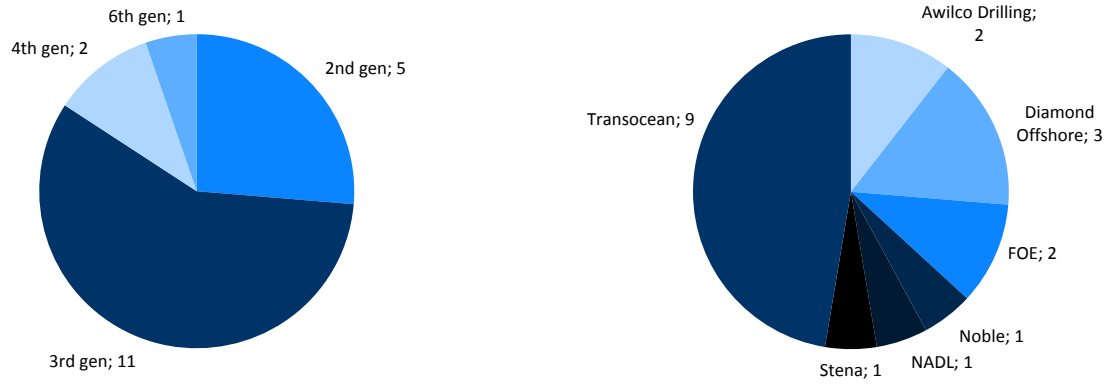
The semi-submersible drilling rig market consists of a large number of players. Contracts are traditionally awarded on a competitive bid basis. Governing factors for a successful bid are in most cases based on; price, availability, technical compliance and operators experience and track record. Competition for contracts is on a worldwide basis; however the competition may vary significantly from region to region at any particular time. Competing contractors may be able to relocate rigs from areas with low utilisation and day rates to areas with greater activity and relatively higher day rates. Orders of new rigs, upgrades of existing rigs and new technology could also increase the competitive universe. Due to the Company's concentration of business activity, the Company has not prepared and presented any isolated breakdown of total revenues by category of activity and geographic market information. The Group has operated both rigs solely in the UK sector of the North Sea although both are capable of operating in other geographical locations.

6.4.3 Competitive position

The UK mid-water market is a mature offshore region which has been producing oil and gas since the 1960s. The majority of the discoveries on the UK sector were made in the 1970s, and production peaked in the 1990s. Drilling activity in this region is predominantly production drilling on smaller fields and for tail-end production on older fields. The market is characterised by a large number of smaller oil companies, so-called independent operators.

There are currently 19 semi-submersible rigs operating in the UK part of the North Sea. The majority of the rigs are second and third generation semi-submersible rigs with water depth capabilities of 1,000-2,000 feet and delivered before 1984. Of the 19 semi-submersible rigs, Transocean owns nine of these. Diamond Offshore own three rigs, the Group two rigs, and Fred Olsen Energy, Noble, North Atlantic Drilling and Stena one each.

Type of floaters and rig owner operation in the UK



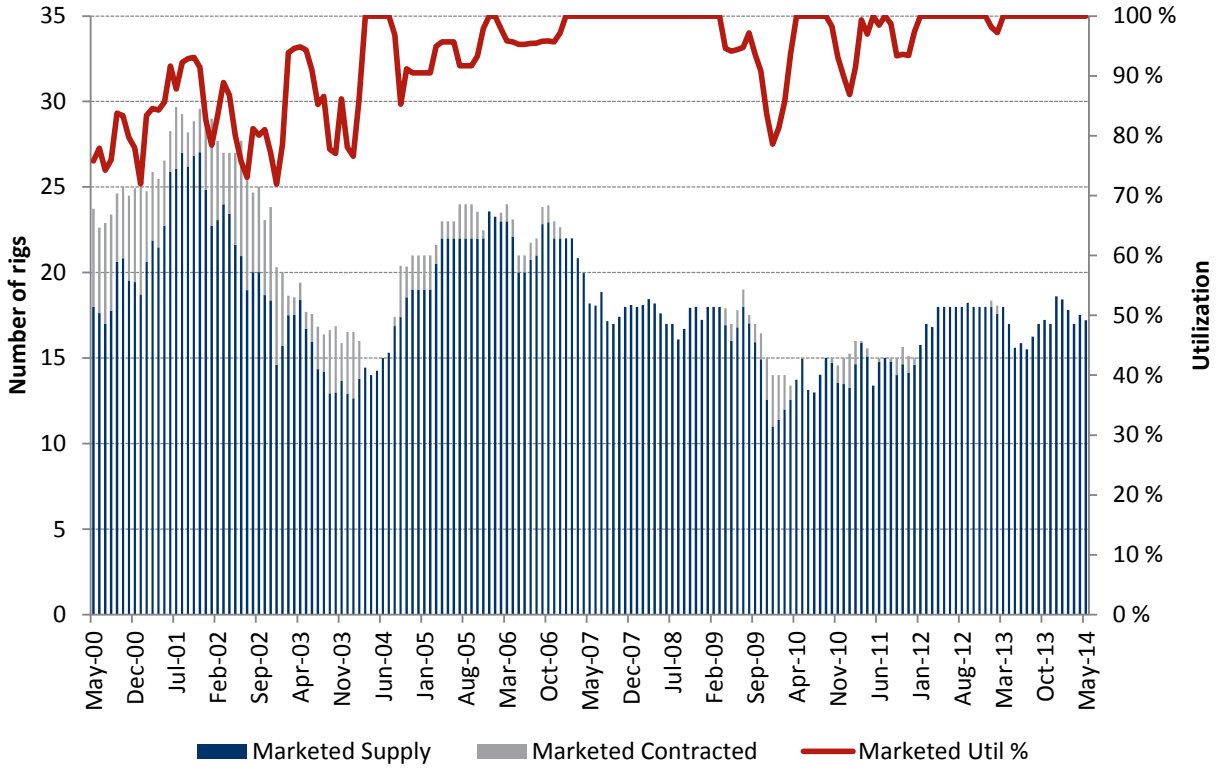
Source: RS Platou Markets Equity Reaserach and ODS Petrodata as of 19 May 2014 (subscription based)

Of the 17 mid-water rigs present in the UK only one rig is currently stacked, i.e Transocean's JW McLean. All of the marketed units, including *WilPhoenix* and *WilHunter*, have received firm contracts. This means that the marketed fleet currently has a 100% utilisation.

The number of rigs in the UK has been in steady decline since the early 1990s as the region is maturing. In recent years rigs left the region, seeking more long term engagements in e.g. Brazil. Historically, the UK market has been volatile and offered shorter term contract commitments to rig operators, compared to other regions.

However, with current oil prices and capital markets willing to fund small oil and gas companies focused on smaller fields and tail end production, UK floater market will continue to demand rigs for years to come.

Historical fleet overview and marketed utilisation levels for floaters in the UK



Source: RS Platou Markets Equity Reaserach and ODS Petrodata as of 19 May 2014 (subscription based

Detailed UK midwater fleet overview

Rig name	Manager	WD	Built	Gen.	Rig status	Operator	Available
J.W. McLean	Transocean	1250	1974	2nd	Cold stacked		Apr-11
Ocean Princess	Diamond	1500	1975	2nd	Drilling	EnQuest	Aug-14
GSF Arctic III	Transocean	1800	1984	3rd	Drilling	Chevron	Oct-14
Transocean Prospect	Transocean	1500	1983	3rd	Drilling	Nexen	May-15
Noble Ton van Langeveld	Noble	1500	1979	3rd	Drilling	Nexen	Jun-15
Ocean Nomad	Diamond	1200	1975	2nd	Drilling	Dana Pet.	Aug-15
Sedco 711	Transocean	1800	1982	3rd	Drilling	Talisman	Jan-16
WilHunter	AWDR	1500	1983	3rd	Drilling	Hess	Jan-16
Sedco 704	Transocean	1000	1974	2nd	Drilling	Maersk	Jan-16
Stena Spey	Stena	1500	1983	3rd	Drilling	EnQuest	Feb-16
Sedco 714	Transocean	1600	1983	3rd	Drilling	Total	Mar-16
Byford Dolphin	Dolphin	1500	1974	2nd	Drilling	BP	Apr-16
Transocean John Shaw	Transocean	1800	1982	3rd	Drilling	TAQA	Apr-16
Sedco 712	Transocean	1600	1983	3rd	Drilling	Hurricane	Oct-16
Paul B. Loyd, Jr.	Transocean	2000	1987	4th	Drilling	BP	Apr-17
WilPhoenix	AWDR	1200	1982	3rd	Drilling	Premier	Aug-17
Ocean Vanguard	Diamond	1500	1982	2nd	Drilling	Statoil	Feb 17

Source: RS Platou Markets Equity Reaserach and ODS Petrodata as of 19 May 2014 (subscription based)

Note: WD=Water depth (feet)

According to ODS Petrodata, there is an estimated demand for around 2,000 days including options currently being tendered or pre-tendered in the UK.

6.5 Material contracts

WilPhoenix is currently working on a contract for Premier Oil UK Ltd. that is firm until August 2014, with potential extension through October 2014. When the rig has finished its contract with Premier, it will in direct continuation commence a three year term contract with Apache. The Apache contract also includes 27 months of options in addition to the three year firm contract length. The options are unpriced.

WilHunter is currently working on a contract for Hess UK Ltd with a firm term until December 2015. In addition, the contract also included up to 275 days of option after the firm contract period. The final option length is to be agreed and is also unpriced.

Both units are scheduled for Special Periodic Survey (SPS) in late 2015 and early 2016. Estimated time and cost per unit is 60 days and USD 20m. In addition both units will be upgraded with new BOP’s with an estimated cost per unit of USD 22.5m.

6.6 Litigation

From time to time the Company and/or the Group may become engaged in litigation or regulatory proceedings incidental to their business.

Neither the Company nor any of the Guarantors is involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware), during a period covering at least the previous 12 months which may have, or have had in the recent past, significant effects on the Company, any Guarantor and/or Group's financial position or profitability.

7 FINANCIAL INFORMATION

7.1 Annual and interim accounts

The following selected historical consolidated financial information of Awilco Drilling for the two years ended December 31, 2013, and 2012 have been derived from Awilco Drilling's audited consolidated financial statements for the years ended December 31, 2013 and 2012 and related notes and accounting policies thereto has been incorporated by reference, see Section 11.1.

The following selected historical consolidated financial data of Awilco Drilling for the 3 months period ended March 31, 2013 and 2014 have been derived from Awilco Drilling's unaudited interim consolidated financial statements and related notes thereto as incorporated by reference, see section 10.2.

In the opinion of Awilco Drilling's management, the unaudited interim consolidated financial statements have been prepared on the same basis as the audited consolidated financial statements and include all adjustments, consisting of normal recurring adjustments, necessary for a fair presentation of the financial position and results of operations at the dates and for the periods indicated.

The financial information is presented in accordance with International Financial Reporting Standards (IFRS) as adopted by EU and derived from the Company's historical financial statements.

The Annual Report for 2012 and 2013 has been incorporated by reference, see section 10.2 and are available at www.awilcodrilling.com.

For financial statements for the years ended 31 December 2012 and 2013 for the Guarantors, please see Appendix 2, 3 and 4.

The consolidated financial statements have been audited by Ernst & Young LLP, of Blenheim House, Fountainhall Road, Aberdeen, AB15 4DT, United Kingdom, independent auditors, as stated in their independent auditors reports included herein. Ernst & Young LLP are registered to carry out audit work by the Institute of Chartered Accountants in England and Wales.

Ernst & Young LLP has been the Company's statutory auditor since its incorporation.

For financial statements for the years ended 31 December 2011, 2012 and 2013 for the Guarantors, please see section 7.9 and Appendix 2, 3 and 4. The financial statements for the years ended 31 December 2011 and 2012 for the Guarantors have been audited and the financial statements for the year ended 31 December 2013 are unaudited, except for Awilco Drilling PTE Ltd which has been audited.

The statutory auditor of WilPhoenix (UK) Ltd is Ernst & Young LLP. Ernst & Young LLP has been WilPhoenix (UK) Ltd's auditor since its incorporation. Ernst & Young LLP address is Blenheim House, Fountainhall Road, Aberdeen, AB15 4DT, United Kingdom and is member of Institute of Chartered Accountants of England and Wales.

The statutory auditor of WilPhoenix (Malta) Ltd is Ernst & Young Malta Limited, of *Regional Business Centre, Achille Ferris Street, Msida MSD 1751, Malta*. Ernst & Young Malta Limited has been WilPhoenix (Malta) Ltd's auditor since its incorporation. Ernst & Young Malta Limited is a certified public accountant and member of Malta Institute of Accountants with registered company number C30252.

The statutory auditor of Awilco Drilling PTE Ltd is Ernst & Young LLP, of One Raffles Quay, North Tower, Level 18, 048583, Singapore. Ernst & Young LLP is a certified public accountant and member of the Institute of Singapore Chartered Accountants and has been Awilco Drilling PTE Ltd's auditor since its incorporation.

7.2 Summary of the consolidated financial statements for the Company

Below is a summary of the audited consolidated financial statements for the Company for the accounting year 2012 and 2013 and the unaudited financial statement for first quarter 2013 and 2014.

7.2.1 Consolidated statement of comprehensive income

Consolidated statement of comprehensive income	**2013**	**2012**	**Q1 2014**	**Q1 2013**
(In USD 000's)	**Audited**	**Audited**	**Unaudited**	**Unaudited**
	IFRS	**IFRS**	**IFRS**	**IFRS**
Revenue	236,532	152,227	62,747	53,357
Cost of sales	(75,462)	(74,971)	(14,617)	(14,050)
Gross profit	**161,070**	**77,256**	**48,130**	**39,307**
General and administrative expenses	(3,278)	(3,358)	(4,035)	(5,379)
Depreciation	(17,609)	(17,474)	(4,400)	(4,391)
Operating profit	**140,183**	**56,424**	**39,695**	**29,537**
Finance income	120	19	38	16
Finance expense	(9,507)	(14,129)	(2,488)	(2,423)
Foreign exchange gain/(loss) net	972	(238)	(12)	(116)
Gain on forward contracts at fair value through profit and loss	562	-	-	-
Gain on disposal of property, plant and equipment	147	-	-	-
Profit/(loss) before taxation	**132,477**	**42,076**	**37,233**	**27,014**
Tax benefit/(expense)	(10,214)	(2.682)	(2,753)	(2,300)
Net profit	**122,263**	**39,394**	**34,480**	**24,714**
Other comprehensive income	-	-	-	-
Total comprehensive income	**122,263**	**39,394**	**34,480**	**24,714**
Attributable to minority interests	-	-	-	-
Attributable to shareholders of the parent	122,263	39,394	34,480	24,714
Average number of shares	30,032	30,032	30,032	30,032
Basic and diluted earnings per share	4.07	1.31	1.15	0.82
Interest coverage ratio (unaudited) ^	14.92	3.98	16.20	12.19

^ Interest cover = EBIT/interest expense

7.2.2 Consolidated statement Balance sheet

Consolidated statement Balanse sheet	**2013**	**2012**	**Q1 2014**	**Q1 2013**
(In USD 000's)	**Audited**	**Audited**	**Unaudited**	**Unaudited**
	IFRS	**IFRS**	**IFRS**	**IFRS**
Assets				
Property, plant and equipment	245,279	250,173	248,146	248,840
Deferred tax asset	2,763	853	2,977	1,159
Total non-current assets	**248,042**	**251,026**	**251,123**	**249,999**
Inventory	4,799	4,799	4,799	4,799
Trade and other receivables	40,814	37,814	45,777	35,191
Current tax receivable	42,317	6,642	52,355	13,534
Cash and cash equivalents	52,347	16,926	45,175	39,949
Total current assets	**140,277**	**66,081**	**148,106**	**93,473**
Total assets	**388,319**	**317,107**	**399,229**	**343,472**
Equity and liabilities				
Equity				
Paid in capital	130,141	130,141	130,141	130,141
Retained earnings	77,371	48,206	78,816	72,919
Total equity	**207,512**	**178,347**	**208,957**	**203,060**
Liabilities				
Deferred tax liability	554	769	554	770
Loans	87,098	98,098	-	95,348
Other liabilities	2,164	-	-	-
Total non-current liabilities	**89,816**	**98,867**	**554**	**96,118**
Trade and other payables	26,720	14,006	30,511	18,500
Current tax payable	53,271	9,387	63,859	14,794
Current portion of long-term debt	11,000	16,500	95,348	11,000
Total current liabilities	**90,991**	**39,893**	**189,718**	**44,294**
Total liabilities	**180,807**	**138,760**	**190,272**	**140,412**
Total equity and liabilities	**388,319**	**317,107**	**399,229**	**343,472**
Equity/Assets ratio (unaudited)	0.53	0.56	0.52	0.59

7.2.3 Consolidated statement of changes in equity

TUSD	Share capital	Share premium	Retained earnings	Total equity
At 1 January 2012	304	129,837	8,812	138,593
Total comprehensive profit for year	-	-	39,394	39,394
Balance at 31 December 2012	**304**	**129,837**	**48,206**	**178,347**
Total comprehensive profit for year	-	-	122,263	122,263
Dividends paid	-	-	(93,098)	(93,098)
Balance at 31 December 2013	**304**	**129,837**	**77,371**	**207,512**
Total comprehensive profit for Q1 2014 (unaudited)	-		34,480	34,480
Dividends paid	-		(33,035)	(33,035)
Balance at 31 March 2014 (unaudited)	**304**	**129,837**	**78,816**	**208,957**

7.2.4 Consolidated statement of cash flow

Consolidated statement of cash flow	**2013**	**2012**	**Q1 2014**	**Q1 2013**
(In USD)	**Audited**	**Audited**	**Unaudited**	**Unaudited**
	IFRS	**IFRS**	**IFRS**	**IFRS**
Operating activities				
Profit before tax	132,477	42,076	37,233	27,014
Non-cash adjustments to reconcile profit before tax to net cash flows:				
Gain on disposal of property, plant and equipment	(147)	-	-	-
Depreciation	17,609	17,474	4,400	4,391
Net interest	9,387	14,110	2,450	2,407
Sharebased payment	9,653	2,024	920	2,743
Working capital adjustments:				
Decrease/(increase) in trade and other receivables	7,868	(13,428)	(14,231)	6,558
(Increase) in prepayments and accrued revenue	(10,868)	(1,257)	5,434	(3,935)
Increase in trade and other payables	5,480	2,118	4,381	1,945
Interest paid	(9,761)	(23,511)	(2,330)	(2,616)
Interest received	120	19	38	16
Taxation paid	(4,231)	(2,558)	(2,416)	(4,192)
Net cash flow from operating activities	**157,587**	**37,067**	**35,879**	**34,331**
Cash flows from investing activities				
Purchase of property, plant and equipment	(12,715)	(5,074)	(7,267)	(3,058)
Gain on disposal of property, plant and equipment	147	-	-	-
Net cash flow used in investing activities	**(12,568)**	**(5,074)**	**(7,267)**	**(3,058)**
Cash flows from financing activities				
Payment of dividends	(93,098)	-	(33,035)	-
Issue of loans	-	10,000	-	-
Repayment of loans	(16,500)	(50,167)	(2,750)	(8,250)
Net cash flow used in financing activities	**(109,598)**	**(40,167)**	**(35,785)**	**(8,250)**
Net increase/(decrease) in cash and cash equivalents	**35,421**	**(8,174)**	**(7,172)**	**23,023**
Cash and cash equivalents at start of the period	16,926	25,100	52,347	16,926
Cash and cash equivalents at end of the period	**52,347**	**16,926**	**45,175**	**39,949**

7.3 Lack of material adverse changes

There have been no material adverse changes in the Company's or Guarantors prospects since the date of the last published audited financial statements, being 31 December 2013.

7.4 Significant events since 31 December 2013

During March 2014, the Company successfully completed a US$125 million secured bond in the Norwegian bond market with maturity in April 2019. The purpose of the bond is to refinance the existing Transocean debt and for general corporate purposes. Settlement date was 9 April 2014 and the bond loan was issued with an interest rate of 7%.

Legislation was published on 1 April 2014 that addressed a change in bareboat chartering that caps the amount deductible for bareboat charter costs for UK drilling contractors. Based on the legislation as published, the Company's tax rate at a group level will increase.

Except as set out above, tbere has not been any significant change in the financial or trading position of the Group which has occurred since 31 March 2014.

7.5 Known trends

There have been no material adverse changes in the prospects of theCompany or the Guarantors since the date of its last published audited financial statements as of 31 December, 2013. There are no known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Group's prospects for 2014.

7.6 Investments

7.6.1 Historical investments

During the past two years the Group has invested USD 17.7 million in capital additions in respect of new equipment or upgrades/enhancements to existing rig equipment that result in improvements to the safety or operational performance of the rig. Of this expenditure USD 5.1 million was in 2012 and USD 12.6 million was in 2013. In addition to this the company has invested a further USD 8.6 million during the period from date of last audited financial statements through to the date of this prospectus. This relates to routine capital expenditure in accordance with approved budget and includes USD 3.2 million in respect of stage payments for two new BOP's.

	2012	**2013**	**BOP's**	
			Committed	**Stage payments**
WilHunter Malta	0.5	0.6		
WilHunter UK	1.5	5.8	4.3	1.6
WilPhoenix Malta	1.4	1.3		
WilPhoenix UK	1.6	4.9	4.2	1.6
	5.1	**12.6**	**8.6**	**3.2**

7.6.2 Principal future investments/commited investments

In addition to the above mentioned historic investments the company has approximately USD 20 million in committed capital expenditure. Of this amount USD 11.2 million is in respect of new BOP's. Total investment in the two BOP's is expected to be USD 45 million. In addition to routine capital expenditure of USD 15 million on an annual basis the company is anticipating investments of approximately USD 40 million in respect of the five yearly periodic surveys to be performed in late 2015 and early 2016.

	BOP's	**Other**
WilHunter UK	5.5	4.0
Wilphoenix UK	5.7	4.8
	11.2	**8.8**

7.6.3 Anticipated sources of funds to complete committed and anticipapted capital expenditures

Financing of the expnditures detailed above will be from existing cash on hand and from cash flow generated from operations. The financing of the activities of the Guarantors is expected to take the form of shareholder loans and/or equity contributions from the Company.

7.7 The Issuer's Borrowings

During March 2014, the Company successfully completed a US$125 million secured bond in the Norwegian bond market with maturity in April 2019. The purpose of the bond is to refinance the existing Transocean debt and for general corporate purposes. Settlement date was 9 April 2014 and the bond loan was issued with an interest rate of 7%. Repayment is US$ 5 million at six monthly intervals commencing 9 October 2014 with remaining balance on final maturity date in April 2019. The Guarantors do not have any borrowings except for intra-group credits.

7.8 Financial Covenants

Minimum liquidity of US$10 million and minimum book equity ratio of 35%. See "Issuer Financial Covenants" in section 5.3 of the Prospectus.

7.9 Summary of the financial statements for the Guarantors

Below is a summary of the audited financial statements for the Guarantors for the accounting year 2011 and 2012 and the unaudited financial statements Guarantors for the accounting year 2013.

7.9.1 WilPhoenix (UK) Ltd.

Statement of comprehensive income	**2013**	**2012**	**2011**
(In USD 000's)	**Unaudited**	**Audited**	**Audited**
	IFRS	**IFRS**	**IFRS**
Revenue	116,003	86,753	37,264
Cost of sales	(101,741)	(59,294)	(39,986)
Gross profit	**14,262**	**27,459**	**(2,722)**
General and administrative expenses	(7,535)	(3,704)	(2,151)
Provision for doubtful debt	-	(4,604)	-
Operating profit	**6,727**	**19,151**	**(4,873)**
Dividend income	15	-	-
Finance income			4
Finance expense			(600)
Gain on disposal of property, plant & equipment			6,802
Foreign exchange gain/(loss) net	11	41	(529)
Profit before taxation	**6,753**	**19,192**	**804**
Tax expense	(1,669)	(2,312)	1,718
Net profit	**5,084**	**16,880**	**2,522**
Other comprehensive income	-	-	-
Total comprehensive income	**5,084**	**16,880**	**2,522**

* The 2011 numbers are for the period 30.12.10 to 31.12.11

Balance sheet	**2013**	**2012**	**2011**
(In USD 000's)	**Unaudited**	**Audited**	**Audited**
	IFRS	**IFRS**	**IFRS**
Assets			
Property, plant and equipment	7,083	2,142	501
Total non-current assets	**7,083**	**2,142**	**501**
Inventory	2,576	2,576	2,576
Trade and other receivables	117,415	50,312	48,931
Total current assets	**119,991**	**52,888**	**51,507**
Total assets	**127,074**	**55,030**	**52,009**
Equity and liabilities			
Equity			
Paid in capital	100	100	100
Retained earnings	100	16	(16,864)
Total equity	**200**	**116**	**(16,764)**
Liabilities			
Trade and other payables	3,570	1,645	991
Current tax payable	1,651	2,312	1,439
Withholding tax payable	-	-	1,368
Loans and borrowings	121,653	50,957	64,975
Total current liabilities	**126,874**	**54,914**	**68,773**
Total liabilities	**126,874**	**54,914**	**68,773**
Total equity and liabilities	**127,074**	**55,030**	**52,009**
Equity/Assets ratio (unaudited)	-	-	-

TUSD	Share capital	Share premium	Retained earnings	Total equity
At 1 January 2012	100	-	(16,864)	(16,764)
Total comprehensive profit for year	-	-	16,880	16,880
Balance at 31 December 2012	**100**	**-**	**16**	**116**
Total comprehensive profit for year	-	-	5,084	5,084
Dividends paid	-	-	(5,000)	(5,000)
Balance at 31 December 2013	**100**	**-**	**100**	**200**

TUSD	Share capital	Share premium	Retained earnings	Total equity
At 1 January 2011	100	-	(19,386)	(19,286)
Total comprehensive profit for the year	-	-	2,522	2,522
Balance at 31 December 2012	**100**	**-**	**(16,864)**	**(16,764)**

Cash flow	**2013**	**2012**	**2011**
(In USD)	**Unaudited**	**Audited**	**Audited**
	IFRS	**IFRS**	**IFRS**
Operating activities			
Profit before tax	6,753	19,192	804
Non-cash adjustments to reconcile profit before tax to net cash flows:			
Gain on disposal of property, plant and equipment			(6,802)
Depreciation	-	-	544
Net interest	-	-	596
Working capital adjustments:			
Decrease/(increase) in trade and other receivables	(7,272)	(3,079)	(6,182)
(Increase) in prepayments and accrued revenue	(6,029)	1,706	-
Increase/(decrease) in trade and other payables	11,548	(16,451)	8,990
Increase in inventory	-	-	(715)
Interest paid	-	(1,368)	(1,055)
Interest received	-	-	4
Net cash flow from operating activities	**5,000**	**-**	**(3,816)**
Cash flows from investing activities			
Purchase of property, plant and equipment	-	-	(175)
Gain on disposal of property, plant and equipment	-	-	-
Net cash flow used in investing activities	**-**	**-**	**(175)**
Cash flows from financing activities			
Payment of dividends	(5,000)	-	-
Issue of loans	-	-	-
Repayment of loans	-		
Net cash flow used in financing activities	**(5,000)**	**-**	**-**
Net increase/(decrease) in cash and cash equivalents	**-**	**-**	**(3,991)**
Cash and cash equivalents at start of the period	-	-	3,991
Cash and cash equivalents at end of the period	**-**	**-**	**-**

7.9.2 WilPhoenix (Malta) Ltd.

Statement of comprehensive income	**2013**	**2012**	**2011***
(In USD 000's)	**Unaudited IFRS**	**Audited IFRS**	**Audited IFRS**
Revenue	71,976	32,534	18,732
Cost of sales	(9,688)	(9,609)	(7,501)
Gross profit	**62,288**	**22,925**	**11,231**
General and administrative expenses	(1,208)	(628)	(233)
Operating profit	**61,080**	**22,297**	**10,998**
Finance expense	(5,860)	(7,902)	(8,303)
Other financial items	148	-	-
Profit before taxation	**55,368**	**14,395**	**2,695**
Tax expense	(19,379)	(5,038)	(943)
Net profit	**35,989**	**9,357**	**1,752**
Other comprehensive income	-	-	-
Total comprehensive income	**35,989**	**9,357**	**1,752**

* The 2011 numbers are for the period 30.12.10 to 31.12.11

Balance sheet	**2013**	**2012**	**2011**
(In USD 000's)	**Unaudited**	**Audited**	**Audited**
	IFRS	**IFRS**	**IFRS**
Assets			
Property, plant and equipment	140,325	148,744	156,907
Total non-current assets	**140,325**	**148,744**	**156,907**
Cash and cash equivalents	8	-	2
Trade and other receivables	5	6	-
Amounts due from affiliates	101,608	30,786	-
Total current assets	**101,621**	**30,792**	**2**
Total assets	**241,946**	**179,536**	**156,909**
Equity and liabilities			
Equity			
Paid in capital	2	2	2
Retained earnings	16,020	11,109	1,752
Total equity	**16,022**	**11,111**	**1,754**
Liabilities			
Deferred tax liabilities	3,787	4,516	943
Loans and borrowings	56,375	61,875	67,375
Non-current liabilities	**60,162**	**66,391**	**68,318**
Trade and other payables	1,258	1,404	5,591
Amounts due to affiliates	95,349	48,833	7,581
Current tax payable	21,573	1,465	-
Loans and borrowings	47,582	50,332	73,665
Total current liabilities	**165,762**	**102,034**	**86,837**
Total liabilities	**225,924**	**168,425**	**155,155**
Total equity and liabilities	**241,946**	**179,536**	**156,909**
Equity/Assets ratio (unaudited)			

TUSD	Share capital	Share premium	Retained earnings	Total equity
At 1 January 2012	2	-	1,752	2
Total comprehensive profit for year	-	-	9,357	9,357
Balance at 31 December 2012	**2**	**-**	**11,109**	**11,111**
Total comprehensive profit for year	-	-	35,989	35,989
Dividends paid	-	-	(31,077)	(31,077)
Balance at 31 December 2013	**2**	**-**	**16,020**	**16,022**

TUSD	Share capital	Share premium	Retained earnings	Total equity
At 1 January 2011	2	-	-	2
Total comprehensive profit for year	-	-	1,752	1,752
Balance at 31 December 2012	**2**	**-**	**1,752**	**1,754**

Cash flow	**2013**	**2012**	**2011**
(In USD)	**Unaudited**	**Audited**	**Audited**
	IFRS	**IFRS**	**IFRS**
Operating activities			
Profit before tax	55,368	14,395	2,695
Non-cash adjustments to reconcile profit before tax to net cash flows:			
Depreciation	9,688	9,609	7,501
Net interest	5,860	7,902	8,303
Working capital adjustments:			
Decrease/(increase) in trade and other receivables	1	(6)	-
(Increase) in prepayments and accrued revenue	-	-	-
Increase in trade and other payables	(19)	6	18
Interest paid	(5,987)	(12,095)	(4,474)
Interest received		-	-
Net cash flow from operating activities	**64,911**	**19,811**	**14,043**
Cash flows from investing activities			
Purchase of property, plant and equipment	(1,270)	(1,446)	(37,582)
Net cash flow used in investing activities	**(1,270)**	**(1,446)**	**(37,582)**
Cash flows from financing activities			
Issue of Shares	-	-	2
Payment of dividends	(31,077)	-	-
Issue of loans	-	-	22,000
Repayment of loans	(8,250)	(28,833)	(6,042)
Cash advanced from related parties	48,021	43,666	28,388
Cash advanced to related parties	(72,327)	(33,200)	(20,807)
Net cash flow used in financing activities	**(63,633)**	**(18,367)**	**23,541**
Net increase/(decrease) in cash and cash equivalents	**8**	**(2)**	**2**
Cash and cash equivalents at start of the period	-	2	-
Cash and cash equivalents at end of the period	**8**	**-**	**2**

7.9.3 Awilco Drilling Pte. Ltd.

Statement of comprehensive income	**2013**	**2012**	**2011**
(In USD 000's)	**Audited IFRS**	**Audited IFRS**	**Audited IFRS**
Revenue	25,659	23,843	15,016
Cost of sales	(24,207)	(22,494)	(14,202)
Gross profit	**1,452**	**1,349**	**814**
General and administrative expenses	(1,163)	(1,029)	(652)
Operating profit	**289**	**320**	**162**
Finance expense	-	-	(6)
Foreign exchange gain/(loss) net	21	31	(48)
Profit before taxation	**310**	**351**	**108**
Tax expense	(32)	(64)	(9)
Net profit	**278**	**287**	**99**
Other comprehensive income	-	-	-
Total comprehensive income	**278**	**287**	**99**

Balance sheet	**2013**	**2012**	**2011**
(In USD 000's)	**Audited**	**Audited**	**Audited**
	IFRS	**IFRS**	**IFRS**
Assets			
Property, plant and equipment	-	-	-
Total non-current assets	**-**	**-**	**-**
Cash and cash equivalents	95	102	576
Trade and other receivables	1	2	-
Amounts due from affiliates	5,390	3,782	336
Total current assets	**5,486**	**3,886**	**912**
Total assets	**5,486**	**3,886**	**912**
Equity and liabilities			
Equity			
Paid in capital	- *	- *	- *
Retained earnings	664	386	99
Total equity	**664**	**386**	**99**
Liabilities			
Trade and other payables	1,322	1,165	804
Amounts due to affiliates	3,468	2,297	-
Current tax payable	32	38	9
Total current liabilities	**4,822**	**3,500**	**813**
Total liabilities	**4,822**	**3,500**	**813**
Total equity and liabilities	**5,486**	**3,886**	**912**
Equity/Assets ratio (unaudited)	0.12	0.10	0.10

**The issued and paid up share capital is US$1.*

TUSD	Share capital	Share premium	Retained earnings	Total equity
At 1 January 2012	- *	-	99	99
Total comprehensive profit for year	-	-	287	287
Balance at 31 December 2012	**-**	**-**	**386**	**386**
Total comprehensive profit for year	-	-	278	278
Balance at 31 December 2013	**-**	**-**	**664**	**664**

TUSD	Share capital	Share premium	Retained earnings	Total equity
At date of incorporation	- *	-	-	-
Total comprehensive profit for period	-	-	99	99
Balance at 31 December 2011	**-**	**-**	**99**	**99**

**The issued and paid up share capital is US$1.*

Cash flow	**2013**	**2012**	**2011**
(In USD)	**Audited**	**Audited**	**Audited**
	IFRS	**IFRS**	**IFRS**
Operating activities			
Profit before tax	310	351	108
Non-cash adjustments to reconcile profit before tax to net cash flows:			
Depreciation	-	-	-
Net interest	-	-	-
Working capital adjustments:			
Decrease/(increase) in trade and other receivables	(1,608)	(3,446)	(366)
(Increase) in prepayments and accrued revenue	1	(2)	-
Increase in trade and other payables	1,328	2,658	804
Tax paid	(38)	(35)	-
Net cash flow from operating activities	**(7)**	**(474)**	**576**
Cash flows from investing activities			
Purchase of property, plant and equipment	-	-	-
Net cash flow used in investing activities	**-**	**-**	**-**
Cash flows from financing activities			
Payment of dividends	-	-	-
Proceeds from issuance of shares at date of incorporation	-	-	*
Issue of loans	-	-	-
Repayment of loans	-	-	-
Net cash flow used in financing activities	**-**	**-**	**-**
Net increase/(decrease) in cash and cash equivalents	**(7)**	**(474)**	**(474)**
Cash and cash equivalents at start of the period	102	576	576
Cash and cash equivalents at end of the period	**95**	**102**	**102**

**The issued and paid up share capital is US$1.*

8 THE COMPANY'S BOARD AND MANAGEMENT

8.1 Board of Directors

8.1.1 Overview

The Company's Board of Directors currently consists of the following persons:

Name	Position
Sigurd E. Thorvildsen	Non-executive Director and Chairman
Henrik Fougner	Non-executive Director
Daniel Gold	Non-executive Director
John Simpson	Non-executive Director
Synne Syrrist	Non-executive Director
Jon Oliver Bryce	Executive Director and CEO

The boards of directors of the Guarantors currently consist of the following persons:

WilPhoenix (Malta) Ltd:

Name	Position
Kevin Smith	Director
Jan Børge Usland	Director
Jon Oliver Sinclair Bryce	Director

WilPhoenix (UK) Ltd:

Name	Position
Jan Børge Usland	Director
Jon Oliver Sinclair Bryce	Director

Awilco Drilling PTE Ltd:

Name	Position
Knut Wadet	Director
Tong How Heng David	Director
Stephen Fordham	Director

The Company's business address serves as c/o address in relation to the Board of Directors of all Group companies.

8.1.2 Information on the members of the Board of Directors

Sigurd E. Thorvildsen – Non-executive Director and Chairman (Born 1965)

Mr. Thorvildsen is the CEO of the Awilhelmsen Group of companies. He has more than 20 years of experience from the Shipping and Offshore industry. Mr. Thorvildsen has previously held several senior positions, among them the position as CEO of Awilco AS, the Chairman of the Board of Awilco Offshore ASA and Awilco Heavy Transport ASA (later Ocean HeavyLift ASA). He holds an MBA from the Norwegian School of Management. Mr. Thorvildsen is a Norwegian citizen.

Mr. Thorvildsen currently holds the following directorships, supervisory or leading management positions (other than positions in the Company and/or its subsidiaries):

- Awilhelmsen AS – Chief Executive Officer
- Awilco LNG ASA – Chairman of the Board
- Chairman or Board Member of various affiliates of Awilhelmsen AS

Henrik Fougner – Non-executive Director (Born 1963)

Mr. Fougner is the COO of the Awilhelmsen Group. He has more than 20 years of experience from the Shipping, Offshore and Banking industry both in Norway and internationally. Mr. Fougner has previously held several senior

positions, among them the position as CEO of Awilco Offshore ASA and CFO of Awilco AS. He holds an MBA from the Norwegian School of Economics and Business Administration. Mr. Fougner is a Norwegian citizen.

Mr. Fougner currently holds the following directorships, supervisory or leading management positions (other than positions in the Company and/or its subsidiaries):

- Awilhelmsen AS – Chief Operating Officer
- Awilco LNG ASA – Board Member
- Board Member of various affiliates of Awilhelmsen AS

Daniel Gold – Non-executive Director (Born 1968)

Mr. Gold is the CEO of QVT Financial LP, an asset management company with offices including New York, London, Singapore, and New Delhi. QVT Financial, through its managed funds, is an experienced global investor in the shipping and offshore industries. Mr. Gold holds an AB in Physics from Harvard College. Mr. Gold is an American citizen.

Mr. Gold currently holds the following directorships, supervisory or leading management positions (other than positions in the Company and/or its subsidiaries):

QVT Financial LP and affiliates

John Simpson – Non-executive Director (Born 1947)

Mr Simpson has over 30 years experience in banking and in shipping finance. Currently he is an Executive Director of Marine Capital Limited, a shipping investment management company. He also has a number of non-executive roles in the UK, including as Chairman of Sovereign Housing Group. Previously Mr Simpson was CEO of Den norske Bank (now DnB NOR) in London and Regional Director of DnB's Asia -Pacific operations. Mr Simpson is authorised by the UK FSA. He holds an MSc from the London Business School and a BSc from the University of Southampton. Mr. Simpson is a British citizen.

Mr. Simpson currently holds the following directorships, supervisory or leading management positions (other than positions in the Company and/or its subsidiaries):

- Leviathan Consultancy Limited -from April 2000
- Anchor Capital Advisors (UK) Limited- from Nov 2002
- Marine Capital Limited- from Feb 2004
- East Anglian Student Tenancies Limited-from May 2005
- Trafalgar Shipping Limited (dormant)- from May 2005
- The Environment Trust for Richmond upon Thames- from June 2009
- Sovereign Housing Association and subsidiary companies –from Sep 2010 (Chair)

Synne Syrrist – Non-executive Director (Born 1972)

Mrs. Syrrist has work experience as an independent consultant to Norwegian companies, and as financial analyst in Elcon Securities ASA and First Securities ASA. She also has extensive non-executive experience from both listed and private companies. She holds a Master of Science from the Norwegian Institute of Technology. Mrs. Syrrist is a Norwegian citizen.

Mrs. Syrrist currently holds the following directorships, supervisory or leading management positions (other than positions in the Company and/or its subsidiaries):

- Awilco LNG ASA
- Aqualis ASA
- Eidesvik Offshore ASA
- Global Rig Company ASA
- Norwegian Property ASA
- Castelar Corporate Finance AS

Jon Oliver Bryce – Executive Director and CEO (Born 1968)

Mr. Bryce has more than 20 years of experience in the drilling industry and has held several senior positions, most recently as General Manager for Odfjell Drilling (UK) Ltd. His extensive experience includes international onshore and offshore operations. Mr. Bryce holds a Bachelor of Science degree in Engineering. Mr. Bryce is a British citizen.

Mr. Bryce does not currently hold any other directorships, supervisory or leading management positions (other than positions in the Company and/or its subsidiaries).

8.2 Management

8.2.1 Overview

The table below sets forth the members of the Group's current executive management:

Name	Position
Jon Oliver Bryce	CEO
Ian Wilson	CFO
Roddy Smith	Executive Vice President
Gary Holman	Operations Director
Jan Børge Usland	Commercial Advisor
Claus Mørch	Technical Advisor

The Company's business address serves as c/o address in relation to the management of the Group. The executive management consists of the following persons:

8.2.2 Information on the Executive Management

Jon Oliver Bryce, Chief Executive Officer

See above.

Ian Wilson, Chief Financial Officer

Mr. Wilson has more than 25 years of experience in the drilling industry and has held several key positions most recently as Director - Finance and Administration for ENSCO's European and African operation. He has extensive experience in international and domestic operations and has worked in many different geographic jurisdictions. Mr Wilson is a Chartered Accountant.

Mr. Wilson does not currently hold any other directorships, supervisory or leading management positions (other than positions in the Company and/or its subsidiaries).

Roddy Smith Executive Vice President

Mr. Smith has more than 25 years experience in the offshore and marine industries. During this time he has held a range of senior operational, management and development positions, most recently as Director QHSE at Northern Offshore Ltd. Mr. Smith holds a licence as a Master Mariner.

Mr. Smith does not currently hold any other directorships, supervisory or leading management positions (other than positions in the Company and/or its subsidiaries).

Gary Holman , Operations Director

Mr. Holman has 30 years of experience in the drilling industry and has held several senior operational positions, most recently as Country Manager for Archer AS. His extensive experience includes mobile and platform drilling operations and rig projects, in both domestic and international environments.

Mr. Holman does not hold any other directorships, supervisory or leading management positions (other than positions in the Company and/or its subsidiaries).

Jan Børge Usland, Commercial Advisor

Mr. Usland previously held the position as Director Business Development in Awilco Offshore ASA, where he had the overall responsibility for the follow-up and development of Premium Drilling. Mr Usland has more than 25 years of experience from the offshore industry (previously held the position as marketing manager with an international drilling contractor, responsible for UK).

Mr. Usland currently holds the following directorships, supervisory or leading management positions (other than positions in the Company and/or its subsidiaries):

- Awilhelmsen Offshore AS - Managing Director
- Awilco Drilling AS - Managing Director
- Petrotrym AS - Managing Director and Board member
- Spekter GNO II AS - Chairman of the Board
- Ucon Offshore AS - Chairman and Managing Director

Claus Mørch, Technical Advisor

Mr. Mørch has more than 35 years of experience from various newbuilding and conversion projects and from operation of rigs, ships and other shipping and offshore vessels. He held the position as Technical Director in Awilco Offshore ASA

Mr. Mørch currently holds the following directorships, supervisory or leading management positions (other than positions in the Company and/or its subsidiaries):

- Board member - Tamrotor Marine Compressors AS
- Board member - Nessco AS
- Member supervisory committee - Gard AS
- Board member - Bygdø Fekteklubb
- Board member - Stiftelsen Bygdøhus
- Managing Director - Wilhelmsen Marine Service AS
- Managing Director - Awilco LNG Technical Management AS

Awilco Drilling PLC has management agreements in place with Awilco AS (and related companies) for ad-hoc support services.

8.2.3 Audit Commitee

The Company's Audit Committee is chaired by John Simpson and the other member of the Committee is Henrik Fougner. Only John Simpson is considered to be independent by the Board, which is acknowledged in the terms of reference of the Audit Committee. The Board is satisfied that John Simpson has recent and relevant financial experience, as the former CEO of Den norske Bank (now DNB Bank) in London and Regional Director for DNB's Asia-Pacific operations. Mr Simpson is also classed as an approved person by the UK FCA and has chaired audit committees of UK listed companies and public bodies since 1996.

The role of the Audit Committee is to ensure the integrity of the financial statements of the Company, including its annual and quarterly reports, preliminary results' announcements and any other formal announcements relating to its financial performance. It is responsible for reviewing the Company's internal financial control and risk management systems, advising the Board on the appointment of external auditors, overseeing the relationship with external auditors, reviewing the Company's whistleblowing procedures and considering the need for an internal audit function.

The Audit Committee monitors the relationship with the Company's external auditors relating to the provision of non-audit services to ensure auditor objectivity and independence is safe-guarded. The Company will award non-audit work to the firm which provides the best commercial solution for the work in question taking into account the skills and experience of the firm involved, the fees payable for the work, with particular attention to the level of fees for non-audit services relative to the amounts of the audit fee and whether there are safeguards in place to mitigate to an acceptable level any threat to objectivity and independence in the conduct of the audit resulting from such services.

There is an opportunity at each meeting for the Audit Committee to discuss matters privately with the external auditors without any members of the executive management team present. In addition, the Chairman of the Committee is in regular contact with the external audit partner to discuss matters relevant to the Company.

8.3 Conflict of Interest etc.

Two of the members of the Company's directors Board of Directors,. Thorvildsen and Fougner are employed by the Awilhelmsen Group. Companies in the Awilhelmsen Group are providing certain services to the Company under a management agreement for corporate services and under management-for-hire contracts for six persons.

Other than as described above, to the Company's knowledge there are currently no other actual or potential conflicts of interest between the Company or any Guarantor and the private interests or other duties of any of the members of the Group's executive management, the Board of Directors or the board of directors of any Guarantor. There are no family relationships between members of the Group's executive management and the Board of Directors or the the board of directors of any Guarantor.

During the last five years preceding the date of this Prospectus, no member of the Board of Directors of Awilco Drilling PLC or the board of directors of any Guarantor and no member of the executive management of the Group has:

- been subject to any convictions in relation to indictable offences or convictions in relation to fraudulent offences;
- received any official public incrimination and/or sanctions by any statutory or regulatory authorities (including designated professional bodies) or ever been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company; or
- been declared bankrupt or been associated with any bankruptcy, receivership or liquidiation in its capacity as a founder, director or senior Arranger of a company.

8.4 Corporate governance

Under the rules applicable to companies listed on Oslo Axess, Awilco Drilling, as an English company, may elect to choose between corporate governance standards relating to the Norwegian Code of Practice for Corporate Governance (the "Norwegian Code") or to the UK Code of Corporate Governance. Awilco Drilling has resolved that it will relate to the Norwegian Code. It should be noted, however, that Awilco Drilling may in the future decide that it will relate to the UK Code of Corporate Governance instead of the Norwegian Code.

The Norwegian Code is based on a "comply or explain" principle. This means that the Company must either comply with the recommendations of the Norwegian Code or explain why it chooses not to comply. Since Awilco Drilling is subject to English company law, which in several respects is different from Norwegian company law, it will to some extent deviate from certain recommendations of the Norwegian Code in order to comply with English law and practice.

Save as provided below Awilco Drilling is in compliance with the Norwegian Code:

- The chief executive officer of the Company is a member of the Board. It is considered appropriate for English companies to have a board which consists of a combination of executive and non-executive directors.
- The business of the Company is not defined in its Articles of Association since this is not customary in the articles of association of English companies.
- The authorization given to undertake share capital increases has not been restricted to defined purposes, due to the scope of the Company's business. The Company believes that further consolidation of the oil service industry will take place and the company intends to take part in this consolidation process.
- The auditor is not present during the board meeting that deals with the annual accounts; but the auditor meets with the Audit Committee to discuss the annual report and financial statements.

9 SHARE CAPITAL AND MAJOR SHAREHOLDERS

9.1 Share capital

As of the date of this Prospectus, the share capital of the Company is GBP 195,204.75 divided into 30,031,500 Shares of GBP 0.0065 each. All the Shares are paid in full. The Company has one class of shares. Each share carries one vote. Each share carries equal rights to any distributions from the Company.

The Company's shares are registered in the UK Companies House with DnB NOR Bank ASA as the sole shareholder. A sub registry is maintained in VPS where the shares are registered with ISIN GB00B5LJSC86. The issued shares are fully paid. There are no shares not representing capital in the Company.

The share capital of each of the Guarantors is described in section 6.1.2 of the Prospectus. Except for WilPhoenix (Malta) Ltd, each of the Guarantors has one class of shares and each share carries one vote. The share capital of WilPhoenix (Malta) Ltd is divided into one thousand nine hundred ninety-nine (1,999) Ordinary A Shares and one (1) Ordinary B Share. Each Ordinary A Share carries one vote, but the Ordinary B Share does not carry voting rights.

9.2 Major Shareholders

As per 30 June 2014, the Company had a total of 634 Shareholders registered in the VPS.

A Shareholder is required to notify the Company, in accordance with the Disclosure and Transparency Rule 5 of the Disclosure and Transparency Rules of the UK Financial Services Authority if, as a result of an acquisition or disposal of Shares, the percentage of voting rights he holds as a Shareholder (or holds or is deemed to hold through his direct or indirect beneficial interest in the Shares) reaches, exceeds, or falls below 3% of the Company's nominal value of that share capital.

The following table sets forth information on shareholders, as registered in the VPS on 30 June 2014, who will have a shareholding in the Company which is notifiable under Norwegian securities law, i.e. above 5%

Name	**Type**	**Shares**	%
Awilco Drilling AS		14,633,100	48.73%
Euroclear Bank S.A.	Nominee	1,842,267	6.13%
Deutsche Bank AG Prime Brokarage	Nominee	1,637,950	5.45%
Citibank, N.A. S/A National Finance	Nominee	1,322,952	4.41%
UBS Securities LLC A/C HFS Customer Segregated	Nominee	1,049,614	3.50%
Shareholders with shareholding of 5% or more		**20,485,883**	**68.22%**
Others		**9545,617**	**31.78%**
Total		**30,031,500**	**100.00%**

As of 30 June 2014, the Company was aware of the following larger holdings:

- QVT Financial LP with affiliated and related parties owned 3,275,900 shares at 22 April 2014, a total of 10.91% of the Company's share capital.
- FVP Master Fund LP with affiliated and related parties owned 2,145,568 shares at 22 April 2014, a total of 7.14% of the Company's share capital.

As of 30 June 2014, (being the latest practicable date prior to the date of publication of this document), the Company is not aware of any other Shareholders or consolidated group of Shareholders having an interest in the Company's capital or voting rights which is notifiable under the laws of England, or which could exercise, directly or indirectly, jointly or severally, control over the Company nor is it aware of any arrangements, the operation of which may at a subsequent date result in a change of control of the Company.

10 DOCUMENTS ON DISPLAY AND INCORPORATION BY REFERENCE

10.1 Documents on display

For twelve months from the date of this Prospectus, the following documents (or copies thereof) may be physically inspected at the business address of the Company at 12 Abercrombie Court, Prospect Road, Westhill, Aberdeen AB32 6FE, UK, (telephone number +44 1224 737900):

(i) The Company's and the Guarantors' Memorandum and Articles of Association;
(ii) The Company's 2011 and 2012 consolidated annual accounts, including the auditor's report;
(iii) The Guarantors'2011 and 2012 annual accounts, including the auditor's report;
(iv) The Company's 2013 consolidated annual accounts;
(v) The Guarantors' 2013 annual accounts;
(vi) The Company's first quarter 2013 and 2014 interim accounts; and
(vii) The 2011, 2012 and 2013 annual reports for the Company's subsidiaries (to the extent such exist).

10.2 Incorporation by reference

The following documents have been incorporated hereto by reference:

Reference	Section in Prospectus	Incorporated by reference	Website
The Company's unaudited interim financial information set out in the report for first quarter 2014	chapter 7	The consolidated financial information in the Company's first quarter report for 2014.	http://www.awilcodrilling.com/1677-Financial-Reports
The Company's unaudited interim financial information set out in the report for first quarter 2013	chapter 7	The consolidated financial information in the Company's first quarter report for 2013.	http://www.awilcodrilling.com/1677-Financial-Reports
The Company's audited annual accounts for 2013, including an overview of the Company's accounting policy, explanatory notes, report on corporate governance, and auditor's report.	chapter 7	The consolidated financial information in the Company's annual report for 2013.	http://www.awilcodrilling.com/1677-Financial-Reports
The Company's audited annual accounts for 2012, including an overview of the Company's accounting policy, explanatory notes and auditor's report.	chapter 7	The consolidated financial information in the Company's annual report for 2012.	http://www.awilcodrilling.com/1677-Financial-Reports
The Company's audited annual accounts for 2011, including an overview of the Company's accounting policy, explanatory notes and auditor's report.	chapter 7	The consolidated financial information in the Company's annual report for 2011.	http://www.awilcodrilling.com/1677-Financial-Reports

The above documents are also available at the address stated under section 10.1 above.

10.3 Third party statements

The information in this Prospectus that has been sourced from third parties has been accurately reproduced and as far as the Company is aware and able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate.

11 DEFINITIONS AND GLOSSARY

The following definitions and glossary apply in this Prospectus unless dictated otherwise by the context, including the foregoing pages of this Prospectus.

Awilco Drilling	Awilco Drilling PLC, a public limited company duly incorporated under the laws of England and Wales, having its registered office at 1 Finsbury Circus London EC2M 7SH, United Kingdom.
Board or Board of Directors	The Board of Directors of the Company.
Bond Agreement	The bond agreement for the Bonds, attached as Appendix A.
Bondholders' meeting	The supreme authority of the bondholders' community in all matters relating to the Bonds.
Bonds or Bond Issue	The bond loan issued by the Company in a USD 125 million senior secured callable bond issue with maturity in April 2019.
BOP	Blowout preventer.
CET	Central European Time.
Company	Awilco Drilling PLC, a public limited company duly incorporated under the laws of England and Wales, having its registered office at 1 Finsbury Circus London EC2M 7SH, United Kingdom.
EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortization.
EEA	European Economic Area.
EU	European Union.
EUR	Euro, the lawful currency currently shared by 16 of the European Union's member states.
Group	The Company and its consolidated subsidiaries.
Group Company	Each company being part of the Group.
Guaraontors	The Issuer's subsidiaries WilPhoenix (UK) Ltd., a UK registered company (registration no 07114213), WilPhoenix (Malta) Ltd., a -Malta registered company (registration no. C51565) (the "Rig Owning Guarantor"), and Awilco Drilling Pte. Ltd., a Singapore registered company (registration no. 201109168M).
Listing	Listing of the Bonds on Oslo Børs.
Manager	RS Platou Markets AS.
NOK	Norwegian kroner, the lawful currency of Norway.
Norwegian Securities Trading Act	Norwegian Act no. 75 of June 29, 2007 on securities trading.
Oslo Børs	The Oslo Stock Exchange.
Prospectus	This prospectus, dated 30 June 2014.
Prospectus Directive	Directive 2003/71/EC.
Regulation S	Regulation S under the U.S. Securities Act.
Relevant Member State	A Member State of the EEA other than Norway, which has implemented the Prospectus Directive.
U.S. Securities Act	The United States Securities Act of 1933, as amended.
UK	United Kingdom.
USD	United States Dollar, the lawful currency of The United States of America.

VPS	VPS Holding ASA (the Norwegian Central Securities Depository) Biskop Gunnerus gate 14 A, P.O. box 4, N-0051 Oslo, Norway.
Workhorse	A highly dependable offshore drilling rig that is used to perform a lot of drilling operations. The drilling operations includes, development drilling, exploration drilling and plugging and abandonment work.

Appendix 1: Bond Agreement

ISIN NO 001 070928.0

Execution version

BOND AGREEMENT

between

Awilco Drilling Plc
(as Issuer)

and

WilPhoenix (UK) Ltd,
WilPhoenix (Malta) Ltd and
Awilco Drilling Pte. Ltd.
(as Guarantors)

and

Norsk Tillitsmann ASA
(as Bond Trustee)

on behalf of

the Bondholders

in the bond issue

7.00% Awilco Drilling Plc Senior Secured Callable Bond Issue 2014/2019

TABLE OF CONTENTS

1. INTERPRETATION 3
2. THE BONDS 9
3. LISTING 10
4. REGISTRATION IN THE SECURITIES DEPOSITORY 10
5. PURCHASE AND TRANSFER OF BONDS 10
6. CONDITIONS PRECEDENT 11
7. REPRESENTATIONS AND WARRANTIES 14
8. STATUS OF THE BONDS AND SECURITY 16
9. INTEREST 18
10. MATURITY OF THE BONDS AND REDEMPTION 18
11. PAYMENTS 20
12. ISSUER'S ACQUISITION OF BONDS 22
13. COVENANTS 22
14. FEES AND EXPENSES 29
15. EVENTS OF DEFAULT 30
16. BONDHOLDERS' MEETING 32
17. THE BOND TRUSTEE 35
18. MISCELLANEOUS 37

A 2

This agreement (the "**Bond Agreement**") has been entered into on this 8th April 2014 by and between:

(1) **AWILCO DRILLING PLC**, a company incorporated with limited liability under the laws of the United Kingdom (registration no. 07114196), as issuer (the "**Issuer**"),

(2) **WILPHOENIX (UK) LIMITED**, a company incorporated with limited liability under the laws of the United Kingdom (registration no. 07114213) ("**WilPhoenix UK**"),

(3) **WILPHOENIX (MALTA) LIMITED**, a company incorporated with limited liability under the laws of Malta (registration number C51565) (the "**Rig Owner**"),

(4) **AWILCO DRILLING PTE. LTD.**, a company incorporated with limited liability under the laws of Singapore (registration number 201109168M) ("**Awilco Singapore**"), and

(5) **NORSK TILLITSMANN ASA**, a company incorporated with limited liability under the laws of Norway (registration number 963 342 624) as bond trustee (the "**Bond Trustee**").

1. INTERPRETATION

1.1 Definitions

In this Bond Agreement, the following terms shall have the following meanings:

"**Account Manager**" means a Bondholder's account manager in the Securities Depository.

"**Additional Security**" means any additional Security Interest to be granted pursuant to Clause 8.1.3 or due to a Permitted Corporate Reorganisation.

"**Assignment of Insurances**" means an assignment of any relevant insurances related to the Rig.

"**Assignment** of **Intercompany Loans**" means a pledge or an assignment (or such similar security under the relevant jurisdiction) of the rights of the Issuer as lender under the Refinancing Intercompany Loan, however allowing for such loan to be converted into equity in the Rig Owner.

"**Attachment**" means each of the attachments to this Bond Agreement.

"**Bareboat Charter**" means the existing bareboat charter agreement between WilPhoenix UK and the Rig Owner relating to the Rig, or any bareboat charter replacing this.

"**Bareboat Charter Assignment**" means an assignment of all right rights under, and a subordination and termination right of, the Bareboat Charter Agreement.

"**Bond Agreement**" means this bond agreement, including the Attachments, each as amended from time to time.

"**Bond Defeasance**" shall have the meaning given to it in Clause 18.2.

"**Bond Issue**" means the bond issue constituted by the Bonds.

"**Bondholder**" means a holder of Bond(s), as registered in the Securities Depository, from time to time.

"**Bondholders' Meeting**" means a meeting of Bondholders, as set out in Clause 16.

"**Bonds**" means the debt instruments issued by the Issuer pursuant to this Bond Agreement.

"**Business Day**" means any day on which the commercial banks in Norway and New York are open for general business, and can settle foreign currency transactions in Norway and New York.

"**Business Day Convention**" means that no adjustment will be made, notwithstanding the Payment Date occurs on a day that is not a Business Day, and if such date is not a Business Day, payments of interest and/or principal (as the case may be) will be made on the first following day that is a Business Day (*No Adjustments of Business Day*).

"**Call Option**" shall have the meaning set out in Clause 10.2.

"**Change of Control Event**" means if and when any person or a group of persons acting in concert, other than Awilco Drilling AS (as long as Awilco Drilling is controlled by AWilhelmsen AS), directly or indirectly, acquires Decisive Influence over the Issuer.

"**Decisive Influence**" means a person having, as a result of an agreement or through the ownership of shares or interests in another person: (a) a majority of the voting rights in that other person; or (b) a right to elect or remove a majority of the members of the board of directors of that other person. When determining the relevant person's number of voting rights in the other person or the right to elect and remove members of the board of directors, rights held by the parent company of the relevant person and the parent company's Subsidiaries shall be included.

"**Default Rate**" means interest at the rate calculated in accordance with Clause 11.5.

"**Defeasance Security**" shall have the meaning given to it in Clause 18.2.1.

"**Disbursement Date**" shall have the meaning given to it in Clause 6.2.1.

"**Drilling Contract**" means any drilling contract with clients in different jurisdictions (each a "**Client**") under which the Rig from time to time may operate, including without limitation a drilling contract dated 3 May 2012 with Premier Oil UK Ltd. (the "**Existing Drilling Contract**", which will be succeeded by operations under a drilling contract with Apache North Sea Ltd. dated 12 August 2013 (the "**New Drilling Contract**").

"**Drilling Contract Assignment**" means if permitted under the Existing Drilling Contract, an assignment of all other rights (than the earnings) of the Issuer, including step-in rights, under the Existing Drilling Contract, and if not permitted without consent from the Client, the Issuer shall use its reasonable best endeavours, to obtain the Client's consent to such assignment with corresponding step in rights

"**Earnings Assignment**" means an assignment of the earnings (or such similar security under the relevant jurisdiction) under the Existing Drilling Contract and any subsequent Drilling Contract.

"**Escrow Account**" means an account(s) in the name of the Issuer, pledged and blocked on first priority as security for the Issuer's obligations under the Finance Documents.

"**Escrow Account Pledge**" means the pledge over the Escrow Account, where the bank operating the account has waived any set-off rights.

"**Event of Default**" means the occurrence of an event or circumstance specified in Clause 15.1.

"**Exchange**" means a securities exchange or other reputable regulated market on which the Bonds are listed, or where the Issuer has applied for listing of the Bonds.

"**Equity**" means the aggregate amount which would in accordance with IFRS be shown in the Issuer's consolidated financial statements as the shareholders' equity.

"**Equity Ratio**" means Equity to Total Assets.

"**Face Value**" means the denomination of each of the Bonds, as set out in Clause 2.2.

"**Finance Documents**" means (a) this Bond Agreement, (b) the agreement between the Bond Trustee and the Issuer referred to in Clause 14.2, (c) the Security Documents (including any notice, acknowledgement and other ancillary documentation relating thereto), (d) any other document executed in relation to the granting of any Security to the Bond Trustee under the Finance Documents and (e) any other document (whether creating a Security or not) which is executed at any time by the Issuer or any other person in relation to any amount payable under this Bond Agreement.

"**Financial Indebtedness**" means any indebtedness for or in respect of: (a) moneys borrowed (including acceptance credit and any overdraft facility); (b) any bond, note, debenture, loan stock or other similar instrument; (c) the amount of any liability in respect of any lease, hire purchase contract which would, in accordance with IFRS, be treated as a finance or capital lease; (d) receivables sold or discounted (other than any receivables sold on a non-recourse basis); (e) any sale and lease-back transaction, or similar transaction which is treated as indebtedness under IFRS; (f) any liability under a deferred purchase agreement where the deferred payment is arranged primarily as a method of raising finance or financing the acquisition of that asset; (g) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price, including without limitation currency or interest rate swaps, caps or collar transactions (and, when calculating the value of the transaction, only the marked-to-market value shall be taken into account); (h) any amounts raised under any other transactions having the commercial effect of a borrowing or raising of money, (including any forward sale or purchase agreement); (i) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of any underlying liability; and (j) (without double counting) any guarantee, indemnity or similar assurance against financial loss of any person in respect of any of the items referred to above.

"**Financial Statements**" means the audited unconsolidated and consolidated annual financial statements of the Issuer for any financial year, drawn up according to IFRS, such accounts to include a profit and loss account, balance sheet, cash flow statement and report from the Board of Directors.

"**Group**" means the Issuer and its Subsidiaries from time to time (each a "**Group Company**").

"**Guarantees**" means the unconditional on-demand guarantees from each of the Guarantors securing the Issuer's obligations under this Bond Agreement and any other Finance Document, including interest, costs and expenses, as set out in Clause 8.2.

"**Guarantors**" means WilPhoenix UK, the Rig Owner and Awilco Singapore (and each a **Guarantor**).

"**IFRS**" means the International Financial Reporting Standards (IFRS) and guidelines and interpretations issued by the International Accounting Standards Board (or any predecessor and successor thereof), in force from time to time.

"**Interest Payment Date**" means 9 April and 9 October each year and the Maturity Date. Any adjustment will be made according to the Business Day Convention.

"**Interim Accounts**" means the unaudited consolidated quarterly financial statements of the Issuer for any quarter ending on a Quarter Date, drawn up according to IFRS.

"**ISIN**" means International Securities Identification Number – the identification number of the Bond Issue.

"**Issue Date**" means 9 April 2014.

"**Issuer's Bonds**" means any Bonds held by the Issuer, any party who has decisive influence over the Issuer, or any party over whom the Issuer has Decisive Influence.

"**Issuer Earnings Account**" means an earnings accounts in the name of the Issuer that has been established in order to receive earnings under Drilling Contracts for the Rig to which the Issuer is or may be a party and all its other net earnings relating to the Rig, such account (a) to be pledged in favour of the Trustee, but not blocked (unless the Trustee has issued a notice to the account bank that an Event of Default has occurred and is continuing), and the account bank shall waive any set-off rights and (b) to be established and maintained with first class international bank(s) with a credit rating of at least 'A' from Standard & Poor or similar level from Moody or Fitch.

"**Issuer Earnings Account Pledge**" means a pledge over the Issuer's claim against the bank for the amount from time to time standing to the credit of the Issuer in the Issuer Earnings Account.

"**Liquidity**" means, at any given time, the aggregate book value of (i) the freely available and unencumbered cash standing to the credit of the Issuer or any of the Guarantors and (ii) the balance from time to time of the Issuer Earnings Account.

"**Manager**" means the manager for the Bond Issue, being RS Platou Markets AS.

"**Mandatory Prepayment Event**" means if (a) the Rig is sold (directly or indirectly); or (b) the Issuer ceases to control 100% ownership, directly or indirectly, of any of the Obligors. For avoidance of doubt, the transfer of the Rig between group companies as a result of a Permitted Corporate Reorganization shall not constitute a Mandatory Prepayment Event.

"**Material Adverse Effect**" means a material adverse effect on: (a) the financial condition or operations of any of the Obligors, (b) any of the Obligors ability to perform and comply with its obligations under any of the Finance Documents; or (c) the validity or enforceability of any of the Finance Documents.

"**Maturity Date**" means 9 April 2019. Any adjustment will be made according to the Business Day Convention.

"**Minority Rig Owner Share Pledge**" means a pledge granted by WilPhoenix UK over all of the shares (0.05%) in the Rig Owner, together with, inter alia, letters of resignation (effective upon an Event of Default) from the current board members of the Rig Owner and covenants to obtain same from future board members

"**NOK**" means Norwegian kroner, being the lawful currency of Norway.

"**Obligors**" means the Issuer and the Guarantors (each an "**Obligor**").

"**Outstanding Bonds**" means the Bonds not redeemed or otherwise discharged.

"**Party**" means a party to this Bond Agreement (including its successors and permitted transferees).

"**Paying Agent**" means the legal entity appointed by the Issuer to act as its paying agent in the Securities Registry with respect to the Bonds.

"**Payment Date**" means a date for payment of principal or interest under this Bond Agreement.

"**Permitted Corporate Reorganisation**" means, a reorganization of the Issuer and/or its Subsidiaries, including the Obligors, undertaken to improve the overall efficiency of the business, including without limitation, for the purpose of tax planning by the Group shall, provided that the Bondholders under such structure will obtain a security position which, in the reasonable opinion of the Trustee, is no less favourable to the Bondholders than those contemplated by the Finance Documents and approved by the Bond Trustee. Such reorganization may include, without limitation, mergers, de-mergers, change of corporate status or jurisdiction, and creation or liquidation of subsidiaries. It may also include the transfer of assets (including pledged assets) and obligations between subsidiaries so long as the subsidiary owning the Rig is a guarantor and is able to make the representations and warranties and satisfy the covenants required to be made by the Rig Owner immediately following the acquisition of such assets and following such transfer the Bondholders under such new structure will obtain a security position which, in the reasonable opinion of the Trustee, is no less favourable to the Bondholders than those contemplated by the Finance Documents.

"**Project Documents**" means (a) the Drilling Contract(s); (b) the Sub-Contract; (c) the Bareboat Charter; and (d) any contract replacing any of the foregoing (each a "**Project Document**").

"**Quarter Date**" means each 31 March, 30 June, 30 September and 31 December.

"**Quiet Enjoyment Letter**" means a quiet enjoyment letter issued by the Trustee if so required by any Client, with wording as reasonably requested by such Client. The quiet

enjoyment letter may only be issued if the letter provides for e.g. the Trustee to assign the Drilling Contract to a nominee of the Trustee being reasonably satisfactory to the Client.

"**Refinancing Intercompany Loan**" shall have the meaning given to it in Clause 2.3.

"**Rig**" means the drilling rig owned by the Rig Owner and named "WilPhoenix", a 1982 built Friede & Goldman L 907 Enhanced Pacesetter semi-submersible drilling rig built at Gotaverken, Sweden and subsequently upgraded in 2011, with IMO 8752350, and registered with the Office of the Deputy Commissioner of Maritime Affairs of the Republic of Vanuatu or such other registry satisfactory to the Trustee.

"**Rig Mortgage**" means a mortgage over the Rig including all relevant equipment being legally part of the Rig under relevant law granted by the Rig Owner.

"**Rig Owner Share Pledge**" means a pledge granted by the Issuer over 99.95% of the shares in the Rig Owner together with, inter alia, letters of resignation (effective upon an Event of Default) from the current board members of the Rig Owner and covenants to obtain same from future board members

"**Securities Depository**" means the securities depository in which the Bond Issue is registered, being Verdipapirsentralen ASA (VPS) in Norway.

"**Security Agent**" means the Bond Trustee in its capacity as security agent pursuant to Clause 17.4.

"**Security**" means any encumbrance, mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

"**Security Documents**" means, collectively, all the documents evidencing, creating or granting the Security Interests.

"**Security Interests**" means: (a) the Rig Mortgage, (b) the Escrow Account Pledge, (c) the Earnings Assignment, (d) the Drilling Contract Assignment, (e) the Issuer Earnings Account Pledge, (f) the Rig Owner Share Pledge, (g) the Sub-Contractor Share Pledge, (h) the Assignment of Intercompany Loans, (i) the Guarantees, (j) the Minority Rig Owner Share Pledge; (k) the Sub-Contract Assignment; (l) the Assignment of Insurances; (m) the Bareboat Charter Assignment; and (n) if and when relevant, any Additional Security pursuant to Clause 8.1.3.

"**Security Trustee**" means the Bond Trustee in its capacity as security trustee pursuant to Clause 17.4.

"**Service Agreement**" shall have the meaning given to it in Clause 13.4.2

"**Stamdata**" means the web site www.stamdata.no, maintained by the Bond Trustee.

"**Sub-Contract Assignment**" means an assignment of all (both accrued and future) claims and other rights under, and a subordination and termination right of, the drilling services sub-contract between WilPhoenix UK and the Issuer (the "**Sub-Contract**").

"**Sub-Contractor Share Pledge**" means a pledge granted by the Issuer over 100% of the shares in the WilPhoenix UK together with, inter alia, letters of resignation (effective upon

A4

an Event of Default) from the current board members of WilPhoenix UK and covenants to obtain same from future board members

"**Subsidiary**" means a company over which another company has Decisive Influence.

"**Total Assets**" means the aggregate amount which would in accordance with IFRS be shown in the Issuer's consolidated financial statements as its total assets.

"**Total Loss Event**" means an actual or constructive total loss of the Rig.

"**Transocean Seller Note**" means a five year seller's credit from Transocean Inc. of original amount USD 165 million granted in connection with the acquisition of the Group's two drilling rigs (the Rig and the rig called "WilHunter") from Transocean Inc, such credit being secured inter alia by first priority mortgages over the mentioned drilling rigs, and the borrowers are currently being the Rig Owner and WilHunter (Malta) Ltd. The outstanding balance as of 1 March 2014 under the Transocean Seller Note was approx. USD 95.3 million.

"**US Securities Act**" means the U.S. Securities Act of 1933, as amended.

"**USD**" means US Dollars, being the legal currency of the United States of America.

"**Voting Bonds**" means the Outstanding Bonds less the Issuer's Bonds.

1.2 Construction

In this Bond Agreement, unless the context otherwise requires: (a) headings are for ease of reference only; (b) words denoting the singular number shall include the plural and vice versa; (c) references to Clauses are references to the Clauses of this Bond Agreement; (d) references to a time is a reference to Oslo time; (e) references to a provision of law is a reference to that provision as it may be amended or re-enacted, and to any regulations made by the appropriate authority pursuant to such law, including any determinations, rulings, judgment and other binding decisions relating to such provision or regulation; (f) an Event of Default is "**continuing**" if it has not been remedied or waived; and (g) references to a "**person**" shall include any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership (whether or not having separate legal personality).

2. THE BONDS

2.1 Binding nature of this Bond Agreement

2.1.1 By virtue of being registered as a Bondholder (directly or indirectly) with the Securities Depository, the Bondholders are bound by the terms of this Bond Agreement and any other Finance Document, without any further action required to be taken or formalities to be complied with, see also Clause 18.1.

2.1.2 This Bond Agreement is available to anyone and may be obtained from the Bond Trustee or the Issuer. The Issuer shall ensure that this Bond Agreement is available to the general public throughout the entire term of the Bonds. This Bond Agreement may be published on Stamdata or such other venues as decided by the Bond Trustee.

2.2 The Bonds

2.2.1 The Issuer has resolved to issue a series of Bonds in the maximum amount of USD 125,000,000 (United States Dollars one hundred and twentyfive million).

2.2.2 The Face Value is USD 1.00. The Bonds shall rank *pari passu* between themselves.

2.2.3 The Bond Issue will be described as "7.00% Awilco Drilling Plc Senior Secured Callable Bond Issue 2014/2019". The ISIN of the Bond Issue will be NO 001 070928.0.

2.2.4 The tenor of the Bonds is from and including the Issue Date to the Maturity Date.

2.3 Purpose and utilization

The net proceeds of the Bonds (net of legal costs, fees of the Manager and the Trustee and any other agreed costs and expenses) shall be applied as follows:

(a) firstly, on the Disbursement Date (as defined below), to repay and retire in full the Transocean Seller Note by way of an intercompany loan from the Issuer to the Rig Owner (such loan the "**Refinancing Intercompany Loan**", it being understood that the Refinancing Intercompany Loan will also include the outstanding amount payable by the Rig Owner to the Issuer as a result of previous downpayments on the Transocean Seller Note by the Issuer); and

(b) secondly, any remaining proceeds shall be released to the Issuer for general corporate purposes.

3. LISTING

3.1 The Issuer shall apply for listing of the Bonds on Oslo Børs.

3.2 If the Bonds are listed, the Issuer shall ensure that the Bonds remain listed until they have been discharged in full.

4. REGISTRATION IN THE SECURITIES DEPOSITORY

4.1 The Bond Issue and the Bonds shall prior to disbursement be registered in the Securities Depository according to the Norwegian Securities Depository Act (Act 2002/64) and the terms and conditions of the Securities Depository.

4.2 The Issuer shall ensure that correct registration in the Securities Depository is made and shall notify the Securities Depository of any changes in the terms and conditions of this Bond Agreement. The Bond Trustee shall receive a copy of the notification. The registration may be executed by the Paying Agent.

4.3 The Bonds have not been registered under the US Securities Act, and the Issuer is under no obligation to arrange for registration of the Bonds under the US Securities Act.

5. PURCHASE AND TRANSFER OF BONDS

5.1 Bondholders may be subject to purchase or transfer restrictions with regard to the Bonds, as applicable from time to time under local laws to which a Bondholder may be subject (due e.g. to its nationality, its residency, its registered address, its place(s) for doing

business). Each Bondholder must ensure compliance with applicable local laws and regulations at its own cost and expense.

5.2 Notwithstanding the above, a Bondholder which has purchased the Bonds in breach of applicable mandatory restrictions may nevertheless utilize its rights (including, but not limited to, voting rights) under this Bond Agreement.

6. CONDITIONS PRECEDENT

6.1 Conditions precedent for the issuance of the Bonds

6.1.1 Issuance of the Bonds and disbursement of the net proceeds from the Bond Issue to the Escrow Account will be subject to the Bond Trustee having received the documents listed below, in form and substance satisfactory to it, at least two (2) Business Days prior the Issue Date:

(a) this Bond Agreement, duly executed by all parties thereto;

(b) certified copies of all necessary corporate resolutions of the Issuer to issue the Bonds and the Obligors to execute the Finance Documents;

(c) a power of attorney from each Obligor to relevant individuals for their execution of the relevant Finance Documents, or extracts from the relevant register or similar documentation evidencing such individuals' authorisation to execute the Finance Documents on behalf of the Issuer;

(d) certified copies of (i) the Certificate of Incorporation or other similar official document for the Obligors, evidencing that it is validly registered and existing and (ii) the Articles of Association, Memorandum and Articles of Association (or equivalent) of the Obligors;

(e) the Issuer's latest Financial Statements and Interim Accounts (if any);

(f) confirmation from the Manager that the requirements set out in Chapter 7 of the Norwegian Securities Trading Act (implementing the EU prospectus directive (2003/71 EC) concerning prospectuses have been fulfilled;

(g) to the extent necessary, any public authorisations required for the Bond Issue;

(h) confirmation that the Bonds have been registered in the Securities Depository;

(i) the Bond Trustee fee agreement set out in Clause 14.2, duly executed;

(j) copies of any written documentation used in the marketing of the Bonds or made public by the Issuer or the Manager in connection with the Bond Issue;

(k) any statements or legal opinions reasonably required by the Bond Trustee (including any capacity corporate opinions for each Obligor and opinions related to the validity, perfection and enforceability of the Finance Documents);

(l) evidence that documentation evidencing the Escrow Account Pledge has been or will be duly executed and perfected by all parties thereto (including all applicable notices, acknowledgements and consents);

(m) certified copy of the Project Documents, duly executed by the relevant parties; and

(n) written evidence that a process agent/process agents have been nominated by the Obligors with respect to the Finance Documents delivered under Clause 6.1.1.

6.1.2 The Bond Trustee may, in its reasonable opinion, waive the deadline or requirements for documentation as set out in Clause 6.1.

6.1.3 Disbursement of the net proceeds from the Bonds is subject to the Bond Trustee's written notice to the Issuer, the Manager and the Paying Agent that the documents have been controlled and that the required conditions precedent are fulfilled.

6.1.4 On the Issue Date, subject to receipt of confirmation from the Bond Trustee pursuant to Clause 6.1.3, the Manager shall transfer the net proceeds from the Bond Issue to the Escrow Account.

6.2 Conditions precedent for release from the Escrow Account

6.2.1 The net proceeds from the Bond Issue shall only be used in accordance with the Purpose of the Bond Issue, and any release from the Escrow Account to the Issuer will be subject to customary closing mechanisms as agreed between the Issuer and the Bond Trustee and the Bond Trustee receiving prior to or (as the case may be) no later than on the date of release from the Escrow Account (such date of release the "**Disbursement Date**") the documents listed below, in form and substance satisfactory to it:

(a) a duly executed release notice (including a statement regarding use of funds in accordance with the Purpose of the Bond Issue and confirmation of no potential or actual Event of Default existing) in the form set out in Attachment 2 hereto from the Issuer;

(b) corporate resolutions from the Obligors approving the execution of the Pre-Disbursement Security documents (unless delivered under Clause 6.1);

(c) the agreement for the Refinancing Intercompany Loan (on such terms as are acceptable to the Trustee, however always allowing for such loan to be converted into equity in the Rig Owner) duly executed;

(d) evidence that the Transocean Seller Note has been (or will be in connection with the first disbursement from the Escrow Account) fully repaid and any and all security and guarantees provided thereunder, or otherwise in favour of Transocean Inc. or any affiliate thereof, are unconditionally discharged and released;

A 6

(e) evidence that all applicable insurances have been taken out, including report or opinion from an insurance adviser acceptable to the Trustee confirming that the insurances are in compliance with the terms set out herein;

(f) evidence that all relevant Pre-Disbursement Security documents have been executed and perfected;

(d) satisfactory documentation evidencing that the Issuer Earnings Account is opened;

(e) evidence of due registration in the relevant flag state of the Rig in the name of the Rig Owner without any encumbrances other than the Rig Mortgage;

(f) copies of class certificates in respect of the Rig confirming that it maintains class free of all overdue recommendations and conditions of the relevant classification society;

(g) copy of MODU Certificate for the Rig;

(h) other relevant rig documents in respect of the Rig customary in the relevant jurisdiction;

(i) copies of necessary corporate resolutions from the Obligors to execute the Pre-Disbursement Security Documents (unless delivered Pre-Settlement);

(j) written evidence that a process agent/process agents have been nominated by the Obligors with respect to the Finance Documents delivered under Clause 6.2.1 (unless delivered Pre-Settlement);

(k) all legal opinions reasonably requested by the Trustee in respect of the Pre-Disbursement Security Documents have been received in form and substance satisfactory to the Trustee;

(l) any other Finance Documents (unless delivered Pre-Settlement and to the extent applicable) are in acceptable form and duly executed; and

(m) a confirmation duly certified by the Managing Director of the Issuer that the Issuer does not have any other Financial Indebtedness, security or guarantees other than such Financial Indebtedness, security or guarantees which are expressly permitted under the Finance Documents.

6.2.2 The Bond Trustee may, in its reasonable opinion, waive the deadline or requirements for documentation as set out in Clause 6.2.1.

6.2.3 Notwithstanding the above the Bond Trustee shall be authorized to pay any fees and costs (including legal costs and the Commitment Fee) due and owing related to the Bond Issue as evidenced through invoice from the Manager (attested by the Issuer) using the proceeds

in the Escrow Account, to the extent such fees and costs have not been deducted from the proceeds transferred to the Escrow Account.

6.2.4 Upon the satisfaction or waiver of the conditions set forth in Clause 6.2.1, the Bond Trustee shall issue a notice to the Issuer and the bank operating the Escrow Account confirming that the relevant funds may be released to the Issuer.

7. REPRESENTATIONS AND WARRANTIES

7.1 The Issuer and each of the other Obligors represents and warrants to the Bond Trustee that:

7.1.1 *Status*

It is a limited liability company, duly incorporated and validly existing and registered under the laws of its jurisdiction of incorporation, and has the power to own its assets and carry on its business as it is being conducted.

7.1.2 *Power and authority*

It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, this Bond Agreement and any other Finance Document to which it is a party and the transactions contemplated by those Finance Documents.

7.1.3 *Valid, binding and enforceable obligations*

This Bond Agreement and each other Finance Document to which it is a party constitutes (or will constitute, when executed by the respective parties thereto) its legal, valid and binding obligations, enforceable in accordance with their respective terms, and (save as provided for therein) no further registration, filing, payment of tax or fees or other formalities are necessary or desirable to render the said documents enforceable against it.

7.1.4 *Non-conflict with other obligations*

The entry into and performance by it of this Bond Agreement and any other Finance Document to which it is a party and the transactions contemplated thereby do not and will not conflict with (i) any law or regulation or judicial or official order; (ii) its constitutional documents; or (iii) any agreement or instrument which is binding upon it or any of its assets.

7.1.5 *No Event of Default*

No Event of Default exists or is likely to result from the making of any drawdown under this Bond Agreement or the entry into, the performance of, or any transaction contemplated by, any Finance Document.

No other event or circumstance is outstanding which constitutes (or with the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing, would constitute) a default or termination event (howsoever described) under any other agreement or instrument which is binding on it or any of its Subsidiaries or to which its (or any of its Subsidiaries') assets are subject which has or is likely to have a Material Adverse Effect.

7.1.6 *Authorizations and consents*

All authorisations, consents, approvals, resolutions, licenses, exemptions, filings, notarizations or registrations required:

(a) to enable it to enter into, exercise its rights and comply with its obligations under this Bond Agreement or any other Finance Document to which it is a party; and

(b) to carry on its business as presently conducted and as contemplated by this Bond Agreement,

have been obtained or effected and are in full force and effect.

7.1.7 *Litigation*

No litigation, arbitration or administrative proceedings or investigations of or before any court, arbitral body or agency which, if adversely determined, is likely to have a Material Adverse Effect have (to the best of its knowledge and belief) been started or threatened against it or any of its Subsidiaries.

7.1.8 *Financial Statements*

Its most recent Financial Statements and Interim Accounts fairly and accurately represent the assets and liabilities and financial condition as at their respective dates, and have been prepared in accordance with IFRS, consistently applied.

7.1.9 *No Material Adverse Effect*

Since the date of the most recent Financial Statements, there has been no change in its business, assets or financial condition that is likely to have a Material Adverse Effect.

7.1.10 *No misleading information*

Any factual information provided by it to the subscribers or the Bond Trustee for the purposes of this Bond Issue was true and accurate in all material respects as at the date it was provided or as at the date (if any) at which it is stated.

7.1.11 *No withholdings*

The Issuer is not required to make any deduction or withholding from any payment which it may become obliged to make to the Bond Trustee or the Bondholders under this Bond Agreement.

7.1.12 *Environmental compliance*

The Issuer and its direct and indirect subsidiaries are in compliance with any relevant applicable environmental law or regulation and no circumstances have occurred which would prevent such compliance in a manner which has or is likely to have a Material Adverse Effect.

7.1.13 *Pari passu ranking*

Its payment obligations under this Bond Agreement or any other Finance Document to which it is a party rank at least *pari passu* as set out in Clause 8.1.

7.1.14 *Security*

No Security exists over any of the present assets of any Group Company in conflict with this Bond Agreement.

7.1.15 *UK pension scheme*

No Obligor or any Subsidiary of an Obligor is or has at any time been:

(a) an employer in relation to, or has established or participated in, an occupational pension scheme which is not a money purchase scheme (as defined in section 181 of the UK Pension Schemes Act 1993); or

(b) "connected" with or an "associate" of (as those terms are used in the Pensions Act 2004) an employer in relation to an occupational pension scheme which is not a money purchase scheme (as defined in section 181 of the UK Pension Schemes Act 1993).

7.1.16 *Compliance with laws*

The Obligors have performed its business in accordance with acknowledged, careful and sound practices in all material aspects and comply in all material respects with all laws and regulations it or they may be subject to from time to time. The Obligors have not been engaged in any conduct prohibited by any legal requirement of any program administered by the Office of Foreign Asset Control ("**OFAC**") of the U. S. Department of Treasury or in any conduct that would cause adverse consequences to the Issuer or the Bondholders under any program or regulations administered by OFAC, UN, UK or EU/EEA authorities.

7.2 The representations and warranties set out in Clause 7.1 are made on the execution date of this Bond Agreement, and shall be deemed to be repeated on the Issue Date and on each drawdown date from the Escrow Account.

8. STATUS OF THE BOND, SECURITY AND GUARANTEES

8.1 Status and ranking

8.1.1 The Bonds shall constitute senior debt obligations of the Issuer. The Bonds shall rank at least pari passu with all other obligations of the Issuer (save for such claims which are preferred by bankruptcy, insolvency, liquidation or other similar laws of general application) and shall rank ahead of subordinated debt.

8.1.2 The Bonds, including accrued but unpaid interest, costs and expenses, shall be secured by the Security Interest.

8.1.3 The Issuer shall, and shall where relevant ensure that any Group Company, (i) procures the establishment of such Security as will be in place with respect to the Existing Drilling Contract, including the Earnings Assignment and the Drilling Contract Assignment, in relation to the New Drilling Contract, and (to the extent applicable) any additional Drilling Contract(s) for the Rig during the term of the Bonds. In addition, the Issuer shall (to the extent relevant) assign, and procure that any group company being, or at any time becoming, an additional assured or co-assured under any insurances related to the Rig, assigns, as part of the Pre-Disbursement Security or promptly upon becoming assured or co-assured (as the case may be), any of its rights under the relevant insurances.

8.2 On demand Guarantee (in Norwegian: *"påkravsgaranti"*)

8.2.1 The Guarantors jointly and severally, irrevocably and unconditionally:

(a) guarantee to the Bond Trustee (on behalf of the Bondholders), as for their own debt and not merely as surety, the due and punctual performance by the Issuer of all its obligations under the Finance Documents and accept that the Bond Trustee

may make a demand for payment to any and each of the Guarantors without any specific order;

(b) undertake with the Bond Trustee (on behalf of the Bondholders) that, whenever the Issuer does not pay any amount when due under or in connection with any Finance Document, the Guarantors shall, on the Bond Trustee's first written demand (in Norwegian: "*ved første påkrav*") and in no event any later than 14 Business Days after the relevant Guarantor's receipt of such demand, and without any proof of default or loss and regardless of objection by the Issuer or any other Obligor of any kind, pay that amount to the Bond Trustee or as it directs as if it were the principal obligor in respect of that amount together with interest at the Default Rate on the amount payable by the Guarantor from the date of demand until the date of payment, both before and after judgment; and

(c) agree with the Bond Trustee (on behalf of the Bondholders) that if, for any reason, any amount claimed by the Bond Trustee under this Clause is not recoverable from the Guarantors, then the Guarantors will be liable as a principal debtor and primary obligor to indemnify the Bond Trustee and each Bondholder for any loss each of them may incur as a result of the Issuer failing to pay any amount expressed to be payable by it under a Finance Document on the date when it ought to have been paid.

8.2.2 Waivers

For the avoidance of doubt, each Guarantor hereby waives:

(a) any requirement that the Bond Trustee or any of the Bondholders in case of an Event of Default first have to make demand upon or seek to enforce remedies against the Issuer;

(b) any and all defences or objections from any party in or based on underlying relationships, agreements and transactions whatsoever, including, without limitation, any such relationships, agreements or transactions with any third party for Security Interests or otherwise, and right to limit the liability under the guarantee provided hereunder resulting from any failure to give notice of any kind;

(c) any right to exercise a right of subrogation into the rights of the Bondholders under the Bond Agreement, without the prior written consent of the Bond Trustee until such time that no amounts are outstanding under this Bond Agreement and any other Finance Document;

(d) any right to claim reimbursement from the Issuer and/or any other Obligor for payment made hereunder until such time that no amounts are outstanding under this Bond Agreement and any other Finance Document; and

(e) any requirement that additional Security Interests be provided or maintained.

8.2.3 Continuing guarantee

Each Guarantor hereby agrees and accepts:

(a) that its obligations under the Guarantee shall not be discharged, released or impaired or otherwise affected by:

(i) the invalidity, illegality or unenforceability in full or in part of any Finance Document, or

(ii) any amendment of any Finance Document or supplement thereto or any other act, omission or circumstance which would affect the obligations of any party under any Finance Document, or

(iii) the insolvency, bankruptcy, liquidation or reorganisation or change of ownership of the Issuer or any other Obligor; and

(b) that the Guarantee is a continuing guarantee and will extend to the ultimate balance of all sums payable by the Issuer or any other Obligor under the Finance Documents, regardless of (i) any intermediate payment or discharge in whole or in part or (ii) the Bond Trustee enforcing any other Security granted for the Issuer's obligations under this Bond Agreement and the Finance Documents.

9. INTEREST

9.1 The Issuer shall pay interest on the par value of the Bonds from, and including, the Issue Date at a fixed rate of seven per cent. (7.00%) per annum (the "**Fixed Rate**").

9.2 Interest payments shall be made in arrears on the Interest Payment Dates each year, the first Interest Payment Date being 9 October 2014.

9.3 The relevant interest payable amount shall be calculated based on a period from, and including, the Issue Date to, but excluding, the next following applicable Interest Payment Date, and thereafter from, and including, that Interest Payment Date to, but excluding, the next following applicable Interest Payment Date.

9.4 The day count fraction ("**Fixed Rate Day Count Fraction**") in respect of the calculation of the payable interest amount shall be "30/360", which means that the number of days in the calculation period in respect of which payment is being made divided by 360 (the number of days to be calculated on the basis of a year of 360 days with twelve 30-days months (unless (i) the last day of the calculation period is the 31st day of a month but the first day of the calculation period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (ii) the last day of the calculation period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month)).

9.5 The payable interest amount per Bond for a relevant calculation period shall be calculated as follows:

Interest =	Face	x	Fixed	x	Fixed	Rate
Amount	Value		Rate		Day Count Fraction	

10. MATURITY OF THE BONDS AND REDEMPTION

10.1 Maturity and instalments

The Bonds shall be repaid by the Issuer in instalments as follows:

(a) USD 5,000,000 on each Interest Payment Date, with the first instalment being payable on the first Interest Payment Date being 9 October 2014, and

(b) the remaining outstanding amount on the Maturity Date.

10.1.2 All scheduled repayments pursuant to Clause 10.1 shall be made at par (100% of Face Value, plus accrued and unpaid interest in accordance with Clause 9. Payment of instalments shall be made *pro rata* to the Bondholders in accordance with the procedures of the Securities Depositary.

10.2 Call Option

10.2.1 The Issuer may redeem the Bond Issue (all or nothing) (the "**Call Option**"):

(a) from and including the Issue Date to, but not including, the 9 April 2016 at a price equal to the sum of:

(i) the present value on the relevant record date of 103.375% of par value as if such payment originally should have taken place on 9 April 2016; and

(ii) the present value on the relevant record date of the remaining interest payments (less any accrued but unpaid interest) through to and including 9 April 2016, and

(iii) any accrued but unpaid interests on the redeemed amount,

where the present value under both (a) and (b) shall be calculated by using a discount rate of 50 basis points over the comparable U.S. Treasury Rate (i.e. comparable to the remaining duration of the Bonds until the mentioned interest payment date on 9 April 2016) on the 10th Business Day prior to the repayment date and where "relevant record date" shall mean a date agreed upon between the Trustee and the Issuer in connection with such repayment. The call notice shall be provided no later than 10 Business Day prior to the repayment date;

(b) from and including 9 April 2016 to, but not including, 9 April 2017, at a price equal to 103.375% of par value (plus accrued unpaid interest on redeemed amount);

(c) from and including 9 April 2017 to, but not including, 9 April 2018 at a price equal to 102.50% of par value (plus accrued unpaid interest on redeemed amount); and

(d) from and including 9 April 2018 to, but not including, the Maturity Date at a price equal to 101.50% of par value (plus accrued unpaid interest on redeemed amount).

10.2.2 Exercise of the Call Option shall be notified by the Issuer in writing to the Bond Trustee and the Bondholders at least thirty (30) Business Days prior to the settlement date of the Call Option.

10.2.3 On the settlement date of the Call Option, the Issuer shall pay to each of the Bondholders holding Bonds to be redeemed, in respect of each such Bond, the principal amount of such

Bond (including any premium as stated above) and any unpaid interest accrued up to the settlement date.

10.2.4 Bonds redeemed by the Issuer in accordance with this Clause 10.2 shall be discharged against the Outstanding Bonds.

10.3 Change of control

10.3.1 Upon the occurrence of a Change of Control Event, each Bondholder shall have the right to require that the Issuer redeems its Bonds (a "**Put Option**") at a price of 101% of Face Value plus accrued unpaid interest.

10.3.2 The Put Option must be exercised within sixty (60) days after the Issuer has given notification to the Bond Trustee of a Change of Control Event. Such notification shall be given as soon as possible after a Change of Control Event has taken place.

10.3.3 The Put Option may be exercised by each Bondholder by giving written notice of the request to its Account Manager. The Account Manager shall notify the Paying Agent of the redemption request. The settlement date of the Put Option shall be the third (3rd) Business Day after the end of the sixty (60) day exercise period of the Put Option.

10.3.4 On the settlement date of the Put Option, the Issuer shall pay to each of the Bondholders holding Bonds to be redeemed, the principal amount of each such Bond (including any premium pursuant to Clause 10.3.1) and any unpaid interest accrued up to (but not including) the settlement date.

10.4 Mandatory Prepayment

10.4.1 Upon a Mandatory Prepayment Event (other than a Total Loss Event) occurring, the Issuer shall not later than thirty (30) days following the relevant Mandatory Prepayment Event (unless there is an Event of Default in which case it will be promptly), redeem 100 per cent of the outstanding Bonds at a redemption price equal to the price applicable to a Call Option on such date (plus accrued and unpaid interest on the redeemed amount). For the avoidance of doubt, the aforesaid redemption prices shall be determined based on the date the Mandatory Prepayment Event occurred and not based on the date of repayment.

10.4.2 If the Bonds are redeemed according to this Clause 10.4, the entire amount in the Escrow Account and the Issuer's Earnings Account and any amounts received as damages payments under the any of the insurance proceeds of the insurance proceeds, may be used as part payment in relation to the Mandatory Prepayment.

10.4.3 Upon the occurrence of (i) several Mandatory Prepayment Events or (ii) one or several Mandatory Prepayment Events and a Total Loss Event, the Issuer shall only be obliged to pay the lowest applicable redemption amount.

10.5 Total Loss Prepayment

Upon a Total Loss Event, the Issuer shall promptly once insurance proceeds are available redeem 100 per cent of the outstanding Bonds at 100 per cent of Face Value (plus accrued and unpaid interest on the redeemed amount).

11. PAYMENTS

11.1 Covenant to pay

11.1.1 The Issuer will on any Payment Date (or any other due date pursuant to any Finance Document) unconditionally pay to or to the order of the Bond Trustee all amounts due under this Bond Agreement or any other Finance Document.

11.1.2 The covenant contained in Clause 11.1.1 shall be for the benefit of the Bond Trustee and the Bondholders.

11.2 Payment mechanics

11.2.1 If no specific order is made by the Bond Trustee under Clause 11.1.1, the Issuer shall pay all amounts due to the Bondholders under this Bond Agreement or any other Finance Document by crediting the bank account nominated by each Bondholder in connection with its securities account in the Securities Depository.

11.2.2 Payment shall be deemed to have been made once the amount has been credited to the bank which holds the bank account nominated by the Bondholder in question, but if the paying bank and the receiving bank are the same, payment shall be deemed to have been made once the amount has been credited to the bank account nominated by the Bondholder in question, see however Clause 11.3.

11.2.3 In case of irregular payments, the Bond Trustee may instruct any Obligor, the Bondholders or others of other payment mechanisms than described in Clause 11.2.1 or 11.2.2 above. The Bond Trustee may also obtain payment information regarding Bondholders' accounts from the Securities Depository or Account Managers.

11.2.4 Subject to Clause 11.3, payment by the Issuer in accordance with this Clause 11.2 shall constitute good discharge of its obligations under Clause 11.1.1.

11.3 Currency

11.3.1 Each Bondholder has to provide the Paying Agent (either directly or through its Account Manager) with specific payment instructions, including foreign exchange bank account details. Depending on any currency exchange settlement agreements between each Bondholder's bank and the Paying Agent, cash settlement may be delayed, and payment shall be deemed to have been made at the date of the cash settlement, provided however, that no default interest or other penalty shall accrue for the account of the Issuer.

11.3.2 Except as otherwise expressly provided, all amounts payable under this Bond Agreement and any other Finance Document shall be payable in the same currency as the Bonds are denominated in. If, however, the Bondholder has not given instruction as set out in Clause 11.3 within five (5) Business Days prior to a Payment Date, the cash settlement will be exchanged into NOK and credited to the NOK bank account registered with the Bondholder's account in the Securities Depository.

11.3.3 Amounts payable in respect of costs, expenses, taxes and other liabilities of a similar nature shall be payable in the currency in which they are incurred.

11.4 Set-off and counterclaims

No Obligor may apply or perform any counterclaims or set-off against any payment obligations pursuant to this Bond Agreement or any other Finance Document.

11.5 Interest in the event of late payment

11.5.1 In the event that any amount due under this Bond Agreement or any Finance Document is not made on the relevant due date, the unpaid amount shall bear interest from the due

date at an interest rate equivalent to the interest rate according to Clause 9 plus five percentage points (5.00%) per annum.

11.5.2 The interest charged under this Clause 11.5 shall be added to the defaulted amount on each respective Interest Payment Date relating thereto until the defaulted amount has been repaid in full.

11.5.3 The unpaid amounts shall bear interest as stated above until payment is made, whether or not the Bonds are declared to be in default pursuant to Clause 15.1.1, cf. Clauses 15.2 – 15.5.

11.6 Partial payments

If the Bond Trustee or the Paying Agent receives a payment that is insufficient to discharge all the amounts then due and payable under the Finance Documents, that payment shall be applied in the following order:

(a) first, in or towards payment of any unpaid fees, costs and expenses of the Bond Trustee under the Finance Documents;

(b) secondly, in or towards payment of any accrued interest due but unpaid under the Bond Agreement, *pro rata* and without any preference or priority of any kind; and

(c) thirdly, in or towards payment of any principal due but unpaid under the Bond Agreement, *pro rata* and without any preference or priority of any kind.

12. ISSUER'S ACQUISITION OF BONDS

The Issuer has the right to acquire and own Bonds (Issuer's Bonds). The Issuer's holding of Bonds may at the Issuer's discretion be retained by the Issuer, sold or discharged.

13. COVENANTS

13.1 General

The Issuer and the relevant Obligors (as the case may be) undertakes from the date of this Bond Agreement and until such time that no amounts are outstanding under this Bond Agreement or any other Finance Document, to the Bond Trustee, as further set out in this Clause 13.

13.2 Information Covenants

13.2.1 The Issuer shall:

(a) without being requested to do so, promptly inform the Bond Trustee in writing of any Event of Default, any event or circumstance which could reasonably be expected to lead to an Event of Default and any other event which could reasonably be expected to have a Material Adverse Effect;

(b) without being requested to do so, inform the Bond Trustee in writing if the Issuer agrees to sell or dispose of all or a substantial part of its assets or operations, or change the nature of its business;

(c) without being requested to do so, prepare Financial Statements and make them available on its website in the English language (alternatively by arranging for publication at Stamdata) as soon as they become available, and not later than 120 days after the end of the financial year;

(d) without being requested to do so, prepare Interim Accounts and make them available on its website in the English language (alternatively by arranging for publication on Stamdata) as soon as they become available, and not later than 60 days after the end of the relevant quarter;

(e) at the request of the Bond Trustee, report the balance of the Issuer's Bonds;

(f) without being requested to do so, send the Bond Trustee copies of any statutory notifications of the Issuer, including but not limited to in connection with mergers, de-mergers and reduction of the Issuer's share capital or equity;

(g) if the Bonds are listed on an Exchange, without being requested to do so, send a copy to the Bond Trustee of its notices to the Exchange;

(h) if the Issuer and/or the Bonds are rated, without being requested to do so, inform the Bond Trustee of its and/or the rating of the Bond Issue, and any changes to such rating;

(i) without being requested to do so, inform the Bond Trustee of changes in the registration of the Bonds in the Securities Depository (however, the Bond trustee is entitled to receive such information from the Security Depository or Paying Agent directly); and

(j) within a reasonable time, provide such information about the Issuer's business, assets and financial condition as the Bond Trustee may reasonably request.

13.2.2 The Issuer shall in connection with the publication of its financial reports under Clause 13.2.1 (c) and (d), confirm to the Bond Trustee in writing the Issuer's compliance with the covenants in this Clause 13, unless the Bond Trustee explicitly waives such requirement. Such confirmation shall be undertaken in a certificate, substantially in the form set out in Attachment 1 hereto, signed by the Chief Executive Officer or Chief Financial Officer of the Issuer (a "**Compliance Certificate**"). In the event of non-compliance, the Compliance Certificate shall describe the non-compliance, the reasons therefore as well as the steps which the Issuer has taken and will take in order to rectify the non-compliance.

13.3 General Covenants

13.3.1 *Pari passu ranking*

Each Obligor shall ensure that its obligations under this Bond Agreement and any other Finance Document shall at all time rank at least *pari passu* as set out in Clause 8.1.

13.3.2 *Mergers*

The Issuer shall not, carry out any merger or other business combination or corporate reorganization involving a consolidation of the assets and obligations of the Issuer with any other companies or entities if such transaction would have a Material Adverse Effect.

13.3.3 *De-mergers*

The Issuer shall not carry out any de-merger or other corporate reorganization involving a split of the Issuer into two or more separate companies or entities, if such transaction would have a Material Adverse Effect.

13.3.4 *Continuation of business*

The Obligors shall not cease to carry on their business save as, in case of the Guarantors only, a result of a Permitted Corporate Reorganization. The Issuer shall procure that no

substantial change is made to the general nature of the business of the Group from that carried on at the date of this Bond Agreement, and/or as set out in this Bond Agreement.

13.3.5 *Disposal of business*

No Obligor shall not sell or otherwise dispose of all or a substantial part of its assets or operations, except as a result of a Permitted Corporate Reorganization, provided however that the Rig Owner can carry out a sale of the Rig subject to the Mandatory Prepayment provisions.

13.3.6 *Arm's length transactions*

The Obligors shall not enter into any transaction with any person except on arm's length terms and for fair market value. For avoidance of doubt, the Bareboat Charter and the Sub-Contract (on their existing terms, or any replacement thereof on substantially the same terms) shall be deemed to be an arm's length transaction.

13.3.7 *Corporate status*

No Obligor shall change its type of organization or jurisdiction of incorporation, save as a result of a Permitted Corporate Reorganization.

13.3.8 *UK pension scheme*

Each Obligor will ensure that no member of the Group:

(a) is or at any time becomes an employer in relation to, or establishes or participates in, an occupational pension scheme which is not a money purchase scheme (as defined in section 181 of the UK Pension Schemes Act 1993); or

b) is or becomes "connected" with or an "associate" of (as those terms are used in the Pensions Act 2004) an employer in relation to an occupational pension scheme which is not a money purchase scheme (as defined in section 181 of the UK Pension Schemes Act 1993).

13.3.9 *Compliance with laws*

The Obligors shall perform their business in accordance with acknowledged, careful and sound practices in all material aspects and comply in all material respects with all laws and regulations they may be subject to from time to time. The Obligors shall ensure that they are not engaged in any conduct prohibited by any legal requirement of any program administered by the Office of Foreign Asset Control ("**OFAC**") of the U.S. Department of Treasury and the Issuer shall not engage in any conduct that would cause adverse consequences to the Issuer and the Guarantors or the bondholders under any program administered by OFAC.

13.4 Special covenants

13.4.1 *Project Documents*

Each Obligor shall (i) perform and observe in all material respects with all of its covenants and agreements contained in any of the Project Documents to which it is or becomes a party, and (ii) not consent to any amendment of any Project Document if this would have a Material Adverse Effect.

13.4.2 *Payment under the Bareboat Charter, the Sub-Contract, the Service Agreement etc.*

The Issuer and the relevant Guarantor shall ensure that any amounts payable in respect of the Bareboat Charter, the Sub-Contract, any service agreements or other management agreements between WilPhoenix UK and/or the Rig Owner and any other group company (as amended, restated or replaced from time to time, the "**Service Agreement**") or any other intra-group agreement for the charter, management and similar services in respect of the Rig shall be and remain subordinated to any claims under the Finance Documents.

13.4.3 *Security Documents and status of the bonds*

Each Obligor shall maintain the Security Documents in good condition and repair, and do all acts which may necessary to ensure that such security remains duly created, enforceable and perfected on first priority, at the expense of the Obligors or the relevant security provider (as the case may be), and shall ensure that its and the other Obligors' obligations under the Bond Agreement and any other Finance Document at all time rank at least as set out above.

13.4.4 *Drilling Contract*

The Issuer shall ensure that any new Drilling Contract replacing any existing Drilling Contract is entered into by the Issuer and that the earnings from such Drilling Contract is paid from the Client to the Issuer Earnings Account and first priority security satisfactory to the Trustee is established in the earnings under such Drilling Contract and shall use its reasonable best endeavours to obtain the Client's consent to the assignment of all other rights (than the earnings) of the Issuer under such Drilling Contract, including step-in rights.

13.4.5 *Financial assistance*

No Obligor shall grant any loans, guarantees or other financial assistance (including, but not limited to granting security) to any person other than Group Companies.

13.4.6 *Ownership to Guarantors*

The Issuer shall maintain a 100% direct or indirect ownership and control over the Guarantors (or such replacement guarantors as may be substituted as a result of a Permitted Corporate Reorganization), provided however that it can carry out a sale of the Rig Owner subject to the Mandatory Prepayment provisions.

13.4.7 *Issuer's Earnings Account*

The Issuer shall establish and maintain the Issuer's Earnings Account which shall be established and held with a first class reputable international bank in London with a long-term credit rating of at least "A" from S&P or its equivalent rating from Fitch or Moody's. The Issuer Earnings Account shall be pledged in favour of the Trustee, but not blocked (unless the Trustee has issued a notice to the account bank that an Event of Default has occurred and is continuing), and the account bank shall waive any set-off rights. The Issuer shall procure that for the duration of the Bonds, all its earnings under Drilling Contracts for the Rig to which it is a party and all its other net earnings relating to the Rig shall be paid directly from the relevant Client to the Issuer's Earnings Account.

13.5 Issuer financial covenants

13.5.1 *Minimum liquidity*

The Issuer shall from and including the Disbursement Date maintain at all times a minimum Liquidity of USD 10,000,000.

13.5.2 *Equity Ratio*

The Issuer shall maintain an Equity Ratio of minimum 35%.

13.5.3 The Issuer undertakes to comply with the financial covenants in this Clause 13.5 at all times, such compliance to be measured on each Quarter Date and certified by the Issuer in the Compliance Certificate.

13.6 Additional WilPhoenix UK and Rig Owner special covenants

During the term of the Bonds, WilPhoenix UK and/or the Rig Owner (as relevant, or their successors in the event of a Permitted Corporate Reorganization) shall (unless the Trustee or the bondholders' meeting (as the case may be) in writing has agreed otherwise) comply with the following general and special covenants:

13.6.1 *Ownership*

The Rig Owner (or its successor/transferee in the event of a Permitted Corporate Reorganization) shall maintain a 100% direct ownership and control over the Rig, provided however that it can carry out a sale of the Rig subject to the Mandatory Prepayment provisions.

13.6.2 *Continuation of business*

The Rig Owner and WilPhoenix UK shall not cease to carry on their businesses, and shall procure that they remain single purpose vehicles with no other business than, as relevant, owning, chartering and operating the Rig, in each case, unless they no longer carry on the business of owning, chartering and/or operating the Rig as the result of a Permitted Corporate Reorganization.

13.6.3 *No financial indebtedness*

The Rig Owner and WilPhoenix UK shall not incur or permit to remain outstanding, any Financial Indebtedness (whether secured or unsecured) other than (i) the Financial Indebtedness arising under the Bond Issue, (ii) the Refinancing Intercompany Loan (iii) any other intercompany loan so long as it is fully subordinated to the relevant Guarantors' obligations under the Finance Documents, and pledged in favour of the Trustee or (iv) as a result of seller's credit provided by third party suppliers in the ordinary course of business consistent with market practice.

13.6.4 *Negative pledge*

The Rig Owner and WilPhoenix UK shall not create, permit to subsist or allow to exist any security over any of its present or future respective assets or revenues, other than (i) the Security under this Bond Issue, (ii) security for unpaid purchase in favour of third party suppliers in the ordinary course of business consistent with market practice or (iii) any lien or security arising by operation of law in the ordinary course of business in respect of claims that are not overdue.

13.6.5 *Mergers*

WilPhoenix UK and the Rig Owner shall not carry out any merger or other business combination or corporate reorganization involving a consolidation of their assets and with any other companies or entities except in connection with a Permitted Corporate Reorganization.

13.6.6 De-mergers

WilPhoenix UK and the Rig Owner shall not carry out any de-merger or other corporate reorganization involving a split thereof into two or more separate companies or entities, except in connection with a Permitted Corporate Reorganization.

13.7 Rig covenants

13.7.1 *Flag, name and registration*

The Issuer and the Rig Owner shall not cause the flag, name or registry of the Rig to be changed, or register the Rig simultaneously in more than one registry, without the prior written consent of the Bond Trustee.

13.7.2 *Insurance of the Rig*

(a) The Issuer and the Rig Owner shall ensure that the Rig at all times is adequately insured against such risks and in such amounts as per industry standards and otherwise reasonably required by and placed or entered with such reputable insurers, brokers or P&I clubs acceptable to the Trustee on agreed value basis, including without limitation war risk (including terrorism), Hull & Machinery, Hull Interest and/or Freight Interest, Protection & Indemnity (including a maximum club cover for oil pollution liability for the Rig), and any additional insurance required under any law or the relevant Drilling Contract.

(b) The amounts in respect of each of (a) Hull & Machinery (including Hull Interest and (if relevant) Freight Interest) and (b) war risk shall be equal to at least the higher of (i) the full market value of the Rig and (ii) 120% of the outstanding amount under the Finance Documents. The deductible amount in respect of claims shall in each event not exceed fair market terms for any one occurrence or such higher amount as the Trustee (acting on the instructions of the bondholders) otherwise agrees.

(c) The Trustee shall be named as an additional assured and as exclusive loss payee on the relevant insurances.

(d) The insurances and loss payee clause shall be in accordance with the Nordic Marine Insurance Plan of 2013 (as amended from time to time) or other insurances with no less favorable terms.

(e) The Trustee shall be entitled to arrange, with such insurers it sees fit and for the account of the Issuer, Mortgage Right Insurance, Mortgagee Interest Insurance and Mortgagee Additional Perils Insurance (pollution) up to one hundred and twenty (120) per cent of the aggregate principal value of the outstanding Bonds under the Finance Documents.

(f) Prior to or in connection with the expiry date of the relevant insurances, the Issuer shall deliver to the Bond Trustee a certificate from the insurance broker(s) through whom the insurances relevant to the Vessel have been placed, evidencing that all insurances referred to in paragraph (a) above have been renewed and taken out in respect of the Rig with insurance values as required by paragraph (b), that such insurances are in full force and effect and that the interests of the Bond Trustee (on behalf of the Bondholders) therein have been noted by the relevant insurers.

(h) The Issuer and the Rig Owner shall procure that the Rig is always employed in conformity with the terms of the instruments of insurance (including any expressed or implied warranties) and shall comply with such requirements as to extra premium or otherwise as the insurers may prescribe.

(i) In the event of a Total Loss, the Issuer shall, as soon as possible obtain and present to the Bond Trustee a written confirmation from the relevant insurers that the claim relating to the Total Loss has been accepted in full, and the insurance proceeds shall, as soon as they are released, be paid to the Bond and applied in a Mandatory Redemption pursuant to Clause 10.4.

13.7.3 *Classification and international regulations*

The Issuer and the Rig Owner shall procure that the Rig is classified and maintained in the highest applicable class, free of any overdue requirements or recommendations, with Det Norske Veritas or another classification society acceptable to the Bond Trustee, and at all times complies in all material respects with the rules and regulations of the relevant classification society. Furthermore, the Issuer and the Rig Owner shall at all times ensure compliance with, in all material respects, all applicable international conventions and regulations, including the MODU Code , and shall ensure that any charterer of the Rig and any company performing management services for the Rig being, in each case, a Subsidiary of the Issuer, complies with said conventions and regulations in all material respects.

13.7.4 *Maintenance, operation and management of the Rig*

(a) The Issuer and the Rig Owner shall procure that the Rig is kept in a good and safe condition and state of repair consistent with first class ownership and industry standards.

(b) The Issuer and the Rig Owner shall procure compliance in all material respects with all relevant environmental laws and regulations and all other laws and regulations relating to the Rig, its ownership, operation and management or to the business of the Obligors.

(c) The Issuer and the Rig Owner shall ensure that any managers retained for the Rig shall be reputable and professional.

13.7.5 *Modifications to the Rig*

The Issuer and the Rig Owner shall not, and the Issuer shall ensure that no (other) member of the Group shall, cause any substantial modifications, refurbishment and upgrade to the Rig if such modifications is likely to have a material adverse impact on the value of the Rig.

13.7.6 *Notifications relating to the Rig*

The Issuer shall immediately notify the Bond Trustee of:

(a) any accident to the Rig involving repairs, the cost of which is likely to exceed USD 1,000,000;

(b) any contemplated major modifications, refurbishment and upgrade to the Rig;

(c) exercise or purported exercise of any capture, seizure, arrest or lien on any of the assets secured or purported to be secured by the Security Documents

(d) a Total Loss of the Rig, or any event that, by the passing of time or otherwise, is likely to result in a Total Loss;

(e) the occurrence of any material environmental claim against the Issuer or any Group Company or the Rig, or any incident, event or circumstances which may give rise to any material environmental claim;

(f) any capture, seizure, arrest, confiscation or detention of the Rig or the exercise or purported exercise of any lien on the Rig;

(g) any material disputes or threatened litigations under any contracts relating to the Rig;

(h) requirements and recommendations made by any insurer or classification society or by any competent authority which is not, or cannot be, complied with within applicable deadlines; and

(i) any defaults, notice of termination or material amendments of any drilling and charter arrangements, contemplated changes to the management, charterers, operators or areas of operation of any of the Rig, or contemplated entry into US waters or areas with similar or more adverse pollution regulations.

13.7.7 *Inspection*

Upon request of the Trustee, the Obligors shall arrange for the Trustee, and/or any persons appointed by the Trustee, to undertake a technical inspection of the Rig (no more than once annually unless an Event of Default has occurred and is continuing) without interference of the daily operation of the Rig and at the expense of the Issuer.

14. FEES AND EXPENSES

14.1 The Issuer shall cover all costs and expenses incurred by it or the Bond Trustee (and/or the Security Agent and/or the Security Trustee) in connection with this Bond Agreement and the fulfilment of its obligations under this Bond Agreement or any other Finance Document, including in connection with the negotiation, preparation, execution and enforcement of this Bond Agreement and the other Finance Documents and any registration or notifications relating thereto (including any stamp duty), the listing of the Bonds on an Exchange (if applicable), and the registration and administration of the Bonds in the Securities Depository. The Bond Trustee may withhold funds from any escrow account (or similar arrangement) or from other funds received from any Obligor or any other person, irrespective of such funds being subject to Security under a Finance Documents, to set-off and cover any such costs and expenses.

14.2 The fees, costs and expenses payable to the Bond Trustee (and/or the Security Agent and/or the Security Trustee) shall be paid by the Issuer and are set out in a separate agreement between the Issuer and the Bond Trustee (and/or the Security Agent and/or the Security Trustee).

14.3 Fees, costs and expenses payable to the Bond Trustee (or the Security Agent and/or the Security Trustee) which, due to the Issuer's insolvency or similar circumstances, are not reimbursed in any other way may be covered by making an equivalent reduction in the

proceeds to the Bondholders hereunder of any costs and expenses incurred by the Bond Trustee (or the Security Agent and/or the Security Trustee) in connection with the restructuring or default of the Bond Issue and the enforcement of any Finance Document.

14.4 Any public fees levied on the trade of Bonds in the secondary market shall be paid by the Bondholders, unless otherwise provided by law or regulation, and the Issuer is not responsible for reimbursing any such fees.

14.5 The Issuer is responsible for withholding any withholding tax imposed by applicable law on any payments to the Bondholders.

14.6 If the Issuer is required by law to withhold any withholding tax from any payment under any Finance Document:

(a) the amount of the payment due from the Issuer shall be increased to such amount which is necessary to ensure that the Bondholders receive a net amount which is (after making the required withholding) equal to the payment which would have been due if no withholding had been required; and

(b) the Issuer shall at the request of the Bond Trustee deliver to the Bond Trustee evidence that the required tax reduction or withholding has been made.

15. EVENTS OF DEFAULT

15.1 The Bond Trustee may declare the Bonds to be in default upon occurrence of any of the following events:

15.1.1 *Non-payment*

The Issuer fails to fulfil any payment obligation due under this Bond Agreement or any Finance Document when due, unless, in the opinion of the Bond Trustee, it is likely that such payment will be made in full within five Business Days following the original due date.

15.1.2 *Breach of other obligations*

Any Obligor does not comply with any provision pursuant to this Bond Agreement or any other Finance Document, unless, in the opinion of the Bond Trustee, such failure is capable of being remedied and is remedied within ten Business Days after notice thereof is given to the Issuer by the Bond Trustee.

15.1.3 *Cross default*

If for any Group Company:

(a) any Financial Indebtedness is not paid when due nor within any originally applicable grace period;

(b) any Financial Indebtedness is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described);

(c) any commitment for any Financial Indebtedness is cancelled or suspended by a creditor as a result of an event of default (however described); or

(d) any creditor becomes entitled to declare any Financial Indebtedness due and payable prior to its specified maturity as a result of an event of default (however described),

always provided that a threshold in the aggregate amount of Financial Indebtedness or commitment for Financial Indebtedness falling within paragraphs (a) to (d) above of a total of USD 2 million on an aggregated basis, or the equivalent thereof in other currencies, shall apply.

15.1.4 *Misrepresentations*

Any representation, warranty or statement (including statements in compliance certificates) made under this Bond Agreement or any other Finance Document or in connection therewith is or proves to have been incorrect, inaccurate or misleading in any material respect when made or deemed to have been made.

15.1.5 *Insolvency*

(a) An Obligor is unable or admits inability to pay its debts as they fall due or suspends making payments on any of its debts.

(b) The value of the assets of any Obligor is less than its liabilities (taking into account contingent and prospective liabilities).

15.1.6 *Insolvency proceedings and dissolution*

If for any Group Company, any corporate action, legal proceedings or other procedure step is taken in relation to:

(a) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) other than solvent liquidation or reorganization;

(b) a composition, compromise, assignment or arrangement with any creditor, having an adverse effect on the Issuer's ability to perform its payment obligations hereunder; or

(c) the appointment of a liquidator (other than in respect of a solvent liquidation), receiver, administrative receiver, administrator, compulsory manager or other similar officer of any of its assets;

or any analogous procedure or step is taken in any jurisdiction. This paragraph 15.1.6 shall not apply to any winding-up petition which is frivolous or vexatious and is discharged, stayed or dismissed within 14 days of commencement.

15.1.7 *Creditors' process*

Any Group Company having any of its assets impounded, confiscated, attached or subject to distraint, or is subject to enforcement of any Security over any of its assets, having an aggregate value as set out in clause 5.1.3 above.

15.1.8 *Impossibility or illegality*

It is or becomes impossible or unlawful for any Obligor to fulfil or perform any of the terms of any Finance Document to which it is a party.

15.1.9 *Material Adverse Change*

Any other event or circumstance occurs which, in the reasonable opinion of the Bond Trustee, after consultations with the Issuer, would have a Material Adverse Effect.

15.2 In the event that one or more of the circumstances mentioned in Clause 15.1 occurs and is continuing, the Bond Trustee can, in order to protect the interests of the Bondholders, declare the Outstanding Bonds including accrued interest, costs and expenses to be in default and due for immediate payment.

15.3 The Bond Trustee may at its discretion, take every measure necessary to recover the amounts due under the Outstanding Bonds, and all other amounts outstanding under this Bond Agreement and any other Finance Document, including any other contractual and non-contractual claims, that are derived therefrom or in connection therewith.

15.4 In the event that one or more of the circumstances mentioned in Clause 15.1 occurs and is continuing, the Bond Trustee shall declare the Outstanding Bonds including accrued interest, costs and expenses to be in default and due for immediate payment if:

(a) the Bond Trustee receives a demand in writing that a default shall be declared from Bondholders representing at least 1/5 of the Voting Bonds, and the Bondholders' Meeting has not decided on other solutions, or

(b) the Bondholders' Meeting has with simple majority decided to declare the Outstanding Bonds in default and due for payment.

In either case the Bond Trustee shall take every measure necessary to recover the amounts due under the Outstanding Bonds.

15.5 In the event that the Bond Trustee pursuant to the terms of Clauses 15.2 or 15.4 declares the Outstanding Bonds to be in default and due for payment, the Bond Trustee shall immediately deliver to the Issuer a notice demanding payment of interest and principal due to the Bondholders under the Outstanding Bonds including accrued interest and interest on overdue amounts and expenses. The claim derived from the Outstanding Bonds due for payment as a result of an Event of Default shall be calculated at the prices set out in Clause 10.2.

16. BONDHOLDERS' MEETING

16.1 Authority of the Bondholders' Meeting

16.1.1 The Bondholders' Meeting represents the supreme authority of the Bondholders community in all matters relating to the Bonds, and has the power to make all decisions altering the terms and conditions of the Bonds, including, but not limited to, any reduction of principal or interest and any conversion of the Bonds into other capital classes.

16.1.2 The Bondholders' Meeting cannot resolve that any overdue payment of any instalment shall be reduced unless there is a pro rata reduction of the principal that has not fallen due, but may resolve that accrued interest (whether overdue or not) shall be reduced without a corresponding reduction of principal.

16.1.3 If a resolution by or an approval of the Bondholders is required, such resolution shall be passed at a Bondholders' Meeting, see however Clause 17.1. Resolutions passed at Bondholders' Meetings shall be binding upon all Bondholders and prevail for all the Bonds.

16.2 Procedural rules for Bondholders' meetings

16.2.1 A Bondholders' Meeting shall be held at the written request of:

(a) the Issuer;

(b) Bondholders representing at least 1/10 of the Voting Bonds;

(c) the Exchange, if the Bonds are listed; or

(d) the Bond Trustee.

16.2.2 The Bondholders' Meeting shall be summoned by the Bond Trustee. A request for a Bondholders' Meeting shall be made in writing to the Bond Trustee, and shall clearly state the matters to be discussed.

16.2.3 If the Bond Trustee has not summoned a Bondholders' Meeting within ten Business Days after having received a valid request, then the requesting party may summons the Bondholders' Meeting itself.

16.2.4 The summons to a Bondholders' Meeting shall be dispatched no later than ten Business Days prior to the date of the Bondholders' Meeting. The summons and a confirmation of each Bondholder's holdings of Bonds shall be sent to all Bondholders registered in the Securities Depository at the time of distribution. The Exchange shall also be informed if the Bonds are listed.

16.2.5 The summons shall specify the agenda of the Bondholders' Meeting. The Bond Trustee may in the summons also set out other matters on the agenda than those requested. If amendments to this Bond Agreement have been proposed, the main content of the proposal shall be stated in the summons.

16.2.6 The Bond Trustee may restrict the Issuer from making any changes in the number of Voting Bonds in the period from distribution of the summons until the Bondholders' Meeting, by serving notice to it to such effect.

16.2.7 Matters that have not been reported to the Bondholders in accordance with the procedural rules for summoning of a Bondholders' Meeting may only be adopted with the approval of all Voting Bonds.

16.2.8 The Bondholders' Meeting shall be held on premises designated by the Bond Trustee. The Bondholders' Meeting shall be opened and shall, unless otherwise decided by the Bondholders' Meeting, be chaired by the Bond Trustee. If the Bond Trustee is not present, the Bondholders' Meeting shall be opened by a Bondholder, and be chaired by a representative elected by the Bondholders' Meeting.

16.2.9 Minutes of the Bondholders' Meeting shall be kept. The minutes shall state the numbers of Bondholders and Bonds represented at the Bondholders' Meeting, the resolutions passed at the meeting, and the result of the voting. The minutes shall be signed by the chairman and at least one other person elected by the Bondholders' Meeting. The minutes shall be deposited with the Bond Trustee and shall be available to the Bondholders.

16.2.10 The Bondholders, the Bond Trustee and – provided the Bonds are listed – representatives of the Exchange, have the right to attend the Bondholders' Meeting. The chairman may grant access to the meeting to other parties, unless the Bondholders' Meeting decides otherwise. Bondholders may attend by a representative holding proxy. Bondholders have the right to be assisted by an advisor. In case of dispute the chairman shall decide who may attend the Bondholders' Meeting and vote for the Bonds.

16.2.11 Representatives of the Issuer have the right to attend the Bondholders' Meeting. The Bondholders' Meeting may resolve that the Issuer's representatives may not participate in particular matters. The Issuer has the right to be present under the voting.

16.3 Resolutions passed at Bondholders' Meetings

16.3.1 At the Bondholders' Meeting each Bondholder may cast one vote for each Voting Bond owned at close of business on the day prior to the date of the Bondholders' Meeting in accordance with the records registered in the Securities Depository. The Bond Trustee may, at its sole discretion, accept other evidence of ownership. Whoever opens the Bondholders' Meeting shall adjudicate any question concerning which Bonds shall count as the Issuer's Bonds. The Issuer's Bonds shall not have any voting rights.

For this purpose, a Bondholder that has a Bond that is nominee registered shall be deemed as the Bondholder of such Bond (instead of the nominee) provided that the Bondholder presents relevant evidence stating that the relevant Bondholder is the Bondholder of the Bond and the amount of Bonds held by such Bondholder.

16.3.2 In all matters, the Issuer, the Bond Trustee and any Bondholder have the right to demand vote by ballot. In case of parity of votes, the chairman shall have the deciding vote, regardless of the chairman being a Bondholder or not.

16.3.3 In order to form a quorum, at least half (1/2) of the Voting Bonds must be represented at the meeting, see however Clause 16.4. Even if less than half (1/2) of the Voting Bonds are represented, the Bondholders' Meeting shall be held and voting completed.

16.3.4 Resolutions shall be passed by simple majority of the Voting Bonds represented at the Bondholders' Meeting, unless otherwise set out in Clause 16.3.5.

16.3.5 A majority of at least 2/3 of the Voting Bonds represented at the Bondholders' Meeting is required for any waiver or amendment of any terms of this Bond Agreement.

16.3.6 The Bondholders' Meeting may not adopt resolutions which may give certain Bondholders or others an unreasonable advantage at the expense of other Bondholders.

16.3.7 The Bond Trustee shall ensure that resolutions passed at the Bondholders' Meeting are properly implemented, however, the Bond Trustee may refuse to carry out resolutions being in conflict with this Bond Agreement (or any other Finance Document) or any applicable law.

16.3.8 The Issuer, the Bondholders and the Exchange shall be notified of resolutions passed at the Bondholders' Meeting.

16.4 Repeated Bondholders' Meeting

16.4.1 If the Bondholders' Meeting does not form a quorum pursuant to Clause 16.3.3, a repeated Bondholders' Meeting may be summoned to vote on the same matters. The attendance and the voting result of the first Bondholders' Meeting shall be specified in the summons for the repeated Bondholders' Meeting.

16.4.2 The procedures and resolutions as set out in 16.2 and 16.3 above also apply for a repeated Bondholders' meeting, however, a valid resolution may be passed at a repeated Bondholders' Meeting even though less than half (1/2) of the Voting Bonds are represented.

17. THE BOND TRUSTEE

17.1 The role and authority of the Bond Trustee

17.1.1 The Bond Trustee shall monitor the compliance by the Issuer of its obligations under this Bond Agreement and applicable laws and regulations which are relevant to the terms of this Bond Agreement, including supervision of timely and correct payment of principal or interest, (however, this shall not restrict the Bond Trustee from discussing matters of confidentiality with the Issuer), arrange Bondholders' Meetings, and make the decisions and implement the measures resolved pursuant to this Bond Agreement. The Bond Trustee is not obligated to assess the Issuer's financial situation beyond what is directly set out in this Bond Agreement.

17.1.2 The Bond Trustee may take any step it in its sole discretion considers necessary or advisable to ensure the rights of the Bondholders in all matters pursuant to the terms of this Bond Agreement and is entitled to rely on advice from professional advisors. The Bond Trustee may in its sole discretion postpone taking action until such matter has been put forward to the Bondholders' Meeting. The Bond Trustee is not obliged to take any steps to ascertain whether any Event of Default has occurred and until it has actual knowledge or express notice to the contrary the Bond Trustee is entitled to assume that no Event of Default has occurred.

17.1.3 The Bond Trustee may make decisions binding for all Bondholders concerning this Bond Agreement, including amendments to this Bond Agreement and waivers or modifications of certain provisions, which in the opinion of the Bond Trustee, do not materially and adversely affect the rights or interests of the Bondholders pursuant to this Bond Agreement.

17.1.4 The Bond Trustee may reach decisions binding for all Bondholders in circumstances other than those mentioned in Clause 17.1.3 provided that prior notification has been made to the Bondholders. Such notice shall contain a proposal of the amendment and the Bond Trustee's evaluation. Further, such notification shall state that the Bond Trustee may not reach a decision binding for all Bondholders in the event that any Bondholder submits a written protest against the proposal within a deadline set by the Bond Trustee. Such deadline may not be less than five Business Days following the dispatch of such notification.

17.1.5 The Bond Trustee may reach other decisions than set out in Clauses 17.1.3 or 17.1.4 to amend or rectify decisions which due to spelling errors, calculation mistakes, misunderstandings or other obvious errors do not have the intended meaning.

17.1.6 The Bond Trustee may not adopt resolutions which may give certain Bondholders or others an unreasonable advantage at the expense of other Bondholders.

17.1.7 The Issuer, the Bondholders and the Exchange shall be notified of decisions made by the Bond Trustee pursuant to Clause 17.1 unless such notice obviously is unnecessary.

17.1.8 The Bondholders' Meeting can decide to replace the Bond Trustee without the Issuer's approval, as provided for in Clause 16.3.5.

17.1.9 The Bond Trustee may act as bond trustee and/or security agent and/or security trustee for several bond issues relating to the Issuer notwithstanding potential conflicts of interest. The Bond Trustee may delegate exercise of its powers to other professional parties.

17.1.10 The Bond Trustee may instruct the Paying Agent to split the Bonds to a lower denomination in order to facilitate partial redemptions or restructuring of the Bonds or other situations.

17.2 Liability and indemnity

17.2.1 The Bond Trustee is liable only for direct losses incurred by Bondholders or the Issuer as a result of gross negligence or wilful misconduct by the Bond Trustee in performing its functions and duties as set out in this Bond Agreement. Such liability is limited to the maximum amount set out in Clause 2.2. The Bond Trustee is not liable for the content of information provided to the Bondholders on behalf of the Issuer.

17.2.2 The Issuer is liable for, and shall indemnify the Bond Trustee fully in respect of, all losses, expenses and liabilities incurred by the Bond Trustee as a result of negligence by the Issuer (including its directors, management, officers, employees, agents and representatives) to fulfil its obligations under the terms of this Bond Agreement and any other Finance Document, including losses incurred by the Bond Trustee as a result of the Bond Trustee's actions based on misrepresentations made by the Issuer in connection with the establishment and performance of this Bond Agreement and any other Finance Document.

17.2.3 The Bond Trustee can as a condition for carrying out an instruction from the Bondholders (including, but not limited to, instructions set out in Clause 0 or 16.2.1 (b), require satisfactory security and indemnities for any possible liability and anticipated costs and expenses, from those Bondholders who requested that instruction and/or those who voted in favour of the decision to instruct the Bond Trustee. Any instructions from the Bondholders may be put forward to the Bondholders' Meeting by the Bond Trustee before the Bond Trustee takes any action.

17.3 Change of Bond Trustee

17.3.1 Change of Bond Trustee shall be carried out pursuant to the procedures set out in Clause 16. The Bond Trustee shall continue to carry out its duties as bond trustee until such time that a new Bond Trustee is elected.

17.3.2 The fees and expenses of a new bond trustee shall be covered by the Issuer pursuant to the terms set out in Clause 14, but may be recovered wholly or partially from the Bond Trustee if the change is due to a breach by the Bond Trustee of its duties pursuant to the terms of this Bond Agreement or other circumstances for which the Bond Trustee is liable.

17.3.3 The Bond Trustee undertakes to co-operate so that the new bond trustee receives without undue delay following the Bondholders' Meeting the documentation and information necessary to perform the functions as set out under the terms of this Bond Agreement.

17.4 Appointment of Security Agent and Security Trustee

17.4.1 The Bond Trustee is appointed to act as Security Agent and Security Trustee for the Bond Issue.

The main functions of the Security Agent and the Security Trustee may include holding Security on behalf of the Bondholders and monitoring compliance by the Issuer and other relevant parties of their respective obligations under this Bond Agreement and/or the Security Documents with respect to the Security.

Before the appointment of a Security Agent and Security Trustee other than the Bond Trustee, the Issuer shall be given the opportunity to state its views on the proposed

Security Agent and Security Trustee, but the final decision as to appointment shall lie exclusively with the Bond Trustee.

17.4.2 The functions, rights and obligations of the Security Agent may be determined by a Security Agent agreement to be entered into between the Bond Trustee and the Security Agent, which the Bond Trustee shall have the right to require each Obligor and any other parties to any Security Document to sign as a party, or, at the discretion of the Bond Trustee, to acknowledge. The Bond Trustee shall at all times retain the right to instruct the Security Agent in all matters.

Any changes to this Bond Agreement necessary or appropriate in connection with the appointment of a Security Agent shall be documented in an amendment to this Bond Agreement, signed by the Bond Trustee.

17.4.3 If so desired by the Bond Trustee, any or all of the Security Documents shall be amended, assigned or re-issued, so that the Security Agent and Security Trustee is the holder of the relevant Security (on behalf of the Bondholders). The costs incurred in connection with such amendment, assignment or re-issue shall be for the account of the Issuer.

18. MISCELLANEOUS

18.1 The community of Bondholders

By virtue of holding Bonds, which are governed by this Bond Agreement (which pursuant to Clause 2.1.1 is binding upon all Bondholders), a community exists between the Bondholders, implying, inter alia, that:

(a) the Bondholders are bound by the terms of this Bond Agreement;

(b) the Bond Trustee has power and authority to act on behalf of, and/or represent; the Bondholders, in all matters, included but not limited to taking any legal or other action, including enforcement of the Bond Issue and/or any Security, opening of bankruptcy or other insolvency proceedings;

(c) the Bond Trustee has, in order to manage the terms of this Bond Agreement, access to the Securities Depository to review ownership of Bonds registered in the Securities Depository; and

(d) this Bond Agreement establishes a community between Bondholders meaning that:

(i) the Bonds rank *pari passu* between each other;

(ii) the Bondholders may not, based on this Bond Agreement, act directly towards, and may not themselves institute legal proceedings against, the Issuer, Guarantors or any other third party based on claims derived from the Finance Documents, including but not limited to recover the Bonds, enforcing any Security Interest or pursuing claims against any party as a substitute for damages to the interests under the Finance Documents, regardless of claims being pursued on a contractual or non-contractual basis, however not restricting the Bondholders to exercise their individual rights derived from this Bond Agreement;

(iii) the Issuer may not, based on this Bond Agreement, act directly towards the Bondholders;

(iv) the Bondholders may not cancel the Bondholders' community; and

(v) the individual Bondholder may not resign from the Bondholders' community.

18.2 Bond Defeasance

18.2.1 The Issuer may, at its option and at any time, elect to have certain obligations discharged (see Clause 18.2.2) upon complying with the following conditions (the "**Bond Defeasance**"):

(a) the Issuer shall have irrevocably pledged to the Bond Trustee for the benefit of the Bondholders cash or government bonds accepted by the Bond Trustee, or other security accepted by the Bond Trustee, (the "**Defeasance Security**") in such amounts as will be sufficient for the payment of principal (including if applicable premium payable upon exercise of a Call Option) and interest on the Outstanding Bonds to Maturity Date (or upon an exercise of a Call Option plus applicable premium) or any other amount agreed between the Parties;

(b) the Issuer shall have delivered to the Bond Trustee a duly signed certificate that the Defeasance Security was not made by the Issuer with the intent of preferring the Bondholders over any other creditors of the Issuer or with the intent of defeating, hindering, delaying or defrauding any other creditors of the Issuer or others; and

(c) the Issuer shall have delivered to the Bond Trustee any certificate or legal opinion reasonably required by the Bond Trustee regarding the Bond Defeasance including any statements regarding the perfection and enforceability, rights against other creditors (including any hardening period) and other issues regarding the Defeasance Security.

18.2.2 Upon the exercise by the Issuer of the Bond Defeasance:

(a) all Obligors shall be released from the obligations under all provisions in Clause 13, except Clauses 13.2.1 (a), (e), (h) (i) and (j)o, or as otherwise agreed;

(b) the Issuer shall not (and shall ensure that all Group Companies shall not) take any actions that may cause the value of the Defeasance Security to be reduced, and shall at the request of the Bond Trustee execute, such further actions as the Bond Trustee may reasonably require;

(c) any Guarantor(s) shall be discharged from their obligations under the Guarantee(s), and the Guarantee(s) shall cease to have any legal effect, or as otherwise agreed;

(d) any Security other than the Defeasance Security shall be discharged; and

(e) all other provisions of this Bond Agreement (except (a) – (d) above) shall remain fully in force without any modifications, or as otherwise agreed.

18.2.3 All amounts owed by the Issuer hereunder covered by the Defeasance Security shall be applied by the Bond Trustee, in accordance with the provisions of this Bond Agreement, against payment to the Bondholders of all sums due to them under this Bond Agreement on the due date thereof.

Any excess funds not required for the payment of principal, premium and interest to the Bondholders (including any expenses, fees etc. due to the Bond Trustee hereunder) shall be returned to the Issuer.

18.2.4 if the Bonds are secured, the Defeasance Security shall be considered as a replacement of the Security established prior to the Defeasance Security.

18.3 Limitation of claims

All claims under the Bonds and this Bond Agreement for payment, including interest and principal, shall be subject to the time-bar provisions of the Norwegian Limitation Act of May 18, 1979 No. 18.

18.4 Access to information

18.4.1 This Bond Agreement is available to anyone and copies may be obtained from the Bond Trustee or the Issuer. The Bond Trustee shall not have any obligation to distribute any other information to the Bondholders or others than explicitly stated in this Bond Agreement. The Issuer shall ensure that a copy of this Bond Agreement is available to the general public until all the Bonds have been fully discharged.

18.4.2 The Bond Trustee shall, in order to carry out its functions and obligations under this Bond Agreement, have access to the Securities Depository for the purposes of reviewing ownership of the Bonds registered in the Securities Depository.

18.5 Amendments

All amendments of this Bond Agreement shall be made in writing, and shall unless otherwise provided for by this Bond Agreement, only be made with the approval of all parties hereto.

18.6 Notices, contact information

18.6.1 Written notices, warnings, summons etc to the Bondholders made by the Bond Trustee shall be sent via the Securities Depository with a copy to the Issuer and the Exchange. Information to the Bondholders may also be published at Stamdata only. Any such notice or communication shall be deemed to be given or made as follows:

(a) if by letter via the Securities Depository, when sent from the Securities Depository; and

(b) if by publication on Stamdata, when publicly available.

18.6.2 The Issuer's written notifications to the Bondholders shall be sent via the Bond Trustee, alternatively through the Securities Depository with a copy to the Bond Trustee and the Exchange.

18.6.3 Unless otherwise specifically provided, all notices or other communications under or in connection with this Bond Agreement between the Bond Trustee and any Obligor shall be given or made in writing, by letter, e-mail or fax. Any such notice or communication shall be deemed to be given or made as follows:

(a) if by letter, when delivered at the address of the relevant Party;

(b) if by e-mail, when received; and

(c) if by fax, when received.

18.6.4 The Issuer and the Bond Trustee shall ensure that the other party is kept informed of changes in postal address, e-mail address, telephone and fax numbers and contact persons.

18.6.5 When determining deadlines set out in this Bond Agreement, the following shall apply (unless otherwise stated):

(a) If the deadline is set out in days, the first day when the deadline is in force shall not be inclusive, however, the meeting day or the occurrence the deadline relates to, shall be included.

(b) If the deadline is set out in weeks, months or years, the deadline shall end on the day in the last week or the last month which, according to its name or number, corresponds to the first day the deadline is in force. If such day is not a part of an actual month, the deadline shall be the last day of such month.

(c) If a deadline ends on a day which is not a Business Day, the deadline is postponed to the next Business Date.

18.7 Dispute resolution and legal venue

18.7.1 This Bond Agreement and all disputes arising out of, or in connection with this Bond Agreement between the Bond Trustee, the Bondholders and any Obligor, shall be governed by Norwegian law.

18.7.2 All disputes arising out of, or in connection with this Bond Agreement between the Bond Trustee, the Bondholders and any Obligor, shall, subject to paragraph c) below, be exclusively resolved by the courts of Norway, with the District Court of Oslo as sole legal venue.

18.7.3 Clause 18.7.2 is for the benefit of the Bond Trustee only. As a result, the Bond Trustee shall not be prevented from taking proceedings relating to a dispute in any other courts with jurisdiction. To the extent allowed by law, the Bond Trustee may take concurrent proceedings in any number of jurisdictions.

18.8 Process Agent

The Issuer and each of the Guarantors hereby nominate, and undertakes to maintain for as long as any amount is outstanding under the Bond, Awilhelmsen Management AS as their agent for service of process in Norway for the purpose of serving a writ of summons and/or any other act of process in respect of the courts in Norway, including but not limited to receipt of notices (in Norwegian: *motta varsler*) and acceptance of service of process (in Norwegian: *vedta forkynnelse*) or any notices as set out in this Bond Agreement and/or any of the other Finance Documents.

This Bond Agreement has been executed in two originals, of which the Issuer and the Bond Trustee retain one each.

[Signatures on next page]

Execution version

Norsk Tillitsmann ASA
as Bond Trustee

.....
By: SVEINUNG SVEIRE
Position:

Awilco Drilling Plc
as Issuer

.....
By:
Position:

WilPhoenix (Malta) Limited
as Guarantor

.....
By:
Position:

WilPhoenix (UK) Limited
as Guarantor

.....
By:
Position:

Signed, Sealed and Delivered as a Deed by

.....

as attorney-in-fact for and on behalf of
Awilco Drilling Pte. Ltd. as Guarantor

in the presence of:

_____
Witness
Name:

Execution version

Norsk Tillitsmann ASA
as Bond Trustee

.....
By:
Position:

Awilco Drilling Plc
as Issuer

.....
By: ERIC JACOBS
Position: ATTORNEY-IN-FACT

WilPhoenix (Malta) Limited
as Guarantor

.....
By: ERIC JACOBS
Position: ATTORNEY-IN-FACT

WilPhoenix (UK) Limited
as Guarantor

.....
By: ERIC JACOBS
Position: ATTORNEY-IN-FACT

Signed, Sealed and Delivered as a Deed by

.....
ERIC JACOBS
as attorney-in-fact for and on behalf of
Awilco Drilling Pte. Ltd. as Guarantor

in the presence of:

Witness
Name: TOM FURULUND

TOM FURULUND
ATTORNEY AT LAW
BEDDINGEN 8, AKER BRYGGE
0250 OSLO - NORWAY

Attachment 1

COMPLIANCE CERTIFICATE

Norsk Tillitsmann ASA
P.O. Box 1470 Vika
N-0116 Oslo
Norway

Fax: + 47 22 87 94 10
E-mail: mail@trustee.no

[date]

Dear Sirs,
AWILCO DRILLING PLC BOND AGREEMENT 2014/2019 – ISIN 001 070928.0
We refer to the Bond Agreement for the abovementioned Bond Issue made between, *inter alia*, Norsk Tillitsmann ASA as Bond Trustee on behalf of the Bondholders, and the undersigned as Issuer under which a Compliance Certificate shall be issued. This letter constitutes the Compliance Certificate for the period [PERIOD].

Capitalised terms used herein shall have the same meaning as in this Bond Agreement.

With reference to Clause 13.2.2 we hereby certify that:

1. all information contained herein is true and accurate and there has been no change which would have a Material Adverse Effect on the financial condition of the Issuer since the date of the last accounts or the last Compliance Certificate submitted to you.

2. the covenants set out in Clause 13 are satisfied;

3. all relevant Security is established in accordance with this Bond Agreement,

4. In accordance with Clause 13.5.1 the Liquidity as of [date] is XX

5. in accordance with Clause 13.5.2, the Equity Ratio as of [date] is XX

6. the value of the Rig as of [date] is XX, see enclosed statement from XX

Copies of our latest consolidated [Financial Statements] / [Interim Accounts] are enclosed.

Yours faithfully,
on behalf of Awilco Drilling Plc

_____
Name of authorized person

Enclosure: [copy of any written documentation]

Attachment 2

RELEASE NOTICE – ESCROW ACCOUNT

Norsk Tillitsmann ASA
P.O. Box 1470 Vika
N-0116 Oslo
Norway

Fax: + 47 22 87 94 10
E-mail: mail@trustee.no

[date]

Dear Sirs,

AWILCO DRILLING PLC BOND AGREEMENT 2014/2019 – ISIN 001 070928.0

We refer to the Bond Agreement for the abovementioned Bond Issue made between, *inter alia*, Norsk Tillitsmann ASA as Bond Trustee on behalf of the Bondholders, and the undersigned as Issuer.

Capitalised terms used herein as defined in this Bond Agreement.

We hereby give you notice that we on [*date*] wish to draw an amount of USD [*amount*] from the Escrow Account applied pursuant to the purpose set out in the Bond Agreement, and request you to instruct the bank to release the above mentioned amount.

We hereby represent and warrant that (i) no event which constitutes an Event of Default has occurred or is likely to occur, and (ii) we repeat the representations and warranties set out in the Bond Agreement as being still true and accurate at the time hereof.

Yours faithfully,

On behalf of Awilco Drilling Plc

_____
Name of authorized person

Enclosure: [copy of any written documentation evidencing the use of funds]

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF WILPHOENIX (MALTA) LIMITED

We have audited the financial statements of WilPhoenix (Malta) Limited ("the Company") set out on pages 9 to 26 which comprise the statement of financial position as at 31 December 2012 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Directors' Responsibility for the Financial Statements

As described in the statement of directors' responsibilities on page 5, the directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and the requirements of the Companies Act, Cap. 386 of the Laws of Malta and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate for the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements:

- give a true and fair view of the financial position of the Company as at 31 December 2012, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union; and
- have been properly prepared in accordance with the requirements of the Companies Act, Cap. 386 of the Laws of Malta.

A member firm of Ernst & Young Global Limited
Registered in Malta No: C30252
Registered Address: 4th Floor, Regional Business Centre, Achille Ferris Street, Msida MSD 1751, Malta

EY
Building a better working world

Ernst & Young Malta Limited
Regional Business Centre
Achille Ferris Street
Msida MSD 1751, Malta

Tel: +356 2134 2134
Fax: +356 2133 0280
ey.malta@mt.ey.com
ey.com

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF WILPHOENIX (MALTA) LIMITED

We have audited the financial statements of WilPhoenix (Malta) Limited ("the Company") set out on pages 9 to 26 which comprise the statement of financial position as at 31 December 2012 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Directors' Responsibility for the Financial Statements

As described in the statement of directors' responsibilities on page 5, the directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and the requirements of the Companies Act, Cap. 386 of the Laws of Malta and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate for the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements:

- give a true and fair view of the financial position of the Company as at 31 December 2012, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union; and
- have been properly prepared in accordance with the requirements of the Companies Act, Cap. 386 of the Laws of Malta.

7

A member firm of Ernst & Young Global Limited
Registered in Malta No: C30252

Building a better working world

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF WILPHOENIX (MALTA) LIMITED - continued

Report on other Legal and Regulatory Requirements

We also have responsibilities under the Companies Act, Cap. 386 of the Laws of Malta to report to you if in our opinion:

- The information given in the directors' report is not consistent with the financial statements.
- Adequate accounting records have not been kept.
- The financial statements are not in agreement with the accounting records.
- We have not received all the information and explanations we require for our audit.
- If certain disclosures of directors' remuneration specified by law are not made in the financial statements, giving the required particulars in our report.

We have nothing to report to you in respect of these responsibilities.

This copy of the audit report has been signed by Christopher Balzan for and on behalf of

Ernst & Young Malta Limited
Certified Public Accountants

18 September 2013

A member firm of Ernst & Young Global Limited
Registered in Malta No C30252

WilPhoenix (Malta) Ltd

Statement of comprehensive income	**2013**	**2012**	**2011**
(In USD 000's)	**Unaudited**	**Audited**	**Audited**
	IFRS	**IFRS**	**IFRS**
Revenue	71,976	32,534	18,732
Cost of sales	(9,688)	(9,609)	(7,501)
Gross profit	**62,288**	**22,925**	**11,231**
General and administrative expenses	(1,208)	(628)	(233)
Operating profit	**61,080**	**22,297**	**10,998**
Finance expense	(5,860)	(7,902)	(8,303)
Other financial items	148	-	-
Profit before taxation	**55,368**	**14,395**	**2,695**
Tax expense	(19,379)	(5,038)	(943)
Net profit	**35,989**	**9,357**	**1,752**
Other comprehensive income	-	-	-
Total comprehensive income	**35,989**	**9,357**	**1,752**

*NOTE THE 2011 NUMBERS ARE FOR THE PERIOD 30.12.10 TO 31.12.11

Balance sheet	**2013**	**2012**	**2011**
(In USD 000's)	**Unaudited**	**Audited**	**Audited**
	IFRS	**IFRS**	**IFRS**
Assets			
Property, plant and equipment	140,325	148,744	156,907
Total non-current assets	**140,325**	**148,744**	**156,907**
Cash and cash equivalents	8	-	2
Trade and other receivables	5	6	-
Amounts due from affiliates	101,608	30,786	-
Total current assets	**101,621**	**30,792**	**2**
Total assets	**241,946**	**179,536**	**156,909**
Equity and liabilities			
Equity			
Paid in capital	2	2	2
Retained earnings	16,020	11,109	1,752
Total equity	**16,022**	**11,111**	**1,754**
Liabilities			
Deferred tax liabilities	3,787	4,516	943
Loans and borrowings	56,375	61,875	67,375
Non-current liabilities	**60,162**	**66,391**	**68,318**
Trade and other payables	1,258	1,404	5,591
Amounts due to affiliates	95,349	48,833	7,581
Current tax payable	21,573	1,465	-
Loans and borrowings	47,582	50,332	73,665
Total current liabilities	**165,762**	**102,034**	**86,837**
Total liabilities	**225,924**	**168,425**	**155,155**
Total equity and liabilities	**241,946**	**179,536**	**156,909**
Equity/Assets ratio (unaudited)			

TUSD	Share capital	Share premium	Retained earnings	Total equity
At 1 January 2012	2	-	1,752	2
Total comprehensive profit for year	-	-	9,357	9,357
Balance at 31 December 2012	**2**	**-**	**11,109**	**11,111**
Total comprehensive profit for year	-	-	35,989	35,989
Dividends paid	-	-	(31,077)	(31,077)
Balance at 31 December 2013	**2**	**-**	**16,020**	**16,022**

TUSD	Share capital	Share premium	Retained earnings	Total equity
At 1 January 2011	2	-	-	2
Total comprehensive profit for year	-	-	1,752	1,752
Balance at 31 December 2012	**2**	**-**	**1,752**	**1,754**

Statement of cash flow	**2013**	**2012**	**2011**
(In USD)	**Unaudited**	**Audited**	**Audited**
	IFRS	**IFRS**	**IFRS**
Operating activities			
Profit before tax	55,368	14,395	2,695
Non-cash adjustments to reconcile profit before tax to net cash flows:			
Depreciation	9,688	9,609	7,501
Net interest	5,860	7,902	8,303
Working capital adjustments:			
Decrease/(increase) in trade and other receivables	1	(6)	-
(Increase) in prepayments and accrued revenue	-	-	-
Increase in trade and other payables	(19)	6	18
Interest paid	(5,987)	(12,095)	(4,474)
Interest received		-	-
Net cash flow from operating activities	**64,911**	**19,811**	**14,043**
Cash flows from investing activities			
Purchase of property, plant and equipment	(1,270)	(1,446)	(37,582)
Net cash flow used in investing activities	**(1,270)**	**(1,446)**	**(37,582)**
Cash flows from financing activities			
Issue of Shares	-	-	2
Payment of dividends	(31,077)	-	-
Issue of loans	-	-	22,000
Repayment of loans	(8,250)	(28,833)	(6,042)
Cash advanced from related parties	48,021	43,666	28,388
Cash advanced to related parties	(72,327)	(33,200)	(20,807)
Net cash flow used in financing activities	**(63,633)**	**(18,367)**	**23,541**
Net increase/(decrease) in cash and cash equivalents	**8**	**(2)**	**2**
Cash and cash equivalents at start of the period	-	2	-
Cash and cash equivalents at end of the period	**8**	**-**	**2**

Independent auditors' report

to the members of WilPhoenix (UK) Limited

We have audited the financial statements of WilPhoenix (UK) Limited for the year ended 31 December 2012 which comprise statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and the related notes 1 to 18. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and, as regards the company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the statement of directors' responsibilities set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the report and financial Statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion:

- The financial statements give a true and fair view of the state of the company's affairs as at 31 December 2012 and of the company's profit for the year then ended;
- the financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- the financial statements have been prepared in accordance with the provisions of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements.

Independent auditors' report

to the members of WilPhoenix (UK) Limited

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Kevin Weston

Kevin Weston (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor

Aberdeen

8 August 2013

WilPhoenix (UK) Ltd

Statement of comprehensive income	**2013**	**2012**	**2011**
(In USD 000's)	**Unaudited**	**Audited**	**Audited**
	IFRS	**IFRS**	**IFRS**
Revenue	116,003	86,753	37,264
Cost of sales	(101,741)	(59,294)	(39,986)
Gross profit	**14,262**	**27,459**	**(2,722)**
General and administrative expenses	(7,535)	(3,704)	(2,151)
Provision for doubtful debt	-	(4,604)	-
Operating profit	**6,727**	**19,151**	**(4,873)**
Dividend income	15	-	-
Finance income			4
Finance expense			(600)
Gain on disposal of property, plant & equipment			6,802
Foreign exchange gain/(loss) net	11	41	(529)
Profit before taxation	**6,753**	**19,192**	**804**
Tax expense	(1,669)	(2,312)	1,718
Net profit	**5,084**	**16,880**	**2,522**
Other comprehensive income	-	-	-
Total comprehensive income	**5,084**	**16,880**	**2,522**

*NOTE THE 2011 NUMBERS ARE FOR THE PERIOD 30.12.10 TO 31.12.11

Balance sheet	**2013**	**2012**	**2011**
(In USD 000's)	**Unaudited**	**Audited**	**Audited**
	IFRS	**IFRS**	**IFRS**
Assets			
Property, plant and equipment	7,083	2,142	501
Total non-current assets	**7,083**	**2,142**	**501**
Inventory	2,576	2,576	2,576
Trade and other receivables	117,415	50,312	48,931
Total current assets	**119,991**	**52,888**	**51,507**
Total assets	**127,074**	**55,030**	**52,009**
Equity and liabilities			
Equity			
Paid in capital	100	100	100
Retained earnings	100	16	(16,864)
Total equity	**200**	**116**	**(16,764)**
Liabilities			
Trade and other payables	3,570	1,645	991
Current tax payable	1,651	2,312	1,439
Withholding tax payable	-	-	1,368
Loans and borrowings	121,653	50,957	64,975
Total current liabilities	**126,874**	**54,914**	**68,773**
Total liabilities	**126,874**	**54,914**	**68,773**
Total equity and liabilities	**127,074**	**55,030**	**52,009**
Equity/Assets ratio (unaudited)	-	-	-

TUSD	Share capital	Share premium	Retained earnings	Total equity
At 1 January 2012	100	-	(16,864)	(16,764)
Total comprehensive profit for year	-	-	16,880	16,880
Balance at 31 December 2012	**100**	**-**	**16**	**116**
Total comprehensive profit for year	-	-	5,084	5,084
Dividends paid	-	-	(5,000)	(5,000)
Balance at 31 December 2013	**100**	**-**	**100**	**200**

TUSD	Share capital	Share premium	Retained earnings	Total equity
At 1 January 2011	100	-	(19,386)	(19,286)
Total comprehensive profit for the year	-	-	2,522	2,522
Balance at 31 December 2012	**100**	**-**	**(16,864)**	**(16,764)**

Statement of cash flow *(In USD)*	**2013 Unaudited IFRS**	**2012 Audited IFRS**	**2011 Audited IFRS**
Operating activities			
Profit before tax	6,753	19,192	804
Non-cash adjustments to reconcile profit before tax to net cash flows:			
Gain on disposal of property, plant and equipment			(6,802)
Depreciation	-	-	544
Net interest	-	-	596
Working capital adjustments:			
Decrease/(increase) in trade and other receivables	(7,272)	(3,079)	(6,182)
(Increase) in prepayments and accrued revenue	(6,029)	1,706	-
Increase/(decrease) in trade and other payables	11,548	(16,451)	8,990
Increase in inventory	-	-	(715)
Interest paid	-	(1,368)	(1,055)
Interest received	-	-	4
Net cash flow from operating activities	**5,000**	**-**	**(3,816)**
Cash flows from investing activities			
Purchase of property, plant and equipment	-	-	(175)
Gain on disposal of property, plant and equipment	-	-	-
Net cash flow used in investing activities	**-**	**-**	**(175)**
Cash flows from financing activities			
Payment of dividends	(5,000)	-	-
Issue of loans	-	-	-
Repayment of loans	-		
Net cash flow used in financing activities	**(5,000)**	**-**	**-**
Net increase/(decrease) in cash and cash equivalents	**-**	**-**	**(3,991)**
Cash and cash equivalents at start of the period	-	-	3,991
Cash and cash equivalents at end of the period	**-**	**-**	**-**

Awilco Drilling Pte Ltd

Independent Auditor's Report
For the financial year ended 31 December 2012

Independent Auditor's Report to the Member of Awilco Drilling Pte Ltd

Report on the Financial Statements

We have audited the accompanying financial statements of Awilco Drilling Pte Ltd (the "Company") which comprise the balance sheet as at 31 December 2012, and the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Awilco Drilling Pte Ltd

Independent Auditor's Report
For the financial year ended 31 December 2012

Independent Auditor's Report to the Member of Awilco Drilling Pte Ltd

Opinion

In our opinion, the financial statements are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Company as at 31 December 2012 and of the results, changes in equity and cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

Ernst & Young LLP

Ernst & Young LLP

Public Accountants and
Certified Public Accountants

Singapore
20 June 2013

Independent Auditor's Report to the Member of Awilco Drilling Pte. Ltd.

Report on the Financial Statements

We have audited the accompanying financial statements of Awilco Drilling Pte. Ltd. (the "Company") which comprise the balance sheet as at 31 December 2013, and the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Awilco Drilling Pte. Ltd.

Independent Auditor's Report
For the financial year ended 31 December 2013

Independent Auditor's Report to the Member of Awilco Drilling Pte. Ltd.

Opinion

In our opinion, the financial statements are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Company as at 31 December 2013 and of the results, changes in equity and cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

Ernst & Young LLP

Public Accountants and
Chartered Accountants

Singapore
13 June 2014

Awilco Drilling PTE Ltd

Statement of comprehensive income	**2013**	**2012**	**2011**
(In USD 000's)	**Audited**	**Audited**	**Audited**
	IFRS	**IFRS**	**IFRS**
Revenue	25,659	23,843	15,016
Cost of sales	(24,207)	(22,494)	(14,202)
Gross profit	**1,452**	**1,349**	**814**
General and administrative expenses	(1,163)	(1,029)	(652)
Operating profit	**289**	**320**	**162**
Finance expense	-	-	(6)
Foreign exchange gain/(loss) net	21	31	(48)
Profit before taxation	**310**	**351**	**108**
Tax expense	(32)	(64)	(9)
Net profit	**278**	**287**	**99**
Other comprehensive income	-	-	-
Total comprehensive income	**278**	**287**	**99**

Balance sheet	**2013**	**2012**	**2011**
(In USD 000's)	**Audited**	**Audited**	**Audited**
	IFRS	**IFRS**	**IFRS**
Assets			
Property, plant and equipment	-	-	-
Total non-current assets	**-**	**-**	**-**
Cash and cash equivalents	95	102	576
Trade and other receivables	1	2	-
Amounts due from affiliates	5,390	3,782	336
Total current assets	**5,486**	**3,886**	**912**
Total assets	**5,486**	**3,886**	**912**
Equity and liabilities			
Equity			
Paid in capital	- *	- *	- *
Retained earnings	664	386	99
Total equity	**664**	**386**	**99**
Liabilities			
Trade and other payables	1,322	1,165	804
Amounts due to affiliates	3,468	2,297	-
Current tax payable	32	38	9
Total current liabilities	**4,822**	**3,500**	**813**
Total liabilities	**4,822**	**3,500**	**813**
Total equity and liabilities	**5,486**	**3,886**	**912**
Equity/Assets ratio (unaudited)	0.12	0.10	0.10

**The issued and paid up share capital is US$1.*

TUSD	Share capital	Share premium	Retained earnings	Total equity
At 1 January 2012	- *	-	99	99
Total comprehensive profit for year	-	-	287	287
Balance at 31 December 2012	**-**	**-**	**386**	**386**
Total comprehensive profit for year	-	-	278	278
Balance at 31 December 2013	**-**	**-**	**664**	**664**

TUSD	Share capital	Share premium	Retained earnings	Total equity
At date of incorporation	- *	-	-	-
Total comprehensive profit for period	-	-	99	99
Balance at 31 December 2011	**-**	**-**	**99**	**99**

**The issued and paid up share capital is US$1.*

Statement of cash flow *(In USD)*	**2013 Audited IFRS**	**2012 Audited IFRS**	**2011 Audited IFRS**
Operating activities			
Profit before tax	310	351	108
Non-cash adjustments to reconcile profit before tax to net cash flows:			
Depreciation	-	-	-
Net interest	-	-	-
Working capital adjustments:			
Decrease/(increase) in trade and other receivables	(1,608)	(3,446)	(366)
(Increase) in prepayments and accrued revenue	1	(2)	-
Increase in trade and other payables	1,328	2,658	804
Tax paid	(38)	(35)	-
Net cash flow from operating activities	**(7)**	**(474)**	**576**
Cash flows from investing activities			
Purchase of property, plant and equipment	-	-	-
Net cash flow used in investing activities	**-**	**-**	**-**
Cash flows from financing activities			
Payment of dividends	-	-	-
Proceeds from issuance of shares at date of incorporation	-	-	*
Issue of loans	-	-	-
Repayment of loans	-	-	-
Net cash flow used in financing activities	**-**	**-**	**-**
Net increase/(decrease) in cash and cash equivalents	**(7)**	**(474)**	**(474)**
Cash and cash equivalents at start of the period	102	576	576
Cash and cash equivalents at end of the period	**95**	**102**	**102**

**The issued and paid up share capital is US$1.*

The Company
Awilco Drilling PLC
12 Abercrombie Court, Prospect Road, Westhill,
Aberdeen AB32 6FE,
United Kingdom

Manager
RS Platou Markets AS
Haakon VII's gate 10
P.O. Box 1474 Vika
N-0116 Oslo
Norway

Legal Advisor to the Company
Advokatfirmaet Wiersholm AS
Ruseløkkveien 26
P.O. Box 1400
N-0115 Oslo
Norway