AWILCO DRILLING

Q3 2012 Presentation

Oslo, 29th of November 2012

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Agenda

1. Highlights Q3 2012
2. Q3 2012 Financial Results
3. Operational Update
4. Market Outlook
5. Summary
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1. Highlights Q3 2012

Q3 2012 Highlights

- Total Q3 Revenue approx. USD 44.4 million; EBITDA USD 24.2 million
- Q3 Opex per rig approx. USD 73,000 per day
- Total contract backlog per end of Q3 was USD 343 million
- Revenue efficiency during Q3 was 96.5%

3. Q3 2012 Financial Results

Q3 2012 Income Statement

Condensed statement of comprehensive income

in USD thousands, except earnings per share

	Q3 2012 (unaudited)	YTD Q3 2012 (unaudited)	Q3 2011 (unaudited)	YTD Q3 2011 (unaudited)
Contract revenue	43,427	95,085	35,829	36,338
Reimbursables	625	1,209	230	235
Other revenue	332	3,180	3	3
	44,384	99,474	36,062	36,576
Rig operating expenses	13,408	42,100	13,255	29,481
Reimbursables	239	501	145	149
Provision for doubtful debts	2,973	6,138	-	-
General and administrative expenses	3,526	9,431	1,893	7,793
Depreciation	4,439	13,255	4,341	10,681
	24,585	71,425	19,635	48,104
Operating profit/(loss)	19,799	28,049	16,427	(11,528)
Interest income	3	14	18	95
Interest expense	(3,382)	(10,446)	(3,781)	(10,231)
Other financial items	(230)	(294)	101	2,880
Net financial items	(3,609)	(10,726)	(3,662)	(7,256)
Profit/(Loss) before tax	16,190	17,323	12,765	(18,784)
Tax (expense)/benefit	(1,834)	(1,827)	2,377	1,129
Net profit/(loss)	14,356	15,496	15,141	(17,655)
Other comprehensive income	-	-	-	-
Total comprehensive income/(loss)	14,356	15,496	15,141	(17,655)
Attributable to minority interests	-	-	-	-
Attributable to shareholders of the parent	14,356	15,496	15,141	(17,655)
Basic and diluted earnings per share	0.48	0.52	0.50	(0.62)

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Q3 2012 Balance Sheet

Condensed statement of financial position

in USD thousands

	30.09.2012 (unaudited)	31.12.2011 (audited)
Rigs, machinery and equipment	252,354	262,573
	252,354	262,573
Trade and other receivables	18,765	8,857
Prepayments and accrued revenue	16,195	14,271
Inventory	4,800	4,800
Cash and cash equivalents	18,829	25,100
	58,589	53,028
Total assets	310,943	315,601
Paid in capital	130,142	130,142
Retained earnings	24,298	8,811
	154,440	138,953
Deferred tax liability	0	657
Long-term interest-bearing debt	100,848	109,098
	100,848	109,755
Current portion of long-term debt	31,631	45,667
Trade and other creditors	2,366	3,124
Accruals and provisions	18,005	16,122
Current tax payable	3,653	1,980
	55,655	66,893
Total equity and liabilities	310,943	315,601

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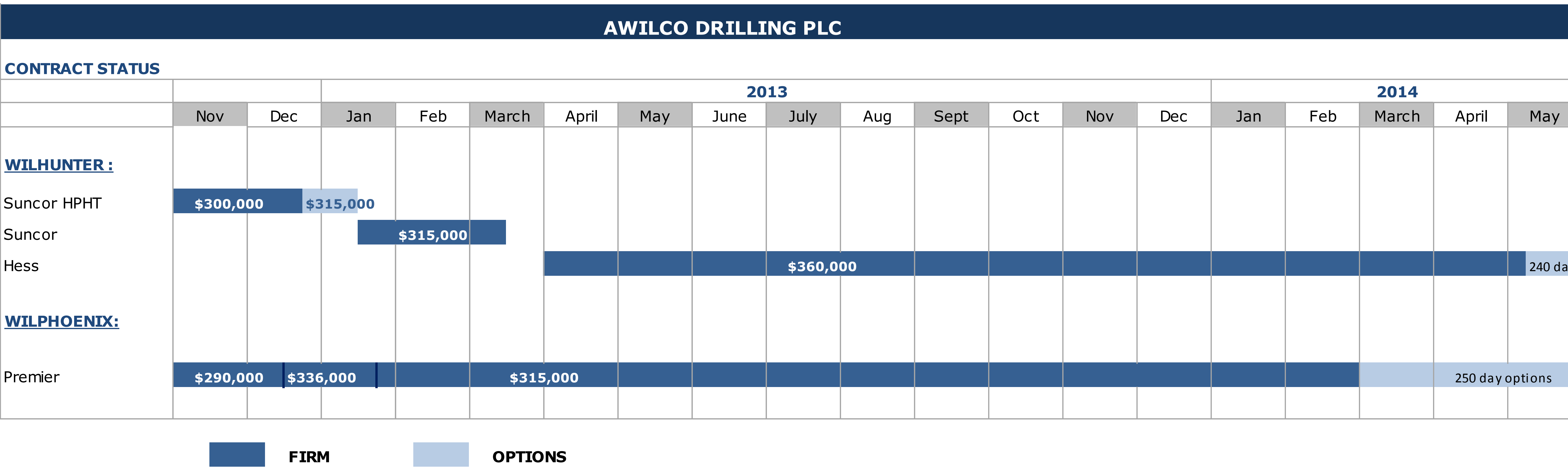
Assumptions for 2013

- Opex expected to be approximately USD 85,000 per day
- SG&A expected to be approximately USD 3 million per quarter
- Capex expected to be around USD 15 million (full year, both rigs)

2. Operational Update

Contract Status until 2014 – Total Backlog USD 343 million per Q3



Operational Performance

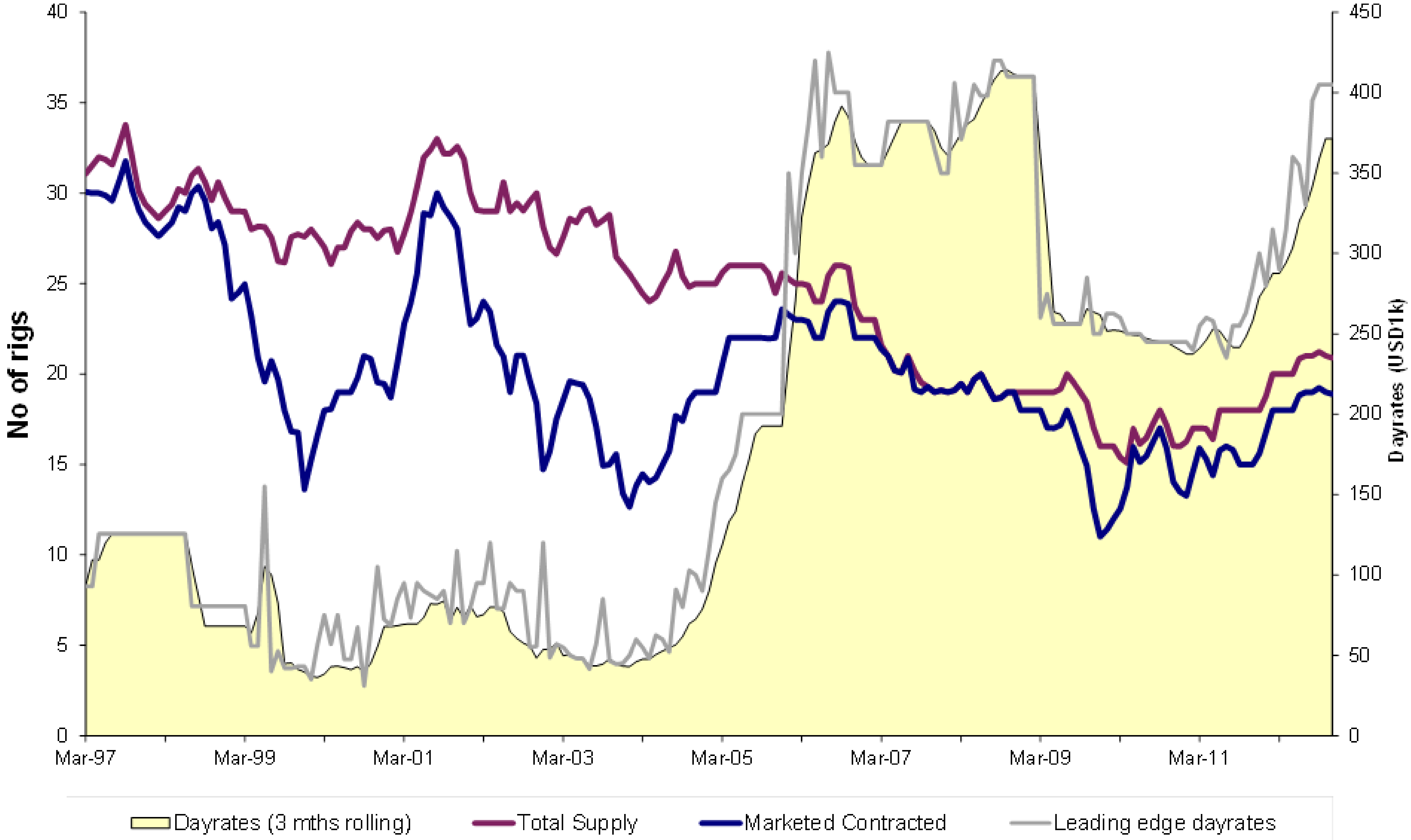
- Good operational performance in Q3 with above 97% operational uptime
- Continued good operational performance in Q4 with above 95% operational uptime
- In Q4 the rigs have been tested with heavy duty work
  - WilPhoenix undertaking the Spaniards and now the Cyclone well for Premier
  - WilHunter undertaking the Romeo HPHT well for Suncor
  - Very demanding drilling programmes

Dividend Prospects

- All free cash flow over a robust cash buffer of approximately USD 35 million for operational requirements and capex commitments to be distributed
- In the case of attractive growth opportunities the company will endeavour to retain a significant dividend distribution
- Quarterly dividend payments expected to commence 1H 2013

4. Market Outlook

Attractive Dayrates in the UK Market



Source: Fearnley Fonds

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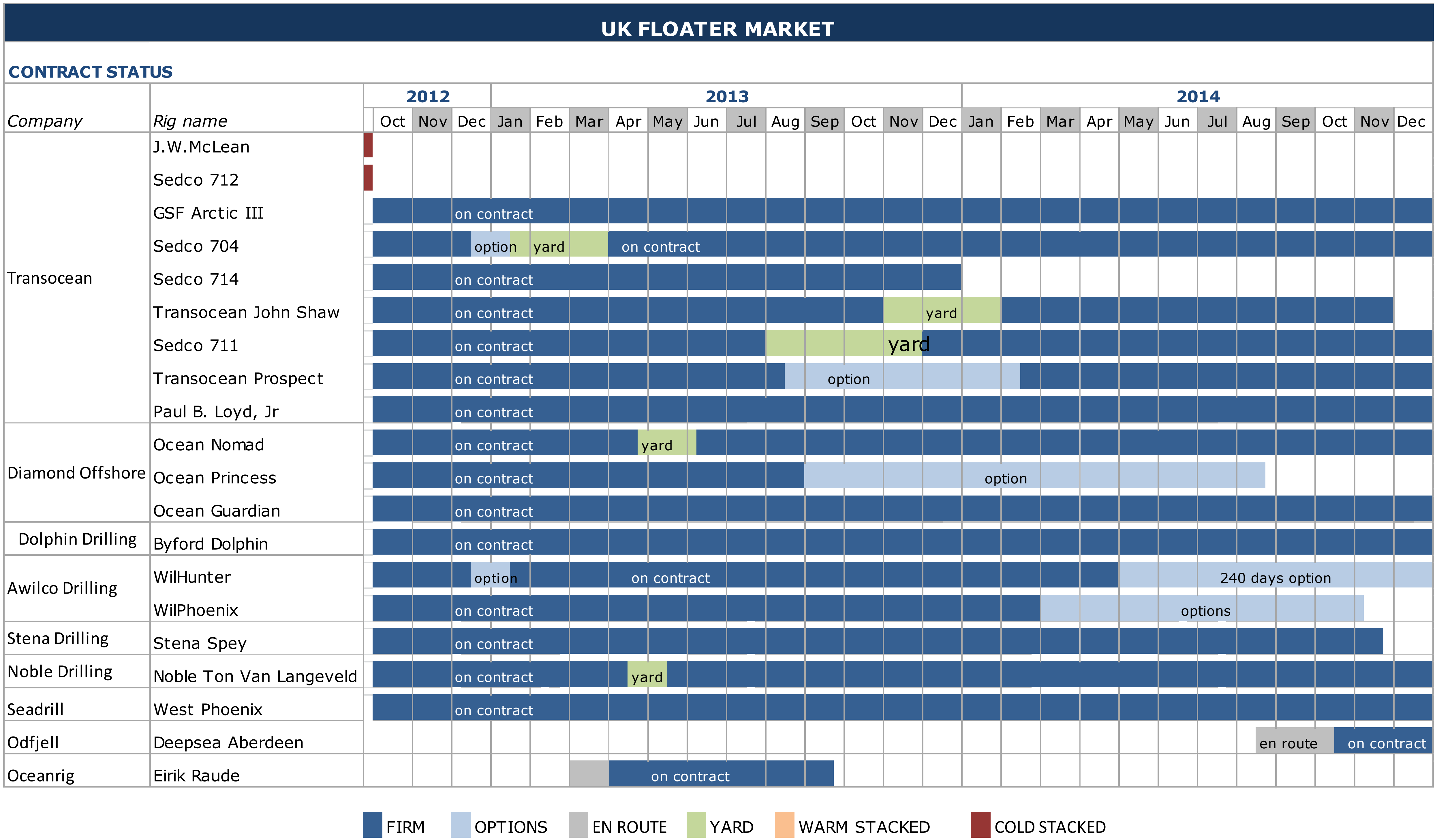
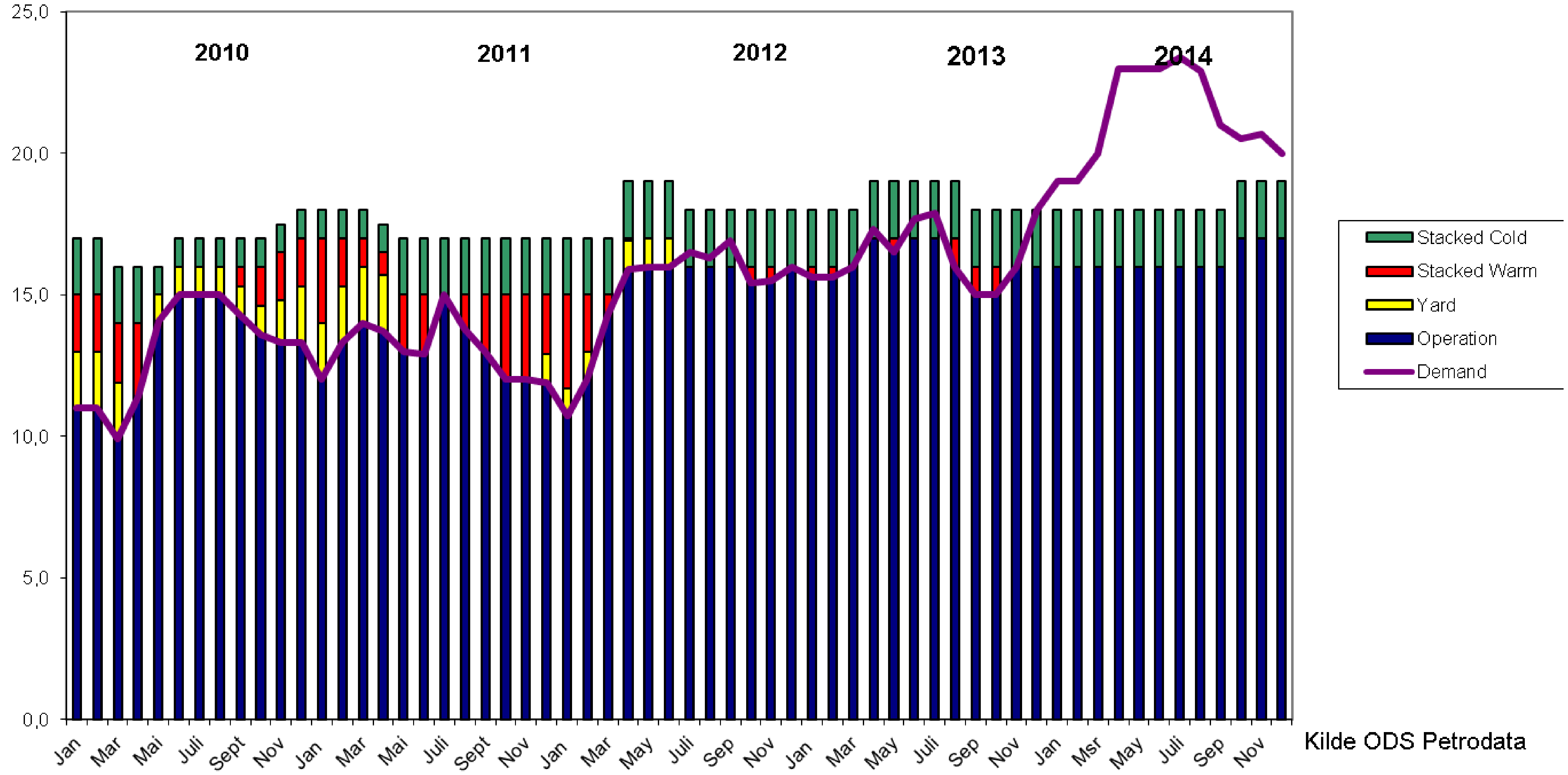
The UK Market is Sold Out for 2013 and most of 2014



Source: ODS-Petrodata

Demand Outstrips Supply in 2014 – Likely Pushing Work into 2015



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Why do we expect the UK market to be tight beyond 2014?

- Sustained “high” oil price under-pinning operator confidence
- Limited influx of rigs to market
- UK Government encouraging activity through licensing
- Operators increasing activity in established Northern and Central North Sea
- Operators increasing activity in new developments West of Shetland
- Operators increasing decommissioning and well abandonment activity
- Independents continuing to exploit marginal fields

5. Summary

Summary

- Market fundamentals remain positive
- Solid contract backlog of USD 343 million
- Continued focus is on operational efficiency
- Free cash flow to be distributed, dividend payments expected to start in 1H 2013
- Evaluating growth opportunities on a case-by-case basis

Q&A