



AWILCO DRILLING

**SPAREBANK1 MARKETS
2018 ENERGY CONFERENCE**

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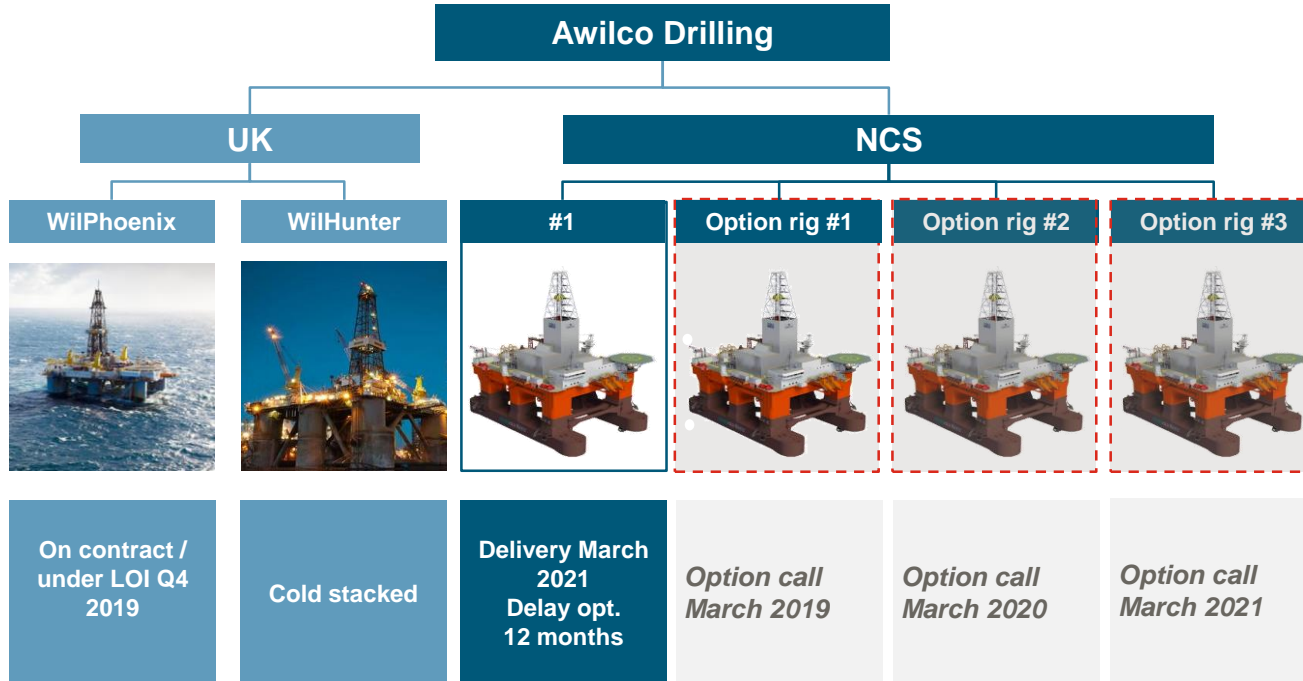


AWILCO DRILLING – AS OF YESTERDAY



AWILCO DRILLING – AS OF TODAY

Transforming the company at the bottom of the cycle



MOSS CS60 ECO MW REPRESENTS A GAME CHANGER IN DRILLING DESIGN AND TECHNOLOGY

Moss CS60 ECO MW – Tailor-made for harsh environment operations



- ✓ ***Lowest environmental footprint, designed and certified for HE including Barents Sea***
- ✓ ***12 point mooring with thruster assist¹, hybrid power supply, energy saving features***
- ✓ ***Automated drilling controls, improved drilling efficiency, enhanced safety performance***
- ✓ ***Digitalization and integration of systems and controls, improved overall performance to the benefit of the owner and client***

MAIN DIFFERENTIATORS OF THE MOSS CS60 ECO MW

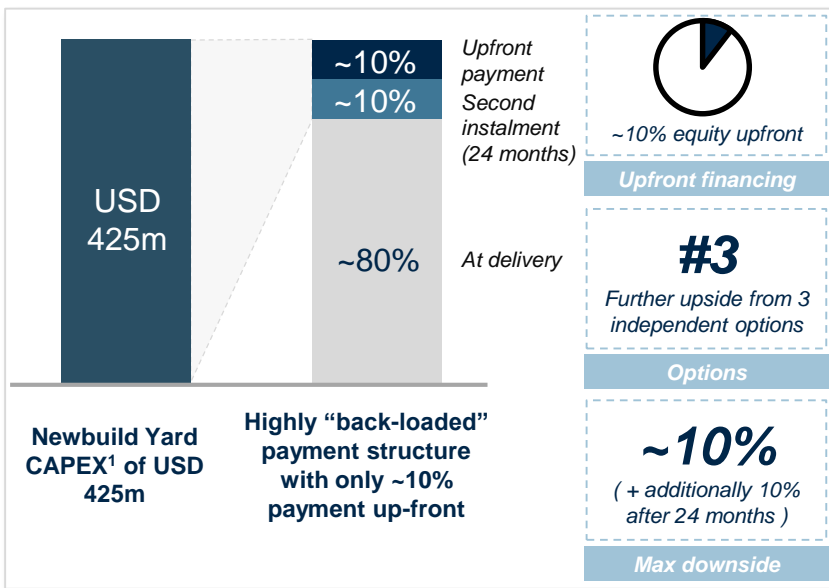
Upgraded design <i>2018 model</i>	Hybrid Power Tech. <i>“Green tech.”</i>	Real Time Data Support <i>Reduced Opex</i>	Condition Monitoring <i>Reduced maintenance</i>
<p><i>Reflecting the need to improve</i></p> <ul style="list-style-type: none">▪ <i>environmental footprint</i>▪ <i>reduce time and cost per well</i>▪ <i>safety performance</i>▪ <i>reduce non-productive time</i>	<p><i>Reduced fuel oil consumption/ emissions</i></p> <ul style="list-style-type: none">▪ <i>protecting the environment</i>▪ <i>saving of fuel cost , minimizing CO₂ / NOx duty</i>▪ <i>hybrid power supply with batteries</i>▪ <i>hydraulic hoisting system with heave compensation</i>▪ <i>energy saving and regeneration features</i>	<p><i>Real time data support</i></p> <ul style="list-style-type: none">▪ <i>condition monitoring reducing likelihood of downtime</i>▪ <i>Shore-based competence continuously available for interpretation of well data</i>▪ <i>enhanced support , enhanced drilling efficiency and rig performance</i>▪ <i>reduced OPEX and cost per well</i>	<p><i>Continuous certification</i></p> <ul style="list-style-type: none">▪ <i>reduced likelihood of technical down time</i>▪ <i>reduced offhire for special survey</i>▪ <i>reduced opex</i>▪ <i>higher revenue efficiency</i>

The improved drilling efficiency and reliability of the CS60 ECO MW will deliver significant OPEX and spread cost savings in the range of USD 25,000 – 35,000 per day compared to competition



ATTRACTIVE UPSIDE POTENTIAL FROM NEWBUILDS THROUGH SIGNIFICANT LEVERAGE AND OPTIONS

Attractive financing structure of newbuilds...



...with significant flexibility and upside potential

- “Sleeping beauty provision” – flexibility to delay delivery up to 12 months to optimise impact of delivery to market
- An early bet on a recovering market with low initial equity investment and limited downside enabled through an attractive financing structure
- Deal agreement providing sufficient time to secure further debt/equity financing at attractive terms

Financing structure allows for a strong return on invested capital for Awilco Drilling shareholders



AWILCO DRILLING HAS A HISTORY OF BEST IN CLASS PERFORMANCE...

Operational Performance

Awilco Drilling 2014 **Operational Uptime** = 99.2%
Awilco Drilling 2015 **Operational Uptime** = 96.6%
Awilco Drilling 2016 **Operational Uptime** = 99.5 %
Awilco Drilling 2017 **Operational Uptime** = 95.4 %

Achievements



- ISO **9001** Quality
- ISO **14001** Environmental
- OSHAS **18001** Safety
- DNV Accredited
- Applicable Onshore & Offshore

- Sector High Scoring
- Recently re-audited



Capital Projects

Unique culture of ownership and cost focus
Major Rig Reactivation & Upgrade Projects delivered on Budget
Rig SPS & Upgrade Projects delivered under budget
Annual Capex Projects delivered on / below budget

Industry Recognition

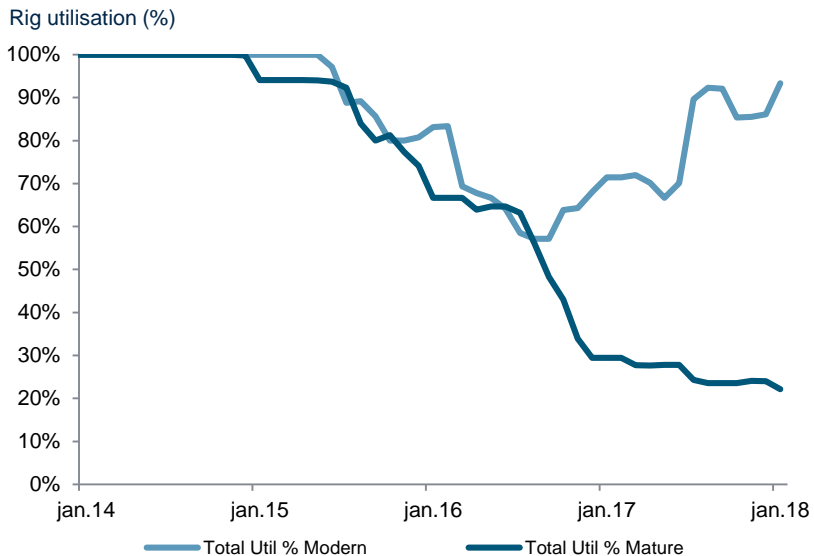


- 2015 **Winner** “Best Safety Performance” – Awilco Drilling
- 2015 **Chairman's Award** for “Best Semi in North Sea”
- 2016 **Chairman's Award** for “Best Semi in North Sea” Runner Up – WilHunter
- 2017 **Winner** - Safety Award – Awilco Drilling Floating Rigs under 500,000 man-hours

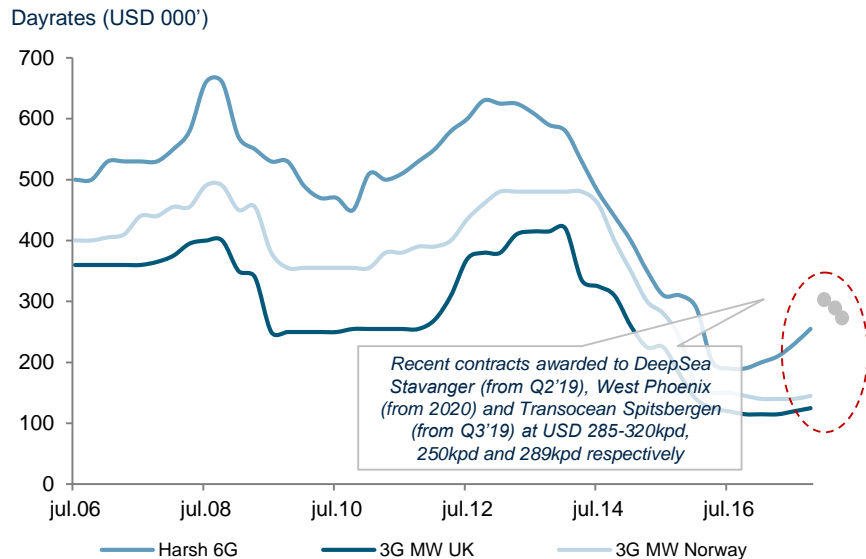


MODERN HE SEMIS PREFERRED BY NCS OPERATORS – BIFURCATED UTILISATION INCREASE DRIVES DAYRATE UPTICK

Rig utilisation – modern vs. old rigs (Norway)



Dayrates – 6G vs. 3G rigs



Clear market preference for modern high spec rigs demonstrated in utilisation bifurcation



AWILCO DRILLING WELL POSITIONED TO CAPITALISE ON A RECOVERING MARKET IN THE NORTH SEA

- Track Record for Best in Class Operational and Financial Performance
- Lean & Cost-Focused Operations and Capex Projects
- Transforming the Company at the Bottom of the Cycle through Newbuild Program
 - *CS60 ECO MW – NCS compliant premium harsh environment design and technology*
 - *Competitive newbuild price from premium yard*
 - *Financially attractive terms*
 - *Favourable supply/demand and oil price macro picture*





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