PROSPECTUS

NORTHERN DRILLING LTD.

(a limited liability company incorporated under the laws of Bermuda)

Listing of 29,805,883 Shares, issued in a Private Placement and transfer of listing from Oslo Axess to Oslo Børs

---

The information contained in this prospectus (the "**Prospectus**") relates to the transfer of listing from Oslo Axess to Oslo Børs of 77,750,100 shares in Northern Drilling Ltd. (the "**Company**", taken together with its consolidated subsidiaries the "**Group**"), each with a par value of USD 1.00 (the "**Existing Shares**"), together with a listing on Oslo Børs of 29,805,883 new shares (the "**Private Placement Shares**" and together with the Existing Shares, the "**Shares**") issued in a private placement directed towards certain institutional investors for gross proceeds of NOK 2,026,800,000, or approximately USD 250 million (the "**Private Placement**").

The Company's Shares have been approved for listing on Oslo Børs on 29 June 2018. It is expected that the first day of listing on Oslo Børs will be on or about 3 July 2018.

The Shares will be listed on the Oslo Børs under the Company's current ticket code "NODL".

For the definitions of capitalised terms used throughout this Prospectus, see Section 20 "Definitions". **Investing in the Shares involves risks; see Section 2 "Risk Factors" beginning on page 8.**

Managers:

DNB Markets, part of DNB Bank ASA

ABN Amro Bank N.V.

Arctic Securities AS

Fearnley Securities AS

Pareto Securities AS

The date of this Prospectus is 29 June 2018.

IMPORTANT INFORMATION

This Prospectus has been prepared in order to provide information about the Company and its business in relation to the transfer of listing from Oslo Axess to Oslo Børs of the Existing Shares, the listing of the Private Placement Shares and to comply with the Norwegian Securities Trading Act of 29 June 2007 no. 75 (the "**Norwegian Securities Trading Act**") and related secondary legislation, including the Commission Regulation (EC) no. 809/2004 implementing Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 regarding information contained in prospectuses (the "**Prospectus Directive**") as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements (hereafter "**EC Regulation 809/2004**"). This prospectus has been prepared based on the requirements for simplified prospectuses applicable for small and medium-sized enterprises in accordance with the Prospective Directive article 2 no.1 (f). This Prospectus has been prepared solely in the English language. The Financial Supervisory Authority of Norway (Nw. *Finanstilsynet*) (the "**Norwegian FSA**") has reviewed and approved this Prospectus in accordance with Sections 7-7 and 7-8 of the Norwegian Securities Trading Act. The Norwegian FSA has not verified or approved the accuracy or completeness of the information included in this Prospectus. The approval by the Norwegian FSA only relates to the information included in accordance with pre-defined disclosure requirements. The Norwegian FSA has not made any form of verification or approval relating to corporate matters described in or referred to in this Prospectus.

The information contained herein is current as of the date hereof and subject to change, completion and amendment without notice. In accordance with Section 7-15 of the Norwegian Securities Trading Act, significant new factors, material mistakes or inaccuracies relating to the information included in this Prospectus, which are capable of affecting the assessment of the Shares between the date hereof and the date of listing of the Shares on Oslo Børs, will be included in 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 Company's affairs or that the information herein is correct as of any date subsequent to the date of this Prospectus.

No person is authorised to give any information or to make any representation in connection with the Private Placement other than as contained in this Prospectus. If any such information is given or made, it must not be relied upon as having been authorised by the Company or any of DNB Markets, part of DNB Bank ASA, ABN AMRO Bank N.V., Arctic Securities AS, Fearnley Securities AS and Pareto Securities AS (the "**Managers**") or by any of the affiliates, advisors or selling agents of any of the foregoing.

The distribution of this Prospectus in certain jurisdictions may be restricted by law. This Prospectus does not constitute an offer of, or an invitation to purchase, any shares in any jurisdiction. The Company and the Managers require persons in possession of this Prospectus to inform themselves about and to observe any such restrictions.

The Shares are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under applicable securities laws and regulations. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

THE SHARES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**U.S. SECURITIES ACT**") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION IN THE UNITED STATES, AND MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES EXCEPT PURSUANT TO AN APPLICABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS.

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

Shares may be offered or sold in Bermuda only in compliance with the provisions of the Investment Business Act of 2003 and the Exchange Control Act 1972, and related regulations of Bermuda which regulate the sale of securities in Bermuda. In addition, specific permission is required from the Bermuda Monetary Authority (the "**BMA**"), pursuant to the provisions of the Exchange Control Act 1972 and related regulations, for all issuances and transfers of securities of Bermuda companies, other than in cases where the BMA has granted a general permission. The BMA, in its policy dated 1 June 2005, provides that where any equity securities, including the Shares, of a Bermuda company are listed on an appointed stock exchange, general permission is given for the issue and subsequent transfer of any securities of a company from and/or to a non-resident, for as long as any equity securities of such company remain so listed. Oslo Børs is deemed to be an appointed stock exchange under Bermuda law. In granting such permission, the BMA accepts no responsibility for the Group's financial soundness or the correctness of any of the statements made or expressed in this prospectus. This Prospectus does not need to be filed with the Registrar of Companies in Bermuda in accordance with Part III of the Companies Act 1981 of Bermuda pursuant to provisions incorporated therein following the enactment of the Companies Amendment Act 2013. Such provisions state that a prospectus in respect of the offer of shares in a Bermuda company whose equities are listed on an appointed stock exchange under

Bermuda law does not need to be filed in Bermuda, so long as the company in question complies with the requirements of such appointed stock exchange in relation thereto.

CONTENTS

Clause **Page**

1. SUMMARY

Summaries are made up of disclosure requirements known as "Elements". These Elements are numbered in Sections A- E (A.1 – E.7) below. This summary contains all the Elements required to be included in a summary for this type of securities and the Company. 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 Company, it is possible that no relevant information can be given regarding the relevant Element. In this case a short description of the Element is included in the summary with the mention of "not applicable".

Section A—Introduction and Warnings		
A.1	**Warning**	This summary should be read as an 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	**Warning**	Not applicable. No consent is granted by the Company for the use of the Prospectus for subsequent resale or final placement of the shares.

Section B—Company		
B.1	**Legal and Commercial Name**	Northern Drilling Ltd.
B.2	**Domicile and Legal Form, Legislation and Country of Incorporation**	The Company was incorporated under the laws of Bermuda on 2 March 2017, as an exempted company under the Bermuda Companies Act.
B.3	**Current Operations, Principal Activities and Markets**	Northern Drilling is a newly-established international drilling contractor to the oil and gas industry, with the ambition of acquiring and operating modern drilling assets. By uniting low asset prices with a capable operating organisation, the Company will take advantage of opportunities in a rapidly changing oil and gas industry. With its contemplated fleet of drilling rigs the Company intends to deliver safe and high quality drilling operations to its prospective customers. As of the date of this Prospectus, the Company owns two semi-submersible rigs (the "**Rigs**") currently under construction and two drillships (the "**Drillships**") currently under construction, expected to be delivered to the Company in the period 2019 – 2021. Further, the Company has an option from Blue Sea Navigation Holdings Inc. ("**Blue Sea**") to acquire a third drillship, Cobalt Explorer (the "**Option Drillship**"), that Blue Sea in turn has an option to acquire from Daewoo Shipbuilding & Marine Engineering Co., Ltd ("**DSME**").
B.4a	**Significant Recent Trends**	The offshore drilling market has since 2014 experienced a severe market downturn with a material reduction in demand. A reduction in the oil price from more than USD 100 in 2013 to below USD 30 in Q1 2016 resulted in a significant reduction in exploration and development spending from oil companies with reduced demand for offshore drilling services as a result. Demand for offshore drilling rigs went from 681 in 2014 to 473 in 2016 with overall industry utilization dropping from 80% to 56%. All new tenders coming out have been fiercely competitive and day rates have experienced a similar drop. In Q4 2017 the overall utilization for the world's drilling floaters was reported to be 73.1%, marking the first uptick in utilization since Q3

		2013. This trend has continued into Q1 2018 with several long term charters being awarded to various offshore drilling companies in major offshore basins globally. The overall utilization for the world's drilling floaters was reported to be 74.5% in Q1 2018, improving by close to 1.4 percentage points. The day rates remain however at a depressed level with earnings barely covering operational cost in many circumstances. With a continued improvement in global fleet utilization day rates are expected to eventually increase from today's unsustainable low levels. The Group has no rigs in operations but is actively bidding in tenders for start-up in 2019 and onwards. The competition continues to be fierce, but the harsh environment market has experienced an uptick in tender activity, contract awards and day rate levels for modern rigs recently. Several contracts have been awarded at day rates believed to be at an increased margin compared to operational cost of the rig, indicating a gradual recovery for the harsh environment drilling fleet.
B.5	**Description of the Group**	The Company is the parent company of the Group and the operations of the Company are carried out through its operating subsidiaries.
B.6	**Interests in the Company and Voting Rights**	Shareholders owning 5% or more of the Company's shares have an interest in the Company's share capital which is notifiable pursuant to the Norwegian Securities Trading Act. Each of the Company's shares carries one vote. None of the major shareholders has different voting rights than the other shareholders in the Company. The Company is not aware of any arrangements the operation of which may at a subsequent date result in a change of control of the Company.
B.7	**Selected Historical Key Financial Information**	The table below sets out a summary of the Group's audited consolidated profit and loss for the period starting on the date of the Company's incorporation, 2 March 2017, until 31 December 2017 and the unaudited condensed consolidated profit and loss account for the first quarter 2018.

USD thousands	**For the period from 2 March to 31 December 2017 (audited)**	**For the three month period ending 31 March 2018 (unaudited)**
Total operating revenues	–	–
Operating expenses		
Administrative expenses..	822	278
Total operating expenses	**822**	**278**
Net operating loss	(822)	(278)
Other income (expenses)		
Interest income	725	303
Other financial expenses	(4,997)	(11)
Total other (expenses) income	**(4,272)**	**292**
Net (loss) income	(5,094)	14
Retained deficit at the start of the period	–	(5,094)
Retained deficit at the end of the period...	**(5,094)**	**(5,080)**

The table below sets out a summary of the Group's audited consolidated balance sheet information as of 31 December 2017 and the Group's unaudited consolidated balance sheet information as of 31 March 2018.

USD thousands	As of 31 December 2017 (audited)	As of 31 March 2018 (unaudited)
Assets		
Current assets		
Cash and cash equivalents	84,090	83,067
Other current assets	57	1
Total current assets	**84,147**	**83,068**
Long term assets		
Newbuilding	185,170	386,488
Payment on account of newbuilding acquisition	200,000	–
Total assets	**469,317**	**469,556**
Liabilities and equity		
Current liabilities		
Other current liabilities	290	103
Related party payables	751	1,163
Total current liabilities	**1,041**	**1,266**
Commitments and contingencies		
Equity		
Share capital	77,750	77,750
Additional paid in capital	395,620	395,620
Retained deficit	(5,094)	(5,080)
Total equity	**468,276**	**468,290**
Total liabilities and equity	**469,317**	**469,556**

The table below sets out a summary of the Group's audited consolidated cash flow information for the period starting on the date of the Company's incorporation, 2 March 2017, until 31 December 2017 and the Group's unaudited consolidated cash flow information for the three month period ending 31 March 2018.

USD thousands	For the period from 2 March to 31 December 2017	For the three month period ending 31 March 2018 (unaudited)
Net (loss) income	**(5,094)**	**14**
Adjustment to reconcile net (loss) income to net cash provided by operating activities		
Loan fee paid to related party	5,000	–
Change in operating assets and liabilities		
Other current assets	(57)	
Other current liabilities	121	(187)
Related party payables	134	412
Net cash used in operating activities	**104**	**239**
Investing activities		
Additions to newbuilding	(2,053)	(1,262)
Payment on account of newbuilding acquisition	(200,000)	–
Net cash used in investing activities	(202,053)	(1,262)
Financing activities		
Net proceeds from share issuance	358,539	–
Repayment of loan to related party	(72,500)	–
Net cash provided by financing activities	**286,039**	**–**

USD thousands	**For the period from 2 March to 31 December 2017**	**For the three month period ending 31 March 2018 (unaudited)**
Net increase (decrease) in cash and cash equivalents	84,090	(1,023)
Cash and cash equivalents at start of the period	—	84,090
Cash and cash equivalents at end of the period	**84,090**	**83,067**

See Section 12.7 of this Prospectus and Note 9 to the Financial Statements for information regarding non-cash investing and financing activities.

B.8	**Selected Key Pro Forma Financial Information**	Not applicable. No pro forma financial information is included in this Prospectus.
B.9	**Profit Forecast or Estimate**	Not applicable. No profit forecast or estimate is included in this Prospectus.
B.10	**Audit Report Qualification**	Not applicable.
B.11	**Working Capital**	As of the date of this Prospectus, the Company does not have a working capital that is sufficient for the next twelve months. The Company intends to bridge this funding gap with debt to be raised. Please see Section 12.6 for more details.
	Section C—Securities	
C.1	**Type and Class of Securities Being Offered and Admitted to Trading and Identification Number**	The Company has one class of shares in issue, and all shares in that class have equal rights in the Company. The beneficial interests in the Existing Shares are registered with the Norwegian Central Securities Depository (*Nw. Verdipapirsentralen*) under the Company's ordinary ISIN BMG6624L1090. The Private Placement Shares are registered with the Norwegian Central Securities Depository (*Nw. Verdipapirsentralen*) under a separate ISIN BMG6624L2080, and will be transferred to the Company's ordinary ISIN BMG6624L1090 upon approval of this Prospectus.
C.2	**Currency of Issue**	The Shares are issued in USD and will be quoted and traded in NOK on Oslo Børs upon approval of this Prospectus.
C.3	**Number and Shares in Issue and Par Value**	As of the date of this Prospectus, the Company's share capital is USD 107,555,983 divided into 107,555,983 shares, each having a par value of USD 1.00.
C.4	**Rights Attaching to the Securities**	All Shares provides equal rights in the Company in accordance with the Bermuda Companies Act and the Bye-Laws of the Company. The holders of Shares have no pre-emptive rights.
C.5	**Restrictions on Transfer**	The Company's Bye-Laws do not provide for any restrictions, or a right of first refusal, on transfer of Shares. Share transfers are not subject to approval by the Board of Directors.
C.6	**Admission to Trading**	The Company's shares have been listed on Oslo Axess since 26 October 2017, under the trading symbol "NODL". The Company's shares have been approved for listing on Oslo Børs on 29 June 2018. The first day of trading of the Shares on Oslo Børs will be on or about 3 July 2018. The Shares will not be sought or admitted to trading on any other regulated market than Oslo Børs.
C.7	**Dividend Policy**	There can be no assurances that in any given period dividends

		will be proposed or declared. In deciding whether to propose a dividend and in determining the dividend amount, the Company's Board of Directors will take into account legal restrictions, the Company's capital requirements, including capital expenditure requirements, its financial condition, general business conditions and any restrictions that its borrowing arrangements or other contractual arrangements in place at the time of the dividend may place on its ability to pay dividends and the maintaining of appropriate financial flexibility.
	Section D—Risks	
D.1	**Key Risks Specific to the Company or its Industry**	*Key risks related to the Company and the Industry in which the Company operates* • The Group was established in March 2017 and the Group's lack of operating history makes it difficult to assess the outlook for future revenues and other operating results. • The Group may only have a limited number of rigs and is vulnerable in the event of a loss of revenue of any such rig(s). • The Group may not be able to obtain favorable contracts for its newbuild drilling units. • The Group is dependent on technical and commercial services from third parties, including Seadrill Global Services Ltd. • The success and growth of the Group's business depends on the level of activity in the offshore oil and gas industry generally, and the drilling industry specifically, which are both highly competitive and cyclical, with intense price competition.
D.3	**Key Risks Specific to the Securities**	*Key risks related to the Shares* • Investors may not be able to exercise their voting rights for Shares registered on a nominee account. • Investors may have difficulty enforcing any judgment obtained in the United States against the Company or its directors or officers. • The transfer of the Shares is subject to restrictions under the securities laws of the United States and other jurisdictions. • Shareholders are subject to exchange rate risk, as the shares are traded in NOK.
	Section E—Offer	
E.1	**Proceeds and Estimated Expenses**................	The gross proceeds from the Private Placement were NOK 2,026,800,000, or approximately USD 250 million. The total expenses in connection with the Private Placement amounted to USD 3.7 million. The net proceeds for the Private Placement accordingly amount

		to approximately USD 246.3 million.
E.2a	**Reasons for the Offering**	The Company intends to apply the net proceeds from the Private Placement to fund the first instalments on the Drillships and general corporate purposes.
E.3	**Terms and Conditions for the Offer**	Not applicable.
E.4	**Material and Conflicting Interests**	The Managers or their affiliates have provided from time to time, and may 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 Managers, their employees and any affiliate may currently own Shares in the Company. In accordance with market practice, the Managers received a certain percentage of the proceeds from the Private Placement as compensation for their services. Beyond the abovementioned, the Company is not aware of any interest of natural and legal persons involved in the Private Placement.
E.5	**Selling Shareholders and Lock-Up Agreements..**	Not applicable.
E.6	**Dilution**	The Private Placement resulted in a dilution of the then existing shareholders of the Company of approximately 28%.
E.7	**Estimated Expenses Charged to Investors........**	Not applicable.

2. RISK FACTORS

An investment in the Shares involves inherent risks. An investor should consider carefully all information set forth in this Prospectus and, in particular, the specific risk factors set out below. An investment in the Shares is suitable only for investors who understand the risks associated with this type of investment and who can afford a loss of the entire investment. If any of the risks described below materialise, individually or together with other circumstances, they may have a material adverse effect on the Group's business, financial condition, results of operations and cash flow, which may affect the ability of the Group to pay dividends and cause a decline in the value and trading price of the Shares that could result in a loss of all or part of any investment in the Shares. The order in which the risks are presented below is not intended to provide an indication of the likelihood of their occurrence nor of their severity or significance. The information in this Section 2 is as of the date of this Prospectus.

2.1 Risks Relating to the Group and the Industry in which the Group Operates

The Group was established in March 2017 and the Group's lack of operating history makes it difficult to assess the outlook for future revenues and other operating results

The Company was incorporated in March 2017. The Group has not yet initiated any drilling activity and will not do so until after delivery of its first newbuilding project, currently expected to occur in January 2019. The Group has no historical financial information relating to drilling activity upon which prospective investors can evaluate the Group's prior or likely future performance. Further, as a newly established company, there can be no assurance that the Company will be able to successfully execute its strategy or business plan.

The Group may not be able to obtain favourable contracts for its newbuild drilling units

If the Group is unable to secure contracts for its drilling units when newbuildings are delivered to the Group, the Group may idle or stack its units. When idled or stacked, drilling units do not earn revenues, but continue to require cash expenditures for crews, fuel, insurance, berthing and associated items.

If the Group is not able to obtain contracts for its newbuild drilling units, the Group's revenues and profitability could be adversely affected. The Group may also be required to accept more risk in areas other than price to secure a contract and the Group may be unable to push this risk down to other contractors or be unable or unwilling at competitive prices to insure against this risk, which will mean the risk will have to be managed by applying other controls. This could lead to the Group being unable to meet its liabilities in the event of a catastrophic event on one of the Group's units.

The Group's fleet currently consists of four (4) newbuildings under construction (two semi-submersible rigs and two drillships) with scheduled delivery in January 2019 and 2021, and an option to acquire the additional Option Drillship which has not yet been exercised. Failure to secure employment at satisfactory rates for such unit(s) will affect its results more significantly than for a company with a larger fleet and may have a material adverse effect on the earnings and value of the Group.

The Group is dependent on technical and commercial services from third parties, including Seadrill Global Services Ltd.

The Group is and will continue to be dependent on technical and commercial services from third parties. While performance by such service providers is critical, and the Company will use its best efforts to select partners and monitor their performance, no assurances can be given in this respect. If third party service providers do not perform at an optimal level, this is likely to adversely affect the Group's business, financial results and condition.

Northern Drilling has entered into a management agreement with Seadrill Global Services Ltd. (the "**Seadrill Management Agreement**") for the supervision of the Semi 1 under construction and maintenance, including maintenance of the drilling package. Seadrill Global Services Ltd is part of the Seadrill group of companies ("**Seadrill**") which is a major competitor of the Company. There may be real or apparent conflicts of interest with respect to matters affecting Seadrill and other Seadrill affiliated companies whose interest in some circumstances may be adverse to the interest of the Company.

Further, Seadrill Global Services Ltd. has a right of first refusal should the Company wish to sell any of Semi 1 or Semi 2 to a third party, subject to certain terms and conditions in the Seadrill Management Agreement. This right of first refusal may negatively affect a potential third party buyer's interest in these drilling units which in turn could be of adverse effect to the Company.

The success and growth of the Group's business depends on the level of activity in the offshore oil and gas industry generally, and the drilling industry specifically, which are both highly competitive and cyclical, with intense price competition

The Group's business depends on the level of oil and gas exploration, development and production in offshore areas worldwide that is influenced by oil and gas prices and market expectations of potential changes in these prices.

Oil and gas prices are extremely volatile and are affected by numerous factors beyond the Group's control, including, but not limited to, the following:

- worldwide production of and demand for oil and gas and geographical dislocations in supply and demand;
- the cost of exploring for, developing, producing and delivering oil and gas;
- expectations regarding future energy prices and production;
- advances in exploration, development and production technology;
- the ability of the Organization of Petroleum Exporting Countries ("**OPEC**"), to set and maintain levels of production and pricing;
- the level of production in non-OPEC countries;
- international sanctions on oil-producing countries, or the lifting of such sanctions;
- government regulations, including restrictions on offshore transportation of oil and gas;
- local and international political, economic and weather conditions;
- domestic and foreign tax policies;
- the development and exploitation of alternative fuels and unconventional hydrocarbon production, including shale;
- worldwide economic and financial problems and the corresponding decline in the demand for oil and gas and, consequently, the Group's services;
- the policies of various governments regarding exploration and development of their oil and gas reserves, accidents, severe weather, natural disasters and other similar incidents relating to the oil and gas industry; and
- the worldwide political and military environment, including uncertainty or instability resulting from an escalation or additional outbreak of armed hostilities or other crises in the Middle East, Eastern Europe or other geographic areas or further acts of terrorism in the United States, Europe or elsewhere.

Declines in oil and gas prices for an extended period of time, or market expectations of potential decreases in these prices, have negatively affected and could continue to negatively affect the Group's future performance.

Continued periods of low demand can cause excess rig supply and intensify competition in the industry in which the Group operates. This often results in drilling rigs, particularly older and less technologically-advanced drilling rigs, being idle for long periods of time. The Group cannot predict the future level of demand for drilling rigs or future conditions of the oil and gas industry with any degree of certainty. In response to the decrease in the prices of oil and gas, a number of oil and gas companies have announced significant decreases in budgeted expenditures for offshore drilling. Any future decrease in exploration, development or production expenditures by oil and gas companies could reduce the Group's revenues and materially harm its business.

In addition to oil and gas prices, the offshore drilling industry is influenced by additional factors, which could reduce demand for the Group's services and adversely affect its business, including:

- the availability and quality of competing offshore drilling units;
- the availability of debt financing on reasonable terms;
- the level of costs for associated offshore oilfield and construction services;

- oil and gas transportation costs;
- the level of drilling unit operating costs, including crew and maintenance;
- the discovery of new oil and gas reserves;
- the political and military environment of oil and gas reserve jurisdictions; and
- regulatory restrictions on offshore drilling.

The offshore drilling industry is highly competitive and fragmented and includes several large companies that compete in the markets the Group serves. Offshore drilling contracts are generally awarded on a competitive bid basis or through privately negotiated transactions. In determining which qualified drilling contractor is awarded a contract, the key factors are pricing, drilling unit availability, drilling unit location, the condition and integrity of equipment, the drilling unit's and/or the drilling contractor's record of operating efficiency, including high operating uptime, technical specifications, safety performance record, crew experience, reputation, industry standing and customer relations. The Group's operations may be adversely affected if the Group's current competitors or new market entrants introduce new drilling units with better features, performance, prices or other characteristics compared to the Group's drilling units, or expand into service areas where the Group operates.

Competitive pressures and other factors may result in significant price competition, particularly during industry downturns, which could have a material adverse effect on the Group's results of operations and financial condition.

The Group may not have sufficient liquidity to meet its obligations as they fall due or have the ability to raise new capital or loan facilities on acceptable terms

The Group's future indebtedness that it may incur could affect the Group's future operations, since a portion of the Group's cash flow from operations will in such case be dedicated to the payment of interest and principal on such debt and will not be available for other purposes. Covenants contained in potential debt agreements are likely to require the Group to meet certain financial tests and non-financial tests, which may affect the Group's flexibility in planning for, and reacting to, changes in its business or economic conditions, may limit the Group's ability to dispose of assets or place restrictions on the use of proceeds from such dispositions, withstand current or future economic or industry downturns, and compete with others in the Group's industry for strategic opportunities, and may limit the Group's ability to obtain additional financing for working capital, capital expenditures, acquisitions, general corporate and other purposes.

The Group's ability to meet its potential debt service obligations and to fund planned expenditures will be dependent upon the Group's future performance, which will be subject to prevailing economic conditions, industry cycles and financial, business, regulatory and other factors affecting the Group's operations, many of which are beyond the Group's control. Its future cash flows may be insufficient to meet all the Group's financial obligations and contractual commitments, and any insufficiency could negatively impact the Group's business. To the extent that the Group is unable to repay any future indebtedness as it becomes due or at maturity, the Group may need to refinance its debt, raise new debt, sell assets or repay the debt with proceeds from equity offerings.

The market value of the Group's newbuild drilling units may decrease

The market values of drilling units have been trending lower as a result of the continued decline in the price of oil, which has impacted the spending plans of the Group's prospective customers. If the offshore contract drilling industry suffers further adverse developments in the future, the fair market value of the Group's current and future drilling units may decline. The fair market value of the Group's drilling units, may increase or decrease depending on a number of factors, including:

the general economic and market conditions affecting the offshore contract drilling industry, including competition from other offshore contract drilling companies;

- the types, sizes and ages of drilling units;
- the supply and demand for drilling units;
- the costs of newbuild drilling units;
- the prevailing level of drilling services contract day rates;
- government or other regulations; and

- technological advances.

If drilling unit values fall significantly, the Group may have to record an impairment adjustment in its consolidated financial statements, which could adversely affect the Group's financial results and condition.

The Group is expected to rely on a limited number of customers

The Group's contract drilling business is expected to be subject to the risks associated with having a limited number of customers for the Group's services. In addition, mergers among oil and gas exploration and production companies have reduced, and may from time to time further reduce the number of available customers, which would increase the ability of potential customers to achieve pricing terms favourable to them. The Group's results of operations could be materially adversely affected if any of the Group's major customers fail to compensate it for the Group's services or take actions as outlined above.

The Group is subject to risks of loss resulting from non-payment or non-performance by the Group's customers and certain other third parties. Some of these customers and other parties may be highly leveraged and subject to their own operating and regulatory risks. If any key customers or other parties default on their obligations to the Group, the Group's financial results and condition could be adversely affected. Any material non-payment or non-performance by these entities, other key customers or certain other third parties could adversely affect other Group's financial position, results of operations and cash flows.

It is expected that the Group's drilling contracts will contain fixed terms and day-rates, and consequently the Group may not fully recoup its costs in the event of a rise in expenses, including operating and maintenance costs and cost-overruns on newbuild projects

The Group's operating costs will generally be related to the number of units in operation and the cost level in each country or region where the units are located. A significant portion of the Group's operating costs may be fixed over the short term.

As at the date of this Prospectus, the Group has an outstanding newbuilding order book for four drilling units. These construction projects are subject to risks of delay or cost overruns inherent in any large construction project from numerous factors, including shortages of equipment, materials or skilled labour, unscheduled delays in the delivery of ordered materials and equipment or shipyard construction, the failure of equipment to meet quality and/or performance standards, financial or operating difficulties experienced by equipment vendors or the shipyards, unanticipated actual or purported change orders, the inability to obtain required permits or approvals, unanticipated cost increases between order and delivery, design or engineering changes, and work stoppages and other labour disputes, adverse weather conditions or any other events of force majeure, terrorist acts, war, piracy or civil unrest. Significant cost overruns or delays in completion and mobilisation of the units could adversely affect the Group's financial position, results of operations and cash flows. Additionally, failure to complete a project on time may result in the delay of revenue from that unit. New drilling units may also experience start-up difficulties following delivery or other unexpected operational problems that could result in uncompensated downtime, which also could adversely affect the Group's financial position, results of operations and cash flows or the cancellation or termination of drilling contracts.

Equipment maintenance costs fluctuate depending upon the type of activity that the unit is performing and the age and condition of the equipment. The Group's operating expenses and maintenance costs depend on a variety of factors, including crew costs, provisions, equipment, insurance, maintenance and repairs, and shipyard costs, many of which are beyond the Group's control.

The Group depends on directors who are associated with affiliated companies, which may create conflicts of interest

The Company's principal shareholder as of the date of this Prospectus is Hemen Holding Ltd ("**Hemen**"). Two of the Company's directors also serve as directors of other companies affiliated with Hemen. The Company's directors owe fiduciary duties to both the Company and such other related parties, and may have conflicts of interest in matters involving or affecting the Group and the Group's customers.

The Group's business and operations involve numerous operating hazards, and the Group will be required to take contractual risk in the Group's customer contracts and the Group may not be able to procure insurance to adequately cover potential losses

The Group's operations will be subject to hazards inherent in the drilling industry, such as blowouts, reservoir damage, loss of production, loss of well control, lost or stuck drill strings, equipment defects, punch-throughs, craterings, fires, explosions and pollution. Contract drilling and well servicing requires the use of heavy equipment and exposure to hazardous conditions, which may subject the Group 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 Group's offshore fleet will also be subject to hazards inherent in marine operations, either while on-site or during mobilization, 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, failure of subcontractors to perform or supply goods or services or personnel shortages. In line with standard industry practice, it is expected that the Group will provide contract indemnity to its customers for claims that could be asserted by the Group relating to damage to or loss of the Group's equipment, including drilling units and claims that could be asserted by the Group or the Group's employees relating to personal injury or loss of life.

Damage to the environment could also result from the Group's operations, particularly through spillage of fuel, lubricants or other chemicals and substances used in drilling operations, or extensive uncontrolled fires. The Group may also be subject to property, environmental and other damage claims by oil and gas companies.

The Group's future insurance policies and contractual rights to indemnity may not adequately cover losses, and the Group does not expect to have insurance coverage or rights to indemnity for all risks. Consistent with standard industry practice, it is expected that the Group's customers will generally assume, and indemnify the Group against, well control and subsurface risks under day rate contracts. These are risks associated with the loss of control of a well, such as blowout or cratering, the cost to regain control of or re-drill the well and associated pollution. However, there can be no assurances that these customers will be willing or financially able to indemnify the Group against all these risks. Customers may seek to cap indemnities or narrow the scope of their coverage, reducing the Group's level of contractual protection.

In addition, a court may decide that certain indemnities in the Group's future contracts are not enforceable. For example, in a 2012 decision in a case related to the fire and explosion that took place on the unaffiliated Deepwater Horizon Mobile Offshore Drilling Unit in the Gulf of Mexico in April 2010 (the "**Deepwater Horizon Incident**") (to which the Group was not a party), the U.S. District Court for the Eastern District of Louisiana invalidated certain contractual indemnities for punitive damages and for civil penalties under the U.S. Clean Water Act under a drilling contract governed by U.S. maritime law as a matter of public policy. Further, pollution and environmental risks generally are not totally insurable.

If a significant accident or other event occurs that is not fully covered by the Group's insurance or an enforceable or recoverable indemnity from a customer, the occurrence could adversely affect the Group's performance.

The amount recoverable under insurance may also be less than the related impact on enterprise value after a loss or not cover all potential consequences of an incident and include annual aggregate policy limits. As a result, the Group will retain the risk through self-insurance for any losses in excess of these limits. Any such lack of reimbursement may cause the Group to incur substantial costs.

No assurance can be made that the Group will be able to obtain and maintain adequate insurance in the future at rates that the Group considers reasonable, or that the Group will be able to obtain insurance against certain risks.

Consolidation and governmental regulation of suppliers may increase the cost of obtaining supplies or restrict the Group's ability to obtain needed supplies

The Group relies on certain third parties to provide supplies and services necessary for the Group's offshore drilling operations, including, but not limited to, drilling equipment suppliers and machinery suppliers. With respect to certain items, such as blow-out preventers, the Group is dependent on the original equipment manufacturer for repair and replacement of the item or its spare parts. There may be a shortage of supplies and services, thereby increasing the cost of supplies and/or potentially inhibiting the ability of suppliers to deliver on time. These cost increases or delays could have a material adverse effect on the Group's results of operations and result in drilling unit downtime, and delays in the repair and maintenance of the Group's drilling units.

The Group may be unable to obtain, maintain, and/or renew permits necessary for the Group's operations or experience delays in obtaining such permits including the class certifications of drilling units

The operation of the Group's future drilling units will require certain governmental approvals, the number and prerequisites of which cannot be determined until the Group identifies the jurisdictions in which it will operate on securing contracts for the drilling units. Depending on the jurisdiction, these governmental approvals may involve public hearings and costly undertakings on the Group's part. The Group may not obtain such approvals or such approvals may not be obtained in a timely manner. If the Group fails to secure the necessary approvals or permits in a timely manner, the Group's customers may have the right to terminate or seek to renegotiate their drilling contracts to the Group's detriment.

Every offshore drilling unit is a registered marine vessel and must be “classed” by a classification society to fly a flag. The classification society certifies that the drilling unit is “in-class,” signifying that such drilling unit has been built and maintained in accordance with the rules of the classification society and complies with applicable rules and regulations of the drilling unit’s country of registry and the international conventions of which that country is a member. In addition, where surveys are required by international conventions and corresponding laws and ordinances of a flag state, the classification society will undertake them on application or by official order, acting on behalf of the authorities concerned. The Group’s future drilling unit(s) are expected to be certified as being “in class” by reputable classification societies and the relevant national authorities in the countries in which the Group’s future drilling units will operate. If any drilling unit loses its flag, does not maintain its class and/or fails any periodical survey or special survey, the drilling unit will be unable to carry on operations and will be unemployable and uninsurable. Any such inability to carry on operations or be employed could have a material adverse impact on the results of operations.

The international nature of the Group’s operations involves additional risks including foreign government intervention in relevant markets

The Group expects to operate in various regions throughout the world. As a result of its international operations, the Group may be exposed to political and other uncertainties, particularly in less developed jurisdictions, including risks of:

- terrorist acts, armed hostilities, war and civil disturbances;
- acts of piracy, which have historically affected ocean-going vessels;
- significant governmental influence over many aspects of local economies;
- the seizure, nationalization or expropriation of property or equipment;
- uncertainty of outcome in foreign court proceedings;
- the repudiation, nullification, modification or renegotiation of contracts;
- limitations on insurance coverage, such as war risk coverage, in certain areas;
- political unrest;
- foreign and U.S. monetary policy and foreign currency fluctuations and devaluations;
- the inability to repatriate income or capital;
- complications associated with repairing and replacing equipment in remote locations;
- import-export quotas, wage and price controls, and the imposition of trade barriers;
- U.S. and foreign sanctions or trade embargoes;
- compliance with various jurisdictional regulatory or financial requirements;
- compliance with and changes to taxation;
- other forms of government regulation and economic conditions that are beyond the Group’s control; and
- government corruption

In addition, international contract drilling operations are subject to various laws and regulations of the countries in which the Group will operate, including laws and regulations relating to:

- the equipping and operation of drilling units;
- exchange rates or exchange controls;
- the repatriation of foreign earnings;
- oil and gas exploration and development;

- the taxation of offshore earnings and the earnings of expatriate personnel; and
- the use and compensation of local employees and suppliers by foreign contractors.

Some foreign governments favour or effectively require (i) the awarding of drilling contracts to local contractors or to drilling units owned by their own citizens, (ii) the use of a local agent or (iii) foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction. These practices may adversely affect the Group's ability to compete in those regions. It is difficult to predict what government regulations may be enacted in the future that could adversely affect the international drilling industry. The actions of foreign governments, including initiatives by OPEC, may adversely affect the Group's ability to compete. Failure to comply with applicable laws and regulations, including those relating to sanctions and export restrictions, may subject the Group to criminal sanctions or civil remedies, including fines, the denial of export privileges, injunctions or seizures of assets.

Compliance with, and breach of, the complex laws and regulations governing international trade could be costly, expose the Group to liability and adversely affect the Group's operations

The Group's business in the offshore drilling industry is affected by laws and regulations relating to the energy industry and the environment in the geographic areas where the Group will operate.

Accordingly, the Group is directly affected by the adoption of laws and regulations that, for economic, environmental or other policy reasons, curtail exploration and development drilling for oil and gas. The Group may be required to make significant capital expenditures or operational changes to comply with governmental laws and regulations. It is also possible that such laws and regulations may add significantly to the Group's operating costs or significantly limit drilling activity.

Import activities are governed by unique customs laws and regulations in each of the countries of operation. Moreover, many countries, including the United States, control the export and re-export of certain goods, services and technology and impose related export recordkeeping and reporting obligations.

The laws and regulations concerning import activity, export recordkeeping and reporting, export control and economic sanctions are complex and constantly changing. These laws and regulations may be enacted, amended, enforced or interpreted in a manner materially impacting the Group's operations. Shipments can be delayed and denied export or entry for a variety of reasons, some of which are outside the Group's control and some of which may result from the failure to comply with existing legal and regulatory regimes. Shipping delays or denials could cause unscheduled operational downtime. Any failure to comply with applicable legal and regulatory trading obligations could also result in criminal and civil penalties and sanctions, such as fines, imprisonment, debarment from government contracts, the seizure of shipments, and the loss of import and export privileges.

Offshore drilling in certain areas, including arctic areas, has been curtailed and, in certain cases, prohibited because of concerns over protecting of the environment

New laws or other governmental actions that prohibit or restrict offshore drilling or impose additional environmental protection requirements that result in increased costs to the oil and gas industry, in general, or to the offshore drilling industry, in particular, could adversely affect the Group's performance.

The amendment or modification of existing laws and regulations or the adoption of new laws and regulations curtailing or further regulating exploratory or development drilling and production of oil and gas could have a material adverse effect on the Group's business, results of operations or financial condition. Earnings may be negatively affected by compliance with any such new legislation or regulations.

The Group is subject to complex environmental laws and regulations that can adversely affect the cost, manner or feasibility of doing business

The Group's operations are subject to numerous international, national, state and local laws and regulations, treaties and conventions in force in international waters and the jurisdictions in which the Group's future drilling units are likely to operate or will be registered, which can significantly affect the ownership and future operation of the Group's future drilling units. Compliance with such laws, regulations and standards, where applicable, may require installation of costly equipment or implementation of operational changes and may affect the resale value or useful lifetime of the Group's drilling units. These costs could have a material adverse effect on the Group's business, results of operations, cash flows and financial condition. A failure to comply with applicable laws and regulations may result in administrative and civil penalties, criminal sanctions or the suspension or termination of the Group's operations. Because such conventions, laws, and regulations are often revised, the Group cannot predict the ultimate cost of complying with them or the impact thereof on the resale prices or useful lives of the Group's drilling units. Additional conventions, laws and regulations may be adopted which could limit the Group's ability to do business or increase the cost of the Group doing business and which may materially adversely affect the Group's operations.

Environmental laws often impose strict liability for the remediation of spills and releases of oil and hazardous substances, which could subject the Group to liability without regard to whether the Group was negligent or at fault. An oil or chemical spill, for which the Group is deemed a responsible party, could result in the Group incurring significant liability, including fines, penalties, criminal liability and remediation costs for natural resource damages under other federal, state and local laws, as well as third-party damages, which could have a material adverse effect on the Group's business, financial condition, results of operations and cash flows.

The Group will be required by various governmental and quasi-governmental agencies to obtain certain permits, licenses and certificates with respect to the Group's operations, and satisfy insurance and financial responsibility requirements for potential oil (including marine fuel) spills and other pollution incidents. Although the Group will arrange for insurance to cover certain environmental risks, there can be no assurance that such insurance will be sufficient to cover all such risks or that any claims will not have a material adverse effect on the Group's business, results of operations, cash flows and financial condition.

Although the Group's drilling units are separately owned by subsidiaries of the Company, and any future additional drilling units are expected to be the same, under certain circumstances a parent company and all of the unit-owning affiliates in a group under common control engaged in a joint venture could be held liable for damages or debts owed by one of the affiliates, including liabilities for oil spills. Therefore, it is possible that the Company could be subject to liability upon a judgment against the Group or any one of the Company's subsidiaries.

The Group's future drilling units could cause the release of oil or hazardous substances. Any releases may be large in quantity, above the Group's permitted limits or occur in protected or sensitive areas where public interest groups or governmental authorities have special interests. Any releases of oil or hazardous substances could result in fines and other costs to the Group, such as costs to upgrade the Group's future drilling units, clean up the releases and comply with more stringent requirements in the Group's discharge permits. Moreover, these releases may result in the Group's customers or governmental authorities suspending or terminating the Group's operations in the affected area, which could have a material adverse effect on the Group's business, results of operations and financial condition.

If the Group is able to obtain from its customers some degree of contractual indemnification against pollution and environmental damages in the Group's contracts, such indemnification may not be enforceable in all instances or the customer may not be financially able to comply with its indemnity obligations in all cases, and the Group may not be able to obtain such indemnification agreements in the future. In addition, a court may decide that certain indemnities in the Group's contracts are not enforceable.

The Group may not obtain certain insurance coverage. Even if insurance is available and the Group has obtained the coverage, it may not be adequate to cover the Group's liabilities or the Group's insurance underwriters may be unable to pay compensation if a significant claim should occur. Any of these scenarios could have a material adverse effect on the Group's business, results of operations and financial condition.

Failure to comply with international anti-corruption legislation, including the U.S. Foreign Corrupt Practices Act 1977 or the U.K. Bribery Act 2010, could result in fines, criminal penalties, damage to the Group's reputation and drilling contract terminations

The Group is likely to operate the Group's future drilling units in a number of countries throughout the world, including some with developing economies. Also, the Group's business interaction with national oil companies as well as state or government-owned shipbuilding enterprises and financing agencies puts the Group in contact with persons who may be considered to be "foreign officials" under the U.S. Foreign Corrupt Practices Act of 1977 or the FCPA and the Bribery Act 2010 of the United Kingdom or the U.K. Bribery Act.

In order to effectively compete in some foreign jurisdictions, the Group will utilize local agents and/or establish entities with local operators or strategic partners. All of these activities may involve interaction by the Group's agents with government officials. Even though some of the Group's agents and partners may not themselves be subject to the FCPA, the U.K. Bribery Act or other anti-bribery laws to which the Group may be subject, if the Group's agents or partners make improper payments to government officials or other persons in connection with engagements or partnerships with the Group, the Group could be investigated and potentially found liable for violations of such anti-bribery laws and could incur civil and criminal penalties and other sanctions, which could have a material adverse effect on the Group's business and results of operation.

The Group is subject to the risk that the Group or its affiliated companies or the Group's respective officers, directors, employees and agents may take actions determined to be in violation of anti-corruption laws, including the FCPA and the

U.K. Bribery Act. Any such violation could result in substantial fines, sanctions, civil and/or criminal penalties, curtailment of operations in certain jurisdictions, and might adversely affect the Group's business, results of operations or financial condition. In addition, actual or alleged violations could damage the Group's reputation and ability to do business.

If the Group's drilling units are located in countries that are subject to economic sanctions or other operating restrictions imposed by the United States or other governments, the Group's reputation and the market for the Group's debt and common shares could be adversely affected

Governments may impose economic sanctions against certain countries, persons and other entities that may restrict or prohibit Transaction involving such countries, persons and entities. U.S. sanctions in particular are targeted against countries that are heavily involved in the petroleum and petrochemical industries, which include drilling activities.

From time to time, the Group may enter into drilling contracts with countries or government-controlled entities that are subject to sanctions and embargoes imposed by the U.S. government and/or identified by the U.S. government as state sponsors of terrorism where entering into such contracts would not violate U.S. law, or may enter into drilling contracts involving operations in countries or with government controlled entities that are subject to sanctions and embargoes imposed by the U.S government and/or identified by the U.S. government as state sponsors of terrorism. However, this could negatively affect the Company's ability to obtain investors. In some cases, U.S. investors would be prohibited from investing in an arrangement in which the proceeds could directly or indirectly be transferred to or may benefit a sanctioned entity. Moreover, even in cases where the investment would not violate U.S. law, potential investors could view such drilling contracts negatively, which could adversely affect the Group's reputation and the market for the Shares.

The Group will strive to be in compliance with all applicable sanctions and embargo laws and regulations. However, there can be no assurance that the Group will maintain such compliance in the future, particularly as the scope of certain laws may be unclear and may be subject to changing interpretations. Any such violation could result in fines or other penalties and could result in some investors deciding, or being required, to divest their interest, or not to invest, in the Shares. Additionally, some investors may decide to divest their interest, or not to invest in the Shares simply because the Group may do business with companies that do business in sanctioned countries. Moreover, the Group's future drilling contracts may violate applicable sanctions and embargo laws and regulations as a result of actions that do not involve the Company, or the Group's future drilling units, and those violations could in turn negatively affect the Group's reputation. Investor perception of the value of the Shares may also be adversely affected by the consequences of war, the effects of terrorism, civil unrest and governmental actions in these and surrounding countries.

An economic downturn could have a material adverse effect on the Group's revenue, profitability and financial position

The Group will depend on its prospective customers' willingness and ability to fund operating and capital expenditures to explore, develop and produce oil and gas, and to purchase drilling and related equipment. There has historically been a strong link between the development of the world economy and the demand for energy, including oil and gas. The world economy is currently facing a number of challenges. Concerns persist regarding the debt burden of certain European countries and their ability to meet future financial obligations and the overall stability of the euro. A renewed period of adverse development in the outlook for the financial stability of European countries, or market perceptions concerning these and related issues, could reduce the overall demand for oil and natural gas and for the Group's services and thereby could affect the Group's financial position, results of operations and cash available for distribution. In addition, turmoil and hostilities in the Ukraine, Korea, the Middle East, North Africa and other geographic areas and countries are adding to the overall risk picture. Negative developments in worldwide financial and economic conditions could further cause the Group's ability to access the capital markets to be severely restricted at a time when the Group would like, or need, to access such markets, which could impact the Group's ability to react to changing economic and business conditions. Worldwide economic conditions have in the past impacted, and could in the future impact, lenders willingness to provide credit facilities to the Group's prospective customers, causing them to fail to meet their obligations to the Group. In June 2016, the U.K. voted to exit from the European Union (commonly referred to as Brexit). The impact of Brexit and the resulting U.K. and European relationship are uncertain for companies doing business both in the U.K. and the overall global economy. An extended period of adverse development in the outlook for the world economy could also reduce the overall demand for oil and gas and for the Group's services. Such changes could adversely affect the Group's results of operations and cash flows beyond what might be offset by the simultaneous impact of possibly higher oil and gas prices.

The Group's business is capital intensive and will need to raise additional funds through public or private debt or equity offerings to fund its capital expenditures. The Group's ability to access the capital markets may be limited by the Group's financial condition at the time, by changes in laws and regulations or interpretations thereof and by adverse market conditions resulting from, among other things, general economic conditions and contingencies and uncertainties that are beyond the Group's control.

Any reductions in drilling activity by the Group's prospective customers may not be uniform across different geographic regions. Locations where costs of drilling and production are relatively higher, such as Arctic or deepwater locations, may be subject to greater reductions in activity. Such reductions in high cost regions may lead to the relocation of drilling units, concentrating drilling units in regions with relatively fewer reductions in activity leading to greater competition.

If potential lenders are not confident that the Group is able to employ its assets, the Group may be unable to secure additional financing on terms acceptable to the Group or at all for the remaining instalment payments the Group is obligated to make before the delivery of its newbuildings and the Group's other capital requirements.

Failure to obtain or retain highly skilled personnel, and to ensure they have the correct visas and permits to work in the locations in which they are required, could adversely affect the Group's operations

The Group requires highly skilled personnel in the right locations to operate and provide technical services and support for the Group's business. Notwithstanding the general downturn in the drilling industry, in some regions, such as Brazil and Western Africa, the limited availability of qualified personnel in combination with local regulations focusing on crew composition, are expected to further increase the demand for qualified offshore drilling crews, which may increase the Group's costs. These factors could further create and intensify upward pressure on wages and make it more difficult to staff the Group and to service its drilling units. Such developments could adversely affect the Group's financial results and cash flow.

The Group's ability to operate worldwide depends on Seadrill Global Services Ltd.'s ("**SGS**") ability to obtain the necessary visas and work permits for personnel provided to the Group to travel in and out of, and to work in, the jurisdictions in which the Group operates. Governmental actions in some of the jurisdictions in which the Group operates may make it difficult for the Group to move personnel in and out of these jurisdictions by delaying or withholding the approval of these permits. If it is not possible to obtain visas and work permits for the employees the Group needs for operating its units on a timely basis, or for third-party technicians needed for maintenance or repairs, the Group might not be able to perform its obligations under the Group's future drilling contracts, which could allow the Group's prospective customers to cancel the contracts.

Interest rate fluctuations could affect the Group's earnings and cash flow

In order to finance its growth the Group is may incur significant amounts of debt. All or some of the Group's debt arrangements are expected to have floating interest rates. As such, significant movements in interest rates could have an adverse effect on the Group's earnings and cash flow. In order to manage the Group's exposure to interest rate fluctuations, the Group may use interest rate swaps to effectively fix a part of any floating rate debt obligations. If the Group is unable to effectively manage its interest rate exposure, any increase in market interest rates would increase the Group's interest rate exposure and debt service obligations.

Fluctuations in exchange rates and the non-convertibility of currencies could result in losses to the Group

As a result of the Group's international operations, the Group will be exposed to fluctuations in foreign exchange rates due to revenues being received and operating expenses paid in currencies other than U.S. dollars. Accordingly, the Group may experience currency exchange losses if it has not adequately hedged its exposure to a foreign currency, or if revenues are received in currencies that are not readily convertible. The Group may also be unable to collect revenues because of a shortage of convertible currency available in the country of operation, controls over currency exchange or controls over the repatriation of income or capital.

The Group uses the U.S. dollar as its functional currency because the majority of the Group's revenues and expenses are expected to be denominated in U.S. dollars. Accordingly, the Group's reporting currency is also U.S. dollars. The Group is, however, expected to earn revenues and incur expenses in other currencies and there is a risk that currency fluctuations could have an adverse effect on the Group's statements of operations and cash flows.

Brexit, or similar events in other jurisdictions, can impact global markets, excluding foreign exchange and securities markets, which may have an adverse impact on the Group's business and operations as a result of changes in currency, exchange rates, tariffs, treaties and other regulatory matters.

A change in tax laws in any country in which the Group will operate could result in higher tax expense

The Group is expected to have operations worldwide. Tax laws, regulations and treaties are highly complex and subject to interpretation. Consequently, the Group may be subject to changing tax laws, regulations and treaties in and between the countries in which it operates, including any treaties between Bermuda (where the Company is incorporated) and the

Marshall Islands (where the Company's subsidiaries are incorporated) and the United States and other nations. The Group's income tax expense will be based upon the Group's interpretation of the tax laws in effect in various countries at the time that the expense is incurred.

While the Company is a Bermuda tax resident and is subject to a Tax Exemption on Bermuda, the Group will have subsidiaries in various countries throughout the world. Income taxes are based upon the local tax laws, regulations, and international treaties that apply to the various countries in which the Group operates.

A change in these tax laws, regulations or treaties, including those in and involving the United States, Bermuda and the Marshall Islands, or in the interpretation thereof, or in the valuation of any deferred tax assets, which is beyond the Group's control, could result in a materially higher tax expense or a higher effective tax rate on the Group's worldwide earnings.

Furthermore, the Group's income tax returns may be subject to local tax reviews. If tax authorities in any way challenge the Group's intercompany pricing policies and/or operating structures successfully, the Group's effective tax rate may increase considerably resulting in earnings and cash flow from operations being materially impacted.

Climate change and the regulation of greenhouse gases could have a negative impact on the Group's business

Due to concern over the risk of climate change, a number of countries and the International Maritime Organization (the "**IMO**") have adopted, or are considering the adoption of, regulatory frameworks to reduce greenhouse gas emissions. Currently, the emissions of greenhouse gases from international shipping are not subject to the Kyoto Protocol to the United Nations Framework Convention on Climate Change, which entered into force in 2005 and pursuant to which adopting countries have been required to implement national programs to reduce greenhouse gas emissions or the Paris Agreement, which resulted from the 2015 United Nations Framework Convention on Climate Change conference in Paris and entered into force on 4 November 2016.

As at 1 January 2013, all ships (including drilling units) must comply with mandatory requirements adopted by the IMO's Maritime Environment Protection Committee (the" **MEPC**"). A roadmap for a "comprehensive IMO strategy on a reduction of GHG emissions from ships", from 2017 through 2023, was also approved by MEPC at its 70th session in October 2016. Subsequent to this session, MEPC has had two intersessional meetings following up the roadmap approved in 2016. In April 2018 it was held a third meeting, and the working group was instructed to finalize a draft text of the initial IMO greenhouse gases strategy. The initial strategy includes a long-term reduction of greenhouse gas emissions from international shipping. IMO`s long-term goal is to phase out emissions completely. An agreement to reduce the shipping industry`s carbon emissions to 50% below 2008 levels by 2050 was announced. Furthermore, the resolution calls for a 40% reduction in carbon intensity – a measure of emission per unit of transport – by 2030. However, the timing and size of the required reductions are under debate. The initial strategy represents a framework for the member states, in order to set out the future vision for international shipping, and it shall identify barriers and supportive measures including capacity building, technical cooperation and research and development. Accordingly, the strategy may lead to bigger responsibilities and requirements. Furthermore, IMO has implemented a requirement of collection data for fuel oil consumption of ships over 5 000 gross tonnes in the MARPOL Convention ("**MARPOL**"). It was entered into force 1 March 2018. The collected data shall be sent to IMO, and IMO shall produce an anonymized annual report to the MEPC summarizing the findings.

In addition, the European Union has indicated that it intends to propose an expansion of the existing European Union Emissions Trading Scheme to include emissions of greenhouse gases from marine vessels. In April 2015, a regulation was adopted requiring that large ships (over 5,000 gross tons) calling at European Union ports from January 2018 collect and publish data on carbon dioxide emissions and other information. The collected data shall be published by the EU Commission annually. In the United States, the Environmental Protection Agency (the "**EPA**"), has issued a finding that greenhouse gases endanger the public health and safety and has adopted regulations to limit greenhouse gas emissions from certain mobile sources and large stationary sources. Although the mobile source emissions regulations do not apply to greenhouse gas emissions from drilling units, such regulation of drilling units is foreseeable, and the EPA has received petitions from the California Attorney General and various environmental groups seeking such regulation. In the United States, individual states can also enact environmental regulations. For example, California has introduced caps for greenhouse gas emission and has signalled it might take additional actions regarding climate change.

Compliance with changes in laws, regulations and obligations relating to climate change could increase the Group's costs related to operating and maintaining the Group's assets, and might also require the Group to install new emission controls, acquire allowances or pay taxes related to the Group's greenhouse gas emissions, or administer and manage a greenhouse gas emissions program. Any passage of climate control legislation or other regulatory initiatives by the IMO, the European Union, the United States or other countries in which we operate, or any treaty adopted at the international level to succeed the Kyoto Protocol, which restricts emissions of greenhouse gases, could require the Group to make significant financial expenditures which the Group cannot predict with certainty at this time.

Additionally, adverse effects upon the oil and gas industry relating to climate changes, including growing public concern about the environmental impact of climate change, may also adversely affect demand for the Group's services. For example, increased regulation of greenhouse gases or other concerns relating to climate change may reduce the demand for oil and gas in the future or create greater incentives for the use of alternative energy sources. Any long-term material adverse effect on the oil and gas industry could have a significant financial and operational adverse impact on the Group's business, including capital expenditures to upgrade the Group's future drilling units, which the Group cannot predict with certainty at this time. In general, the industry is under increasing pressure to act upon international climate responsibilities, and the requirements could cause the Group to incur additional compliance costs.

Acts of terrorism, piracy, cyber-attack, political and social unrest could affect the markets for drilling services, which may have a material adverse effect on the Group's results of operations

Acts of terrorism, piracy, and political and social unrest, brought about by world political events or otherwise, have caused instability in the world's financial and insurance markets in the past and may occur in the future. Such acts could be directed against companies such as the Company. The Group's future drilling operations could also be targeted by acts of sabotage carried out by environmental activist groups.

The Group will rely on information technology systems and networks in its operations and administration of the Group's business. The Group's future drilling operations or other business operations could be targeted by individuals or groups seeking to sabotage or disrupt the Group's information technology systems and networks, or to steal data. A successful cyber-attack could materially disrupt the Group's operations, including the safety of the Group's operations, or lead to an unauthorized release of information or alteration of information on the Group's systems. Any such attack or other breach of the Group's information technology systems could have a material adverse effect on the Group's business and results of operations.

In addition, acts of terrorism and social unrest could lead to increased volatility in prices for crude oil and natural gas and could affect the markets for drilling services and result in lower day rates. Insurance premiums could also increase and coverage may be unavailable in the future. Increased insurance costs or increased costs of compliance with applicable regulations may have a material adverse effect on the Group's results of operations.

The Group may be subject to litigation, arbitration and other proceedings that could have an adverse effect on the Group

The Group anticipates that it will be involved in litigation matters from time to time in the future. The operating hazards inherent in the Group's business expose the Group to litigation, including personal injury litigation, environmental litigation, contractual litigation with customers, intellectual property litigation, tax or securities litigation and maritime lawsuits, including the possible arrest of the Group's drilling units. The Group cannot predict with certainty the outcome or effect of any claim or other litigation matter, or a combination of these. If the Group is involved in any future litigation, or if the Group's positions concerning current disputes are found to be incorrect, there may be an adverse effect on the Group's business, financial position, results of operations and available cash, because of potential negative outcomes, the costs associated with asserting the Group's claims or defending such lawsuits, and the diversion of management's attention to these matters.

The Group may also be subject to significant legal costs in defending these actions, which we may or may not be able to recoup depending on the results of such claim.

The Group cannot guarantee that the use of the Group's drilling units will not infringe the intellectual property rights of others

The majority of the intellectual property rights relating to the Group's future drilling units and related equipment are to be owned by the Group's suppliers. In the event that one of the Group's suppliers becomes involved in a dispute over an infringement of intellectual property rights relating to equipment owned by the Group, it may lose access to repair services or replacement parts, or could be required to cease using some equipment. In addition, the Group's competitors may assert claims for infringement of intellectual property rights related to certain equipment on the Group's future drilling units and the Group may be required to stop using such equipment and/or pay damages and royalties for the use of such equipment. The consequences of these technology disputes involving the Group's suppliers or competitors could adversely affect the Group's financial results and operations.

A continued downturn in activity in the oil and gas drilling industry is likely to have an adverse impact on the Group's business and results of operations

The oil and gas drilling industry is cyclical and is currently in a prolonged downcycle. The price of brent crude has fallen from USD 115 per barrel in June 2014 to USD 52 per barrel in August 2017, while it has been even lower than the current price level several times between November 2015 and today. The significant decrease in oil and natural gas prices reduced many of the Group's prospective customers' demand for the Group's services, due to significant decreases in budgeted expenditures for offshore drilling.

A continued reduced or declining capital spending levels, coupled with additional newbuild supply, are likely to continue intense price competition and put significant pressure on day rates. If the Group is unable to secure contracts for its drilling units, the Group may idle or stack its units. When idled or stacked, drilling units do not earn revenues, but continue to require cash expenditures for crews, fuel, insurance, berthing and associated items. Without drilling contracts or additional financing being available when needed or available only on unfavourable terms, the Group will be unable to meet its obligations as they come due or the Group may be unable to enhance its business, complete additional drilling unit acquisitions or otherwise take advantage of business opportunities as they arise.

2.2 Risks Relating to the Shares

The price of the Shares may fluctuate significantly.

The trading price of the Shares could fluctuate significantly in response to a number of factors beyond the Company's control, including quarterly variations in operating results, adverse business developments, changes in financial estimates and investment recommendations or ratings by securities analysts, significant contracts, acquisitions or strategic relationships, publicity about the Company, its products and services or its competitors, lawsuits against the Company, unforeseen liabilities, changes to the regulatory environment in which it operates or general market conditions.

In recent years, the stock market has experienced extreme price and volume fluctuations. This volatility has had a significant impact on the market price of securities issued by many companies. Those changes may occur without regard to the operating performance of these companies. The price of the Shares may therefore fluctuate based upon factors that have little or nothing to do with the Company, and these fluctuations may materially affect the price of its Shares.

Future issuances of shares or other securities in the Company may dilute the holdings of shareholders and could materially affect the price of the Shares.

It is possible that the Company may decide to offer additional shares or other securities in order to finance new capital-intensive investments in the future, to cover unanticipated liabilities or expenses, or for any other purposes. Any such additional offering could reduce the proportionate ownership and voting interests of holders of Shares as well as the earnings per Share and the net asset value per Share of the Company, and any offering by the Company could have a material adverse effect on the market price of the Shares.

The Company may not pay dividends.

Pursuant to the Company's dividend policy, dividends are only expected to be paid in certain conditions described in Section 15 "Dividend and Dividend Policy" are fulfilled. In addition, the Company may choose not to, or may be unable, to pay dividends. The amount of dividends paid by the Company, if any, for a given financial period, will depend on, among other things, the Company's future operating results, cash flows, financial position, capital requirements, the sufficiency of its distributable reserves, the ability of the Company's subsidiaries to pay dividends to the Company, credit terms, general economic conditions, legal restrictions (as set out in Section 15.2 "Legal Constraints on the Distribution of Dividends") and other factors that the Company may deem to be significant from time to time.

There are certain risks connected to the shares being registered in the Norwegian Central Securities Depository (Nw. Verdipapirsentralen) ("VPS").

The Shares to be listed on Oslo Børs are for the purpose of Bermudian company law, registered in the Company's register of members in the name of DNB Bank ASA (the "**VPS Registrar**"), which holds the shares as a nominee on behalf of the beneficial owners. For the purpose of enabling trading of shares on Oslo Børs, the Company maintains a register in the VPS, where the beneficial ownership interests in the shares and transfer of such beneficial ownership interests are recorded.

The Company has entered into a registrar agreement with the VPS Registrar where the VPS Registrar is appointed as registrar and nominee, in order to provide for the registration of each investor's beneficial ownership in the Shares in the VPS on investors' individual VPS accounts.

In accordance with market practice in Norway and system requirements of the VPS, the beneficial ownership of investors is registered in the VPS under the name of a "share" and the beneficial ownership is listed and traded on Oslo Børs as "shares" in the Company. Investors who purchase shares (although recorded as owners of the shares in the VPS) will have no direct rights against the Company.

Each VPS-registered share represents evidence of beneficial ownership of one of the shares for the purposes of Norwegian law, however such ownership would not necessarily be recognized by a Bermudian or other court. The VPS-registered shares are freely transferable with delivery and settlement through the VPS-system. Investors must look solely to the VPS Registrar for the payment of dividends, for the exercise of voting rights attached to the shares and for all other rights arising in respect of the shares.

Investors may not be able to exercise their voting rights for Shares registered in a nominee account.

Beneficial owners of the Shares that are registered in a nominee account (such as through brokers, dealers or other third parties) may not be able to vote for such Shares unless their ownership is (a) re-registered in their names with the VPS, as the branch register, or in the principal share register maintained in Bermuda, prior to the Company's general meetings or (b) the registered nominee holder grants a proxy to such beneficial owner in the manner provided for in the Company´s bye laws in force at that time and pursuant to the contractual relationship, if any, between the nominee and the beneficial owner, to vote for such Shares. The Company cannot guarantee that beneficial owners of the Shares will receive the notice of a general meeting of shareholders of the Company in time to instruct their nominees to either effect a re-registration of their Shares or otherwise vote for their Shares in the manner desired by such beneficial owners. Any persons that hold their Shares through a nominee arrangement should consult the nominee to ensure that any Shares beneficially held are voted for in the manner desired by such beneficial owner.

Investors may have difficulty enforcing any judgment obtained in the United States against the Company or its directors

The Company is incorporated under the laws of Bermuda and its current directors and executive officers reside outside the United States, except for the chairman of the board. Furthermore, most of the Company's assets and most of the assets of the Company's directors and executive officers are expected to be located outside the United States. As a result, investors may be unable to effect service of process on the Company or its directors and executive officers or enforce judgments obtained in the United States courts against the Company or such persons in the United States, including judgments predicated upon the civil liability provisions of the federal securities laws of the United States.

The transfer of the Shares is subject to restrictions under the securities laws of the United States and other jurisdictions

The Shares have not been registered under the U.S. Securities Act or any U.S. state securities laws or any other jurisdiction outside of Norway and are not expected to be registered in the future. As such, the Shares may not be offered or sold except pursuant to an exemption from the registration requirements of the U.S. Securities Act and applicable securities laws. In addition, there can be no assurances that shareholders residing or domiciled in the United States will be able to participate in future capital increases or rights offerings.

Shareholders are subject to currency risk

The Shares listed are traded in NOK while the majority of the Company's transactions, assets and liabilities are denominated in USD, its functional currency. Accordingly, an investor should consider the exposure towards the risk of fluctuations in the exchange rate between the two currencies.

3. RESPONSIBILITY STATEMENT

The Board of Directors of Northern Drilling Ltd. accepts responsibility for the information contained in this Prospectus. The members of the Board of Directors confirm that, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is, to the best of their knowledge, in accordance with the facts and contains no omissions likely to affect its import.

29 June 2018

The Board of Directors of Northern Drilling Ltd

Gary Casswell (Chairman)
Georgina Sousa (Director)
Jon Olav Østhus (Director)

4. GENERAL INFORMATION

This Section provides general information on the presentation of financial and other information, as well as the use of forward-looking statements, in this Prospectus. You should read this information carefully before continuing.

4.1 Cautionary Note Regarding Forward-Looking Statements

This Prospectus includes forward-looking statements that reflect the Company's current views with respect to future events and financial and operational performance; including, but not limited to, statements relating to the risks specific to the Company's business, future earnings, the ability to distribute dividends, the solution to contractual disagreements with counterparties, the implementation of strategic initiatives as well as other statements relating to the Company's future business development and economic performance ("**Forward-looking Statements**"). These Forward-looking Statements can be identified by the use of forward-looking terminology; including the terms "assumes", "projects", "forecasts", "estimates", "expects", "anticipates", "believes", "plans", "intends", "may", "might", "will", "would", "can", "could", "should" or, in each case, their negative or other variations or comparable terminology. These Forward-looking Statements are not historical facts. They appear in a number of places throughout this Prospectus; Section 8 "Business Overview", Section 9 "Industry Overview" and Section 15 "Dividend and Dividend Policy" and include statements regarding the Company's intentions, beliefs or current expectations concerning, among other things, goals, objectives, financial condition and results of operations, liquidity, outlook and prospects, growth, strategies, impact of regulatory initiatives, capital resources and capital expenditure and dividend targets, and the industry trends and developments in the markets in which the Group operates.

Prospective investors in the Shares are cautioned that forward-looking statements are not guarantees of future performance and that the Company's actual financial position, operating results and liquidity, and the development of the industry in which the Company operates may differ materially from those contained in or suggested by the forward-looking statements contained in this Prospectus. The Company cannot guarantee that the intentions, beliefs or current expectations that these forward-looking statements are based will occur.

By their nature, forward-looking statements involve and are subject to known and unknown risks, uncertainties and assumptions as they relate to events and depend on circumstances that may or may not occur in the future. Because of these known and unknown risks, uncertainties and assumptions, the outcome may differ materially from those set out in the forward-looking statements. Should one or more of these risks and uncertainties materialize, or should any underlying assumption prove to be incorrect, the Company's business, actual financial condition, cash flows or results of operations could differ materially from that described herein as anticipated, believed, estimated or expected.

The information contained in this Prospectus, including the information set out under Section 2 "Risk Factors", identifies additional factors that could affect the Company's financial position, operating results, liquidity and performance. Prospective investors in the Shares are urged to read all sections of this Prospectus and, in particular, Section 2 "Risk Factors" for a more complete discussion of the factors that could affect the Company's future performance and the industry in which the Company operates when considering an investment in the Shares.

Except as required according to Section 7-15 of the Norwegian Securities Trading Act, the Company undertakes no obligation to publicly update or publicly revise any forward-looking statement, whether as a result of new information, future events or otherwise. All subsequent written and oral forward-looking statements attributable to the Company or to persons acting on the behalf of the Company are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this Prospectus.

4.2 Presentation of Industry Data and Other Information

Sources of Industry and Market Data

To the extent not otherwise indicated, the information contained in this Prospectus on the market environment, market developments, growth rates, market trends, market positions, industry trends, competition in the industry in which the Company operates and similar information are estimates based on data compiled by professional organisations, consultants and analysts; in addition to market data from other external and publicly available sources, including market data from IHS Petrodata, DNB Markets Equity Research and Rystad Energy, as well as the Company's knowledge of the markets.

Market data from IHS Petrodata, DNB Markets Equity Research and Rystad Energy is not publicly available, but can be obtained against payment through IHS Petrodata's website login.ods-petrodata.com, DNB Markets' website http://dnbalpha.com/ and Rystad Energy's website www.rystadenergy.com, respectively.

While the Company has compiled, extracted and reproduced such market and other industry data from external sources, the Company has not independently verified the correctness of such data. Thus, the Company takes no responsibility for the correctness of such data. The Company cautions prospective investors not to place undue reliance on the above mentioned data.

Although the industry and market data is inherently imprecise, the Company confirms that where information has been sourced from a third party, such information has been accurately reproduced and that as far as the Company is aware and is able to ascertain from information published by that third party, no facts have been omitted that would render the reproduced information inaccurate or misleading. Where information sourced from third parties has been presented, the source of such information has been identified.

In addition, although the Company believes its internal estimates to be reasonable, such estimates have not been verified by any independent sources and the Company cannot assure prospective investors as to their accuracy or that a third party using different methods to assemble, analyse or compute market data would obtain the same results. The Company does not intend to or assume any obligations to update industry or market data set forth in this Prospectus. Finally, behaviour, preferences and trends in the marketplace tend to change. As a result, prospective investors should be aware that data in this Prospectus and estimates based on those data may not be reliable indicators of future results.

Financial Information; Alternative Performance Measures (Non-U.S. GAAP Measures)

In this Prospectus, the Group has used basic Alternative Performance Measures ("**APMs**") like EBITDA, adjusted EBITDA and EBIT. The APMs presented herein are not measurements of performance under US GAAP or other generally accepted accounting principles and investors should not consider any such measures to be an alternative to: (a) operating revenue or operating profit, as a measure of the Group's operating performance; or (b) any other measures of performance under generally accepted accounting principles. The APMs presented herein may not be indicative of the Group's historical operating results, nor are such measures meant to be predictive of the Group's future results. The Group believes that these APMs are commonly reported by companies in the market in which it competes and are widely used by investors in comparing performance on a consistent basis without regard to factors such as depreciation and amortization, which can vary significantly depending upon accounting methods or based on non-operating factors. Accordingly, the Group discloses the non-US GAAP financial measures presented herein to permit a more complete and comprehensive analysis of its operating performance relative to other companies and across periods, and of the Group's ability to service its debts. Because companies calculate the APMs presented herein differently, the Group's presentation of these APMs may not be comparable to similarly titled measures used by other companies.

Other Information

In this Prospectus, all references to "NOK" are to the lawful currency of Norway, all references to "EUR" are to the lawful currency of the EU and all references to "U.S. dollar", "US$", "USD", or "$" are to the lawful currency of the United States of America.

In this Prospectus all references to "EU" are to the European Union and its Member States as of the date of this Prospectus; all references to "EEA" are to the European Economic Area and its member states as of the date of this Prospectus; and all references to "US", "U.S." or "United States" are to the United States of America.

Certain figures included in this Prospectus have been subject to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly.

5. THE PRIVATE PLACEMENT

This Section provides summary information about the Private Placement of the Company. You should read this Section in conjunction with the other parts of this Prospectus, in particular, Section 6 "Use of Proceeds; Reasons for the Private Placement", Section 8 "Business Overview", Section 10 "Capitalization and Indebtedness" and Section 12 "Operating and Financial Review".

5.1 Raising of new equity – Overview of the Private Placement

On 8 May 2018, the Company announced the Private Placement of new Shares of a total of NOK 2,026,800,000, equaling approximately USD 250 million. The Private Placement Shares were subscribed for at a fixed subscription price of NOK 68.00 per Share, and was set with reference to the market price of the Shares as traded on Oslo Axess on 8 May 2018.

In order to facilitate timely settlement of immediately tradable shares to subscribers in the Private Placement (other than Hemen), delivery of shares allocated in the Private Placement was made by delivery of existing and unencumbered shares in the Company, pursuant to a share lending agreement entered into between the Company, DNB Markets (on behalf of the Managers) and Hemen. Settlement in the Private Placement took place on 14 May 2018, whereby the shares delivered to the relevant investors were fully tradable on Oslo Axess. The Managers settled the share loan with a number of new shares in the Company issued in connection with the Private Placement equal to the number of borrowed Shares.

On 8 May 2018, the Board of Directors resolved to increase the Company's share capital from USD 77,750,100 to USD 107,555,983 by issue of the 29,805,883 Private Placement Shares. The Private Placement Shares were delivered under a separate ISIN and will be registered on the Company's ordinary ISIN BMG6624L1090 with the VPS in book-entry form upon approval of this Prospectus. The Private Placement Shares carry full shareholder rights and rank in parity with all Shares in the Company. Each Private Placement Share has a par value of USD 1.00 and carries one vote.

The share issuance was carried out as a private placement, which was considered by the Company to be in the best interest of the Company and its shareholders. In its assessment, the Company has taken into account, among other things, that a private placement is likely to have a greater chance of success, and can be done at an attractive price, compared alternative structures.

Following issuance of the Private Placement Shares, the Company has an issued share capital of USD 107,555,983 divided into 107,555,983 common shares.

5.2 Participation of Members of the Management and Major Shareholders in the Private Placement

The Company's CEO, Gunnar W. Eliassen was allocated 30,000 shares in the Private Placement at a subscription price of NOK 68.00. Mr. Eliassen owns 41,898 other shares in the Company, and following completion of the Private Placement Mr. Eliassen owns 71,898 shares in the Company.

Hemen, a company indirectly controlled by trusts established by Mr. John Fredriksen for the benefit of his immediate family was allocated 8,941,765 Private Placement Shares at the subscription price of NOK 68.00. Following completion of the Private Placement, Hemen holds 40,198,865 Shares in the Company, equaling approximately 37% of the Company's common Shares and votes.

5.3 Expenses

The total expenses in connection with the Private Placement amounted to approximately USD 3.7 million.

5.4 Interests of Natural Legal Persons Involved in the Private Placement

The Managers or their affiliates have provided from time to time, and may 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 Managers, their employees and any affiliates may currently own Shares in the Company. The Managers do not intend to disclose the extent of any such investments or Transaction otherwise than in accordance with any legal or regulatory obligation to do so.

In accordance with market practice, the Managers received a fee equalling 2% of the proceeds from the Private Placement (excluding Hemen's subscription portion) as compensation for their services.

Beyond the abovementioned, the Company is not aware of any interest of natural and legal persons involved in the Private Placement.

6. USE OF PROCEEDS; REASONS FOR THE PRIVATE PLACEMENT

The discussion about use of proceeds below only addresses the intentions of the Company as of the date of this Prospectus; and no assurance can be made that the proceeds actually will be applied to all or any of the purposes identified herein.

6.1 Reasons for the Private Placement

The reason for the Private Placement was to provide the Company with funds enabling the Company to further expand its fleet, including the funding of the two Drillships under construction, and for general corporate purposes.

6.2 Use of Proceeds

The gross proceeds from the Private Placement were NOK 2,026,800,000, or approximately USD 250 million. The total expenses in connection with the Private Placement amounted to approximately USD 3.7 million. Hence, the net cash proceeds from the Private Placement, amount to approximately USD 246.3 million.

The Company intends to apply the net proceeds of the Private Placement for further fleet expansion, including the funding of the two Drillships under construction and for general corporate purposes.

For the purposes of arriving at the abovementioned USD figures, amounts in NOK have been translated to USD on the basis of a NOK/USD exchange rate of 8,1072.

6.3 Dilution

The table below shows the percentage split of the Company's share capital following the Private Placement; split by pre-Private Placement share capital and share capital issued in the Private Placement:

Pre-Private Placement share capital	72.3%
Private Placement share capital	27.7%

The Private Placement resulted in a dilution of the then existing shareholders of the Company of approximately 28%.

7. THE TRANSACTION

This Section provides information on the background and reasons for, and certain technical aspects of the Transaction. This Section contains Forward-looking Statements based on current expectations and assumptions about the future business of the Group following the completion of the Transaction. Factors that could cause or contribute to these differences include, but are not limited to, those discussed below and elsewhere in the Prospectus, particularly in Section 2 "Risk Factors" and Section 4.1 "General Information—Cautionary Note Regarding Forward-looking Statements".

7.1 Overview of the Transaction

On 8 May 2018, two newly incorporated Marshall Islands entities, West Aquila Inc. and West Libra Inc. (both of which are wholly owned subsidiaries of the Company's subsidiary, Northern Rig Holding II Ltd.) entered into agreements with DSME for the purchase of two drillships (West Aquila and West Libra, the "**Drillships**"), each with a purchase price of USD 296 million, whereby USD 90 million (per unit) will be paid at contract signing and the remaining at delivery (the "**Transaction**"). The Company's scope of work under this agreement is expected to be contracted to SGS. Delivery for both Drillships is expected in 2021, but the Company has the right to take early delivery of both such drillships by giving DSME a three months' notice.

Further, the Company's wholly-owned subsidiary Northern Rig Holding II Ltd. entered into an optional sales and purchase agreement with Blue Sea Navigation Holdings Inc. ("**Blue Sea**"), whereby Blue Sea granted Northern Rig Holding II Ltd. an option to acquire a third drillship (the "**Option Drillship**"), which Blue Sea in turn has an option to acquire from DSME pursuant to a separate option agreement with DSME (the "**DSME Option Agreement**"). The option may be exercised by the company within a six months' period, following which Blue Sea is obliged to proceed with the exercise of the option available to it under the DSME Option Agreement. The Company or Northern Rig Holding II Ltd. has not made any payment to Blue Sea in exchange for the option, and if exercised, the terms of acquisition for Northern Rig II Holding Ltd. are back-to-back with the terms Blue Sea has agreed with DSME. If Northern Rig Holding II Ltd. exercises the option to acquire the Option Drillship, the company shall pay a purchase price of USD 350 million, payable in two instalments. Pursuant to the DSME Option Agreement, DSME may require Blue Sea to provide a parent company guarantee, following which Northern Rig Holding II Ltd. shall pay Blue Sea a guarantee fee upon execution of such guarantee (if required).

7.2 Background and Rationale for the Transaction

Together with the existing two high-end semi-submersibles, the Transaction gives the Company a fleet of two drillships with expected (but flexible) delivery in 2021, creating a unique optionality towards the offshore drilling market. The Drillships are some of the most advanced and capable drillships ever built, designed for 12,000 feet water depth, dual derricks for increased drilling activity and efficiency and built to handle 20,000-psi BOPs.

The purchase price of USD 296 million per Drillship and the payment terms of USD 90 million (per unit) to be paid at contract signing and the remaining at delivery, are considered to be highly attractive and are more favorable than what could have been achieved if the Company were to pursue similar newbuilds in today's market.

7.3 Interests of Natural and Legal Persons Involved in the Transaction

The Company is not aware of any interest of natural and legal persons involved in the Transaction.

8. BUSINESS OVERVIEW

This Section provides an overview of the business of the Group as of the date of this Prospectus. The following discussion contains Forward-looking Statements that reflect the Company's plans and estimates; see Section 4.1 "General Information—Cautionary Note Regarding Forward-Looking Statements". You should read this Section in conjunction with the other parts of this Prospectus, in particular Section 2 "Risk Factors".

8.1 Operations and Principle Activities

Introduction

Northern Drilling is an international drilling contractor to the oil and gas industry, established in March 2017, with the ambition of acquiring and operating modern drilling assets. By uniting low asset prices with a capable operating organisation, the Company will take advantage of opportunities in a rapidly changing oil and gas industry. The Company has initially targeted the harsh environment sector and will continue to dedicate resources for further growth within this segment. The Company has an opportunistic growth strategy and will carefully review opportunities also for more benign and shallow water operations. With its contemplated fleet of drilling units the Company intends to deliver safe and high quality drilling operations to its prospective customers.

Management Structure

The Company does not have any employees, and its interim CEO is engaged through Seatankers Management Co. Ltd. ("**Seatankers**"). The Company has also entered into various contracts for management services for general administration, contract management, building supervision, crew and technical management services. For in depth descriptions of these charter and management agreements please see Section 8.5 - "*Material Contracts*" and Section 14 "*Related Party Transaction*".

Fleet

As of the date of this Prospectus, the Company owns two semi-submersible rigs currently under construction, HHI HE Semi 1 (the "**Semi 1**"), previously known as "West Mira", which is expected to be delivered to the Company in January 2019, and HHI HE Semi 2 (the "**Semi 2**"), previously known as "Bollsta Dolphin", which is expected to be delivered in January 2019. The Company also owns two drillships under construction which are expected to be delivered by early 2021. Further, the Company has an option from Blue Sea to acquire a third drillship (the Option Drillship), currently known as Cobalt Explorer, which Blue Sea in turn has an option to acquire from DSME.

Specifications of the Rigs

	Semi 1	**Semi 2**
Design	Moss Maritime CS-60E (NCS compliant)	Moss Maritime CS-60E (NCS compliant)
Drilling equipment	Single + offline	Single + offline
Static hook load	2,3MM lbs	2,5MM lbs
Water depth capacity (ft.)	10,000	10,000
Drilling depth equipped (ft.)	40,000	40,000
Accommodation	150 single	140 single
Variable deck load (MT)	7,100	7,500
Thruster capacity (kW)	8 x 4,200	8 x 4,800
Dynamic positioning / Mooring	DP3/ 8 point mooring	Posmoor ATA/8 point mooring
Winterized	Yes	Yes

Specifications of the Drillships and the Option Drillship:

	West Aquila	West Libra	Cobalt Explorer (Option)
Design	Daewoo (DSME) 12000	Daewoo (DSME) 12000	Daewoo (DSME) 12000
Drilling equipment	National Oilwell Varco 1250 TDX	National Oilwell Varco 1250 TDX	MH Wirth MDDM-1250-AS-2M
BOP	Shaffer 18-3/4" 15k	Shaffer 18-3/4" 15k	2x Cameron 18-3/4" 15k (separate HPU/control skid for 2nd BOP)
Dual BOP capable	Yes	Yes	Yes
BOP RAM (#)	7	7	7
Derreck capacity (lbs)	2,800,000	2,800,000	2,800,000
Water dept (ft)	12,000	12,000	12,000
Drilling depth (ft)	37,400	37,400	40,000
Accommodation (#)	200	200	200
Variable deck load (MT)	26,455	26,455	27,558

Competition

The offshore drilling industry is highly competitive, with market participants ranging from large multinational companies to small locally-owned companies.

Regulatory and Environmental Matters

The Company's operations are subject to numerous laws and regulations in the form of international treaties and maritime regimes, flag state requirements, national environmental laws and regulations, navigation and operating permits requirements, local content requirements, and other national, state and local laws and regulations in force in the jurisdictions in which the drilling units may operate or become registered, which can significantly affect the ownership and operation of the Company's drilling units. See Section 2 "Risk Factors".

The Company's drilling units will be subject to regulatory requirements of the flag state where the drilling unit is registered. The flag state requirements are international maritime requirements and in some cases further interpolated by the flag state itself. These requirements include, but are not limited to, MARPOL, the CLC, ILO, the Bunker Convention, SOLAS, the ISM Code, MODU Code and the BWM Convention. These various conventions regulate air emissions and other discharges to the environment from the Group's drilling units worldwide, and we may incur costs to comply with these regimes and continue to comply to these regimes as they may be amended in the future. In addition, these conventions impose liability for certain discharges, including strict liability in some cases. The agreed minimum standard requirements allow a drilling unit or ship to work worldwide. However, some flag states are working outside of these international conventions and for those flag states a drilling unit or ship will not be able to work worldwide.

Further, the drilling units must be "classed" by a classification society. The classification society certifies that the drilling units are "in-class," signifying that such drilling unit has been built and maintained in accordance with the rules of the classification society and complies with applicable rules and regulations of the flag state and the international conventions of which that country is a member. Maintenance of class certification requires expenditure of substantial sums, and can require taking a drilling unit out of service from time to time for repairs or modifications to meet class requirements.

The Company is also subject to certain Environmental laws and regulations, such as the U.S. Oil Pollution Act of 1990, or OPA, the Comprehensive Environmental Response, Compensation and Liability Act, or CERCLA, the U.S. Clean Water Act, or CWA, the U.S. Clean Air Act, or CAA, the U.S. Outer Continental Shelf Lands Act and the U.S. Maritime Transportation

Security Act of 2002, or the "MTSA, European Union regulations". In certain circumstances, these laws may impose strict liability, rendering the Company liable for environmental and natural resource damages without regard to negligence or fault on the Group's part. Implementation of new environmental laws or regulations that may apply to ultra-deepwater drilling units may subject the Company to increased costs or limit the operational capabilities of its drilling units and could materially and adversely affect the Company's operations and financial condition.

The Company's operations are subject to special safety regulations relating to drilling and to the oil and gas industry in many of the countries where it may operate. The United States undertook substantial revision of the safety regulations applicable to the Group's industry following the Deepwater Horizon Incident, in which the Company was not involved, that led to the Macondo well blow out situation, in 2010. Other countries are also undertaking a review of their safety regulations related to the Group's industry. These safety regulations may impact the Company's operations and financial results. For instance, the revisions to the regulations in the United States have resulted in new requirements, such as specific requirements for maintenance and certification of BOP's, which may cause the Company to incur cost and may result in additional downtime for the Group's drilling units in the U.S. Gulf of Mexico.

In addition to the requirements described above, the Company's international operations in the offshore drilling segment are subject to various other international conventions and laws and regulations in countries in which the Company may operate, including laws and regulations relating to the importation of, and operation of, drilling units and equipment, currency conversions and repatriation, oil and gas exploration and development, taxation of offshore earnings and earnings of expatriate personnel, the use of local employees and suppliers by foreign contractors and duties on the importation and exportation of drilling units and other equipment.

8.2 History and Development

The Company was incorporated in Bermuda as an exempted company under the Bermuda Companies Act on 2 March 2017, as a wholly-owned subsidiary of Greenwich, with its principal executive offices located in Hamilton, Bermuda.

In March 2017, HHI and a wholly-owned subsidiary of the Company entered into an agreement concerning the purchase of the Semi 1, which is currently under construction at HHI and had previously been ordered and later cancelled by Seadrill Ltd., a related party to the Company. The purchase price is USD 365.0 million payable in two equal instalments, whereby the first instalment has been paid.

Furthermore, in March 2017, the Company announced that it had issued 46,000,000 Shares in a private placement raising gross proceeds of USD 230 million.

The Company was registered on the NOTC-list from 20 March 2017 and until the Shares were assumed for listing on Oslo Axess from 26 October 2017.

On 10 November 2017, the Company announced that it had successfully placed 31,750,000 Shares in a private placement raising gross proceeds of approximately USD 250 million.

In December 2017, a wholly-owned subsidiary of the Company exercised an option to acquire the Semi 2, which is currently under construction at HHI and had previously been ordered and later cancelled by Seadrill Ltd. The purchase price is USD 400.0 million payable in two equal instalments, whereby the first instalment has been paid.

On 8 May 2018, the Company's wholly owned subsidiaries, West Aquila Inc. and West Libra Inc. entered into an agreement concerning the acquisition of the two Drillships, with expected delivery in January and March 2021. The purchase price is USD 296 million per vessel, whereby USD 90 million (per unit) was paid at contract signing and the remaining at delivery. In connection with this, the Company's wholly owned subsidiary, Northern Rig Holding II Ltd., was granted an option from Blue Sea to acquire the Option Drillship from DSME at a purchase price of USD 350 million. The Company has not made any payments to Blue Sea for this option, which will lapse if not exercised within six months.

On 9 May 2018, the Company announced that it had successfully placed 29,805,883 Shares in the Private Placement raising gross proceeds of approximately USD 250 million.

On 26 June 2018, the Company applied for a transfer of listing from Oslo Axess and Oslo Børs. The Board of Directors of Oslo Børs approved the application for transfer on 29 June 2018, and it is expected that the Company becomes effectively transferred to Oslo Børs on 3 July 2018.

8.3 Disclosure About Dependency on Contracts, Patents and Licenses

The Company is not materially dependent on any patents, licences, *industrial, commercial or financial contracts or new manufacturing processes* as of the date of this Prospectus, except for the contracts described in Section 8.5 "Material Contracts" and Section 14 "Related Party Transaction" below.

8.4 Research and Development

The Group is not involved in any material research and development activities.

8.5 Material Contracts

As of the date of this Prospectus, neither the Company nor its subsidiaries have entered into any material contracts outside the ordinary course of business during the last two years. Below is a summary of the material contracts entered into by the Company and its subsidiaries which are within the ordinary course of business of the Group.

Some of the Group's material contracts are also contracts with related parties. For a further description of these contracts please see Section 14 "Related Party Transaction".

Seadrill Management Agreement

In May 2017, West Mira Inc., a wholly-owned subsidiary of the Company, and SGS, a wholly-owned subsidiary of Seadrill, entered into a management agreement whereby SGS agrees to perform West Mira Inc.'s scope of work under the purchase agreement for the Semi 1 and to carry out the supervision of the construction of the Semi 1 from 10 March 2017 to the delivery date of the Semi 1 for a fixed fee of USD 7,000 per day. The agreement also gives SGS the right of first refusal in the event of a proposed sale by the Company of the Semi 1 to a third party, from 30 April 2018 for the duration of the agreement. The Company have entered into a similar management agreement with SGS in respect of Semi 2, effective as of 31 May 2018, and expects to do the same in respect of the Drillships.

During the period in which Semi 1 will be employed under the Wintershall Agreement (as described below), the management agreement with SGS in respect of Semi 1 will be suspended and replaced by a separate agreement between the Company, West Mira Inc., SGS and North Atlantic Norway Ltd (Bermuda) (later renamed Seadrill Norway Operations Ltd., hereinafter "**NAN**"), a subsidiary of Seadrill (the "**Semi 1 Operating Agreement**"). Pursuant to this agreement, NAN will be entitled to a fixed fee of USD 10,000 per day and an incentive bonus which is linked to any performance bonus earned under the Wintershall Contract. The Company may elect to settle such incentive bonus to NAN in the form of either cash or shares in the Company.

Seatankers Management Agreement

The Company and its subsidiaries receive services from Seatankers, an affiliated company of Hemen. Pursuant to a management agreement dated 21 November 2017, the Company and its subsidiaries receive services from Seatankers relating to general administration and contract management services, including business advisory, drilling related and other support services. The Company pays Seatankers a service fee equal to actual costs and expenses incurred by Seatankers in providing the relevant services thereunder together with a mark-up of 5% of such costs and expenses, and the Company may at any time terminate the management agreement by giving notice to Seatankers. The Company's interim CEO is employed under this agreement.

GOMA Service Agreement

The Company receives services from Golden Ocean Group Management ("**GOMA**"). Pursuant to a service agreement dated 6 June 2018, GOMA provides advice to the Company for the purpose of or in connection with general administration, treasury services, assisting in executing the financing strategy of the Company, IR services and any other business developing efforts undertaken by the Company. The Company pays GOMA a service fee equal to 50,000 per annum in addition to reimbursement of reasonable actual costs and expenses incurred by GOMA in providing the services. The Company may at any time terminate the service agreement by giving notice to GOMA.

Semi 1 Purchase Agreement

On 10 March 2017, the Company's wholly-owned subsidiary, West Mira Inc. entered into an agreement with HHI for the purchase of the Semi 1. The purchase price for the rig is USD 365 million, payable in two equal instalments. The first instalment was paid in cash shortly after the agreement was entered into, while the remaining instalment is payable upon delivery of the rig. It is expected that certain pre-delivery expenses and other working capital requirements will incur prior to delivery of the rig. Delivery date is 31 December 2018, but the Company has the right to extend delivery by a period of up to thirty-one days (31 January 2019), or take early delivery subject to giving HHI a three months' notice.

Wintershall Agreement

On 27 June 2018, the Company announced that Semi 1 had been awarded a firm contract for 6 wells at the Nova field in Norway, with expected commencement in Q1 2020 (the "**Wintershall Agreement**"). The award is made by Wintershall Norway AS ("**Wintershall**") to North Atlantic Norway Ltd (Bermuda) (later renamed Seadrill Norway Operations Ltd.), a subsidiary of Seadrill, who will operate Semi 1 on the Company's behalf pursuant to the Semi 1 Operating Agreement. The Wintershall Agreement also includes options for early commencement starting from early Q3 2019 as well as follow-on options after the firm contract period. Should all options be exercised, Semi 1 is expected to be contracted to Wintershall until mid Q1 2022.

Semi 2 Novation Agreement

In March 2017, Seatankers entered into an option agreement with HHI to acquire Semi 2 for a purchase price of USD 400.0 million payable in two equal installments. The first installment is payable upon exercise of the option and the second installment is payable upon delivery of Semi 2. In September 2017, a wholly-owned subsidiary of the Company and Seatankers entered into an agreement whereby Seatankers agreed to either nominate a subsidiary of the Company as buyer to accept delivery of Semi 2 from HHI, subject to HHI's prior consent, or to exercise Seatankers' rights to purchase the Semi 2 and when instructed to do so by a subsidiary of the Company to immediately sell the Semi 2 to that subsidiary on back-to-back terms. In December 2017, Seatankers, HHI and a wholly-owned subsidiary of the Company entered into a novation agreement relating to the option agreement entered into in March 2017 whereby all of the rights and obligations of Seatankers under this agreement were novated to a wholly-owned subsidiary of the Company and this subsidiary exercised its rights under the option agreement. Seatankers has guaranteed payment to HHI of the second and final installment of USD 200.0 million for Semi 2. The Company accrued USD 0.4 million at 31 December 2017 in respect of a fee payable to Seatankers as consideration for this guarantee. The Company has counter indemnified Seatankers for the guarantee provided to HHI.

In December 2017, a wholly-owned subsidiary of the Company exercised the option for Semi 2 and the Company paid USD 200 million into a suspense account to be released to HHI on receipt of a refund guarantee. The refund guarantee was received in January 2018 and the funds were released to HHI at which time the USD 200 million payment was transferred from 'Payment on account of newbuilding acquisition' to newbuildings.

DSME Purchase Agreement

On 8 May 2018, two newly incorporated Marshall Islands entities, West Aquila Inc. and West Libra Inc. (both of which are wholly owned subsidiaries of the Company's subsidiary, Northern Rig Holding II Ltd.) entered into agreements with DSME for the purchase of the two Drillships, each with a purchase price of USD 296 million, whereby USD 90 million (per unit) will be paid at contract signing and the remaining at delivery. It is expected that certain pre-delivery expenses and other working capital requirements will incur prior to delivery of the drillships. Delivery of the Drillships is expected early 2021, but the Company has the right to take early delivery by giving DSME a three months' notice.

DSME Option Agreement

On 9 May 2018, the Company's wholly-owned subsidiary Northern Rig Holding II Ltd. entered into an agreement with Blue Sea for an option to acquire the Option Drillship. This option may be exercised by the company within six months. Neither the Company nor Northern Rig Holding II Ltd. has made payment to Blue Sea in exchange for the option. If Northern Rig Holding II Ltd. exercises the option to acquire the additional drillship, the Company shall pay a purchase price of USD 350 million, payable in two instalments, whereby USD 105 million falls due upon exercise of the option and remaining falls due upon delivery.

8.6 Legal and Arbitration Proceedings

As of the date of this Prospectus, the Company is not aware of any governmental, legal or arbitration proceedings during the course of the preceding twelve months, including any such proceedings which are pending or threatened, of such importance that they have had in the recent past, or may have, a significant effect on the Company or the Group's financial position or profitability.

9. INDUSTRY OVERVIEW

This Section discusses the industry and markets in which the Group operates. Certain of the information in this Section relating to market environment, market developments, growth rates, market trends, industry trends, competition and similar information are estimates based on data compiled and obtained by professional organisations, consultants and analysts, including DNB Markets[1], Rystad Energy[2] and IHS Petrodata; in addition to market data from other external and publicly available sources, and the Company's knowledge of the markets, see Section 4.2 "General Information—Presentation of Market Data and Other Information—Sources of Industry and Market Data". The following discussion contains Forward-looking Statements, see Section 4.1 "General Information—Cautionary Note Regarding Forward-Looking Statements". Any forecast information and other Forward-looking Statements in this Section are not guarantees of future outcomes and these future outcomes could differ materially from current expectations. Numerous factors could cause or contribute to such differences, see Section 2 "Risk Factors" for further details.

9.1 Overview

The Company operates within the offshore contract drilling services market which constitutes a part of the international oil and gas service industry. The fundamental driver of oil and gas drilling activity is oil companies investments in exploration, development and production of crude oil and natural gas.

The global offshore drilling market is cyclical where the drilling operators' operating results are directly linked to oil and gas companies' regional and worldwide levels of offshore exploration and development spending. Offshore exploration and development spending may fluctuate from year-to-year and from region-to-region depending on several factors, including amongst others:

General worldwide economic activity;

- Worldwide supply and demand for natural gas products and crude oil;
- Oil and gas operators' expectations regarding crude oil and natural gas prices;
- Disruption to exploration and development activities due to severe weather conditions;
- Anticipated production levels and inventory levels;
- Political, social and legislative environments in major oil and gas producing regions;
- Regional and global economic conditions and changes therein; and
- The attractiveness of the underlying geographical prospects, in both specific fields and geographic locations.

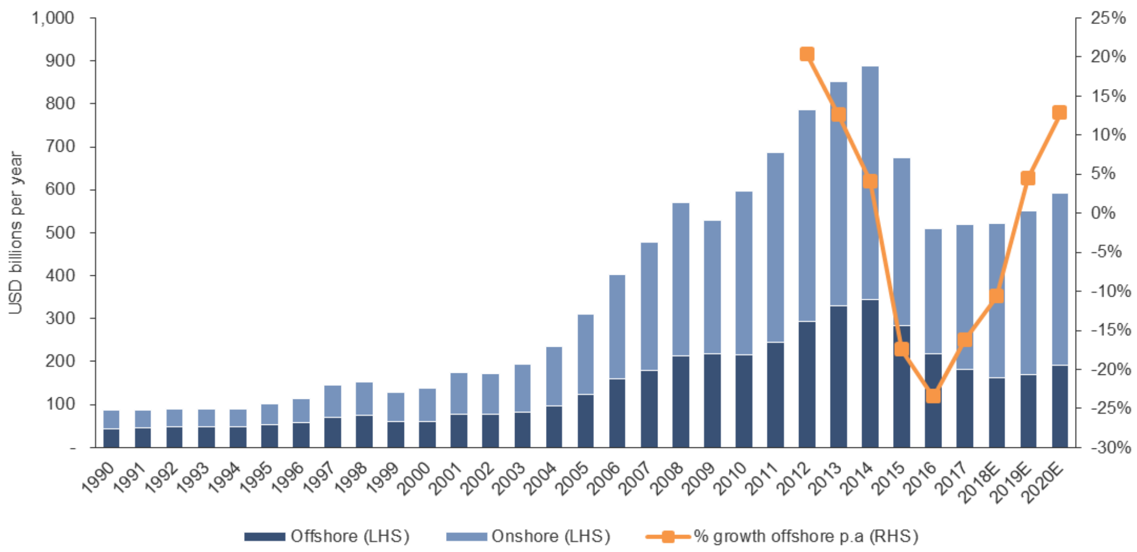
1 Information from this source in the Prospectus is available against payment through DNB Markets' website http://dnbalpha.com
2 Information from this source in the Prospectus is available against payment through Rystad Energy's website www.rystadenergy.com.

Figure 1: Oil price development since 2000, Brent crude oil (USD/bbl per day)

Source: Factset 22.05.2018

Oil prices have historically been cyclical and volatile. The current cycle began with the sharp downturn in prices in 2014 and 2015, as a consequence of strong production growth in the US and the Middle East. Oil prices have been recovering since the first quarter of 2016, when they briefly fell below USD 30/bbl. Lower prices have stimulated global oil demand and slowed supply growth. In late 2016, OPEC countries and a select group of non-OPEC countries, including Russia, agreed to reduce oil production by 1.8 mbd, about 2% of global supply, with the intention of bringing down commercial oil inventories and stabilizing the market. The agreement has been extended to the end of 2018. Prices rose above USD 50/bbl when the agreement was announced and global benchmarks Brent and WTI have been rising steadily towards USD 80/bbl since then. Commercial oil inventories, which had built to record levels in 2015 and 2016, have been declining since the spring of 2017. The stated objective of the OPEC countries is to bring the level of inventories back to their 5 year average before considering abandoning the production cuts. In 2018, the oil price has continued to gain momentum on back of reconfirmations of OPEC production cuts and geopolitical noise.

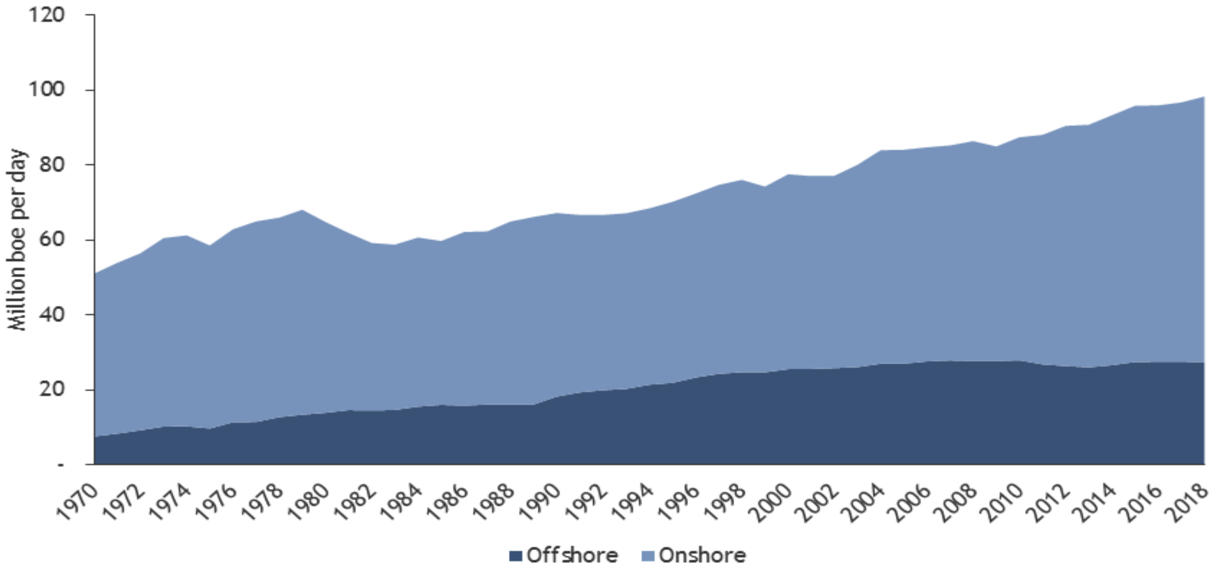
Figure 2: Global E&P spending since 1990, split between offshore and onshore (USD billions)



Source: Rystad Energy 22.05.2018

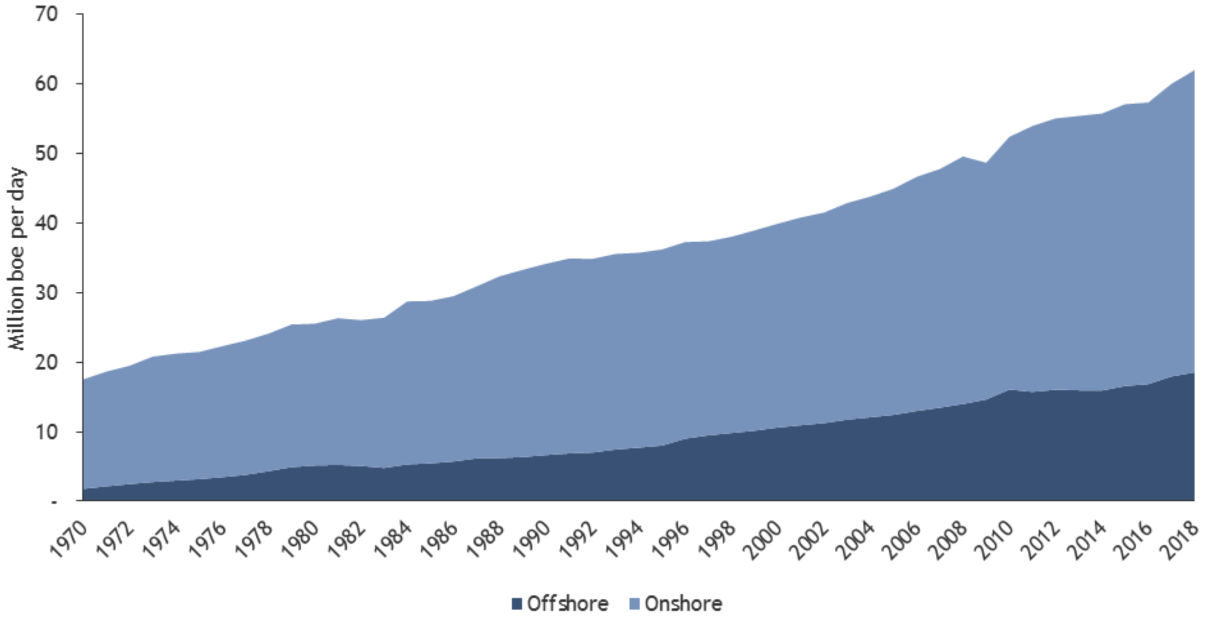
Offshore oil and gas production is more challenging and expensive than onshore production due to the remote and often harsh environment in which the resources are located. During drilling operations the offshore well needs to be extended from the seabed to the rig floor. Due to the higher complexity of offshore drilling versus onshore operations, required rig time is significantly higher.

Figure 3: Global oil production (liquids) since 1970, split between offshore and onshore (million boe per day)



Source: Rystad Energy 22.05.2018

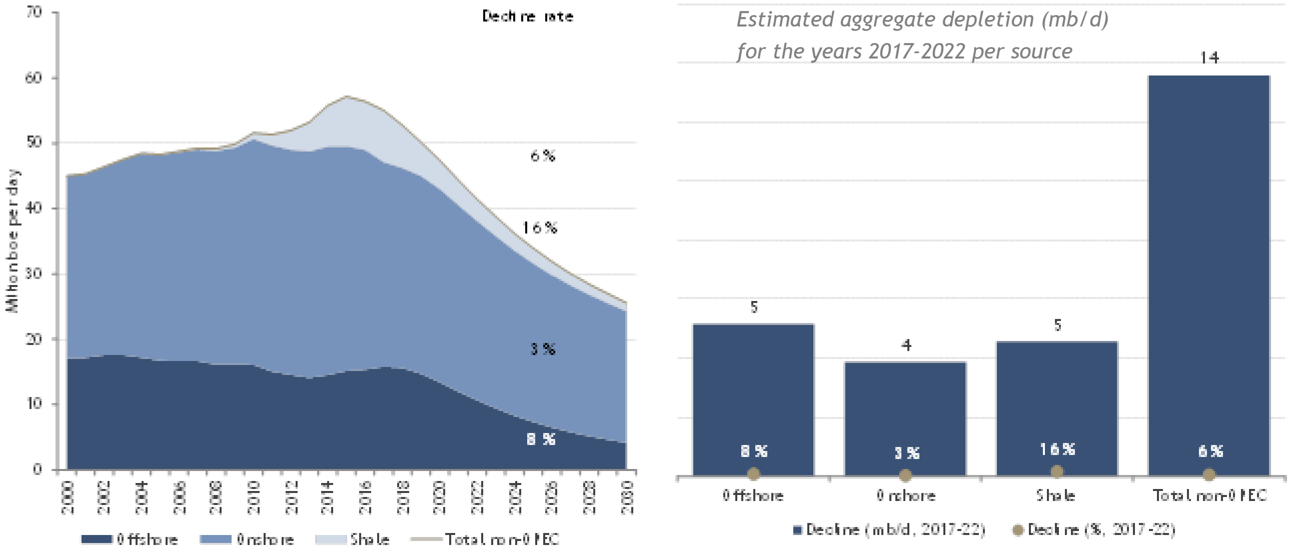
Figure 4: Global gas production since 1970, split between offshore and onshore (million boe per day)



Source: Rystad Energy 22.05.2018

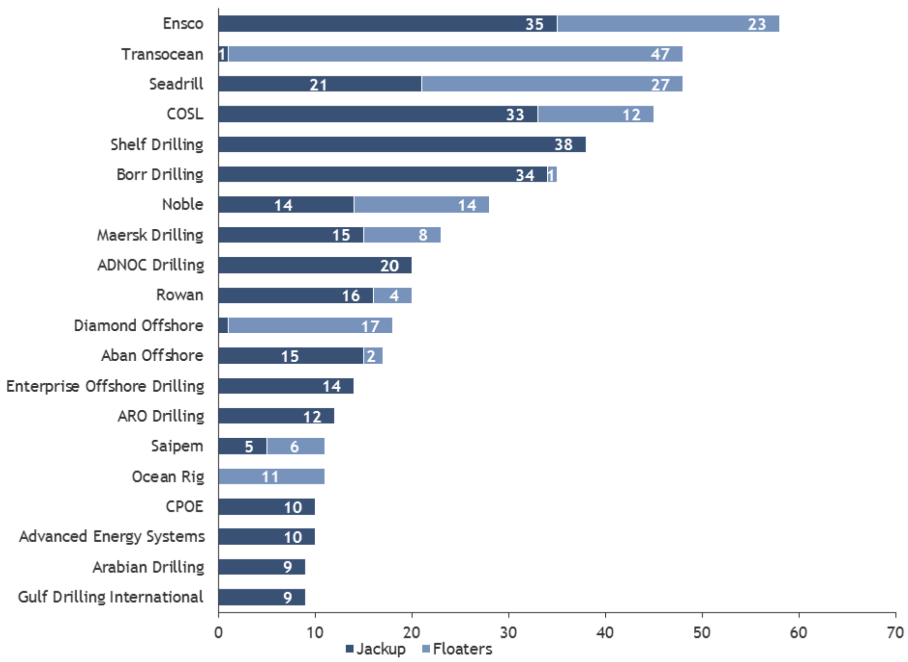
As oil, gas and water is extracted from a reservoir, the pressure in the reservoir typically falls and the flow rate from the well starts to decline. This is natural and happens to all hydrocarbon reservoirs once production commence, albeit at different speeds. To counter such declining flow rates as reservoirs are depleted, oil companies take a variety of measures; drill new wells or sidesteps into different parts of the reservoir, well-intervention activities such as pumping water back into the reservoir, etc. Such measures are important to keep reservoirs productive as long as possible and extract as much hydrocarbons as possible from any given reservoir, and drilling activity is a key component of most such well-intervention measures. Accordingly, a significant amount of drilling activity is needed just to limit the depletion rates.

Figure 5: Estimated annual depletion rates for different oil sources, 2017-2022 (liquids, non-OPEC)



Source: Rystad Energy 2017

Figure 6: Global fleet of delivered mobile offshore drilling units ("MODU") - 20 largest companies and number of MODUs per company



** The wider Seadrill group, including Seamex and NADL.*

Source: IHS Petrodata 22.05.2018

The 20 largest drilling operators in the world control 484 MODUs, 62% of the global MODU fleet of 786 delivered units. The rest of the global MODU fleet is operated by 126 smaller drilling operators with fewer than 10 MODU's each.

The demand for offshore drilling services is driven by oil and gas companies' exploration and development drilling programs. These drilling programs are affected by oil and gas companies' expectations regarding oil and gas prices, anticipated production levels, worldwide demand for oil and gas products, the availability of quality drilling prospects, exploration success, availability of qualified drilling units and operating personnel, relative production costs, availability and lead time requirements for drilling and production equipment, the stage of reservoir development and political and regulatory environments. As illustrated in the charts above, oil and gas prices are volatile, which has historically led to significant fluctuations in expenditures by the Group's customers for drilling services. Variations in market conditions during cycles impact the Group in different ways, depending primarily on the length of drilling contracts in different regions. For example, contracts in shallow waters for jack-up rig activities are shorter term, so a deterioration or improvement in market conditions for such units tends to quickly impact revenues and cash flows from those operations. On the other hand, contracts in deepwater for semi-submersible rigs and drillships tend to be longer term, so a change in market conditions tends to have a more delayed impact. Accordingly, short-term changes in these markets may have a minimal short-term impact on revenues and cash flows, unless the timing of contract renewals coincides with short-term movements in the market.

Offshore drilling contracts are generally awarded on a competitive bid basis. In determining which qualified drilling contractor is awarded a contract the key factors are pricing, technical specification and equipment onboard, rig availability and sustainability, rig location, condition of equipment, operating integrity, safety performance record, crew experience, reputation, industry standing and client relations.

Furthermore, competition for offshore drilling rigs is generally on a global basis, as rigs are highly mobile. However, the cost associated with mobilizing rigs between regions is sometimes substantial, as entering a new region could necessitate upgrades of the unit and its equipment to specific regional requirements. In particular, for rigs to operate in harsh environments, such as offshore Norway, UK and Canada, as opposed to benign environments, such as the Gulf of Mexico, West Africa, Brazil, the Mediterranean and Southeast Asia, more demanding weather conditions would require more costly investment in the outfitting and maintenance of the drilling units.

The Company believes that the market for drilling contracts will continue to be highly competitive for the foreseeable future.

9.2 The Contract Drilling market – Segments and Development

The worldwide fleet of mobile offshore drilling units totals 786 delivered units. This market is commonly divided into segments based on rig type and capabilities with respect to water depths and geographical area of operation. There are three main types of mobile offshore drilling units: semi-submersibles, drillships and jack-ups, and four water depth categories: shallow water (0 to 500 feet), midwater (500 to 4,500 feet), deepwater (4,500 to 7,500 feet) and ultra-deepwater (7,500 feet and more).

Mobile offshore drilling units are also designated either for harsh environment or benign environment, according to the geographical segment in which they are designed to operate (see Section 9.3 "The Harsh Environment Segment" below). Mobile offshore drilling units are generally marketed on a worldwide basis and are transported between locations through the use of built-in propulsion systems, towage or heavy lift vessels. In recent years, a large influx of newbuild MODU's have entered the market, especially within the jack-up and drillship segments, while we have seen fewer semi-submersibles units being delivered recently.

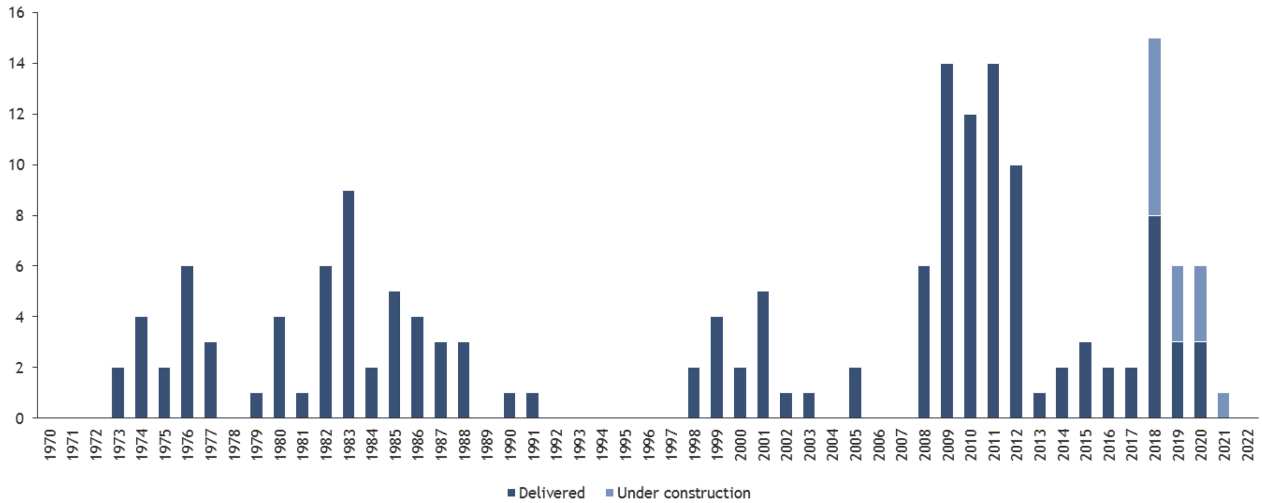
9.2.1 Semi-submersible rigs

Semi-submersible rigs are floating platforms equipped with a ballasting system that can vary the draft of the partially submerged hull from a shallow draft for transit, to a predetermined operational and/or survival draft (50 - 80 feet) when drilling operations are ongoing at a well location. Submerging the rig further in the water reduces the rig's exposure to ocean conditions (waves, winds, and currents) and increases its stability. Drilling operations are conducted through an opening in the hull ("moon pool"), and semi-submersible rigs maintain their position above the wellhead either by means of a conventional mooring system, consisting of anchors and chains and/or cables, or by a computerized dynamic positioning system. Propulsion capabilities of semi-submersible rigs range from having no propulsion capability or propulsion assistance (and thereby requiring the use of tug vessel or similar for transits between locations) to being fully self-propelled whereby the rig has the ability to relocate independently of a towing vessel.

Semi-submersible rigs operate in both the midwater-, deepwater- and ultra-deepwater areas globally, depending on what the specific rig is dimensioned and equipped for. Due to the good motion characteristics of semi-submersibles, these units are however the only floater type that can operate in harsh environment areas. (See section 8.3 — "The harsh environment segment" below).

The global fleet of semi-submersible rigs consists of 155 units, of which 14 are under construction currently. The Company believes there is uncertainty relating to delivery and timing for some of the semi-submersible rigs currently in the order book.

Figure 8: Number of semi-submersible rigs delivered per year, including order book



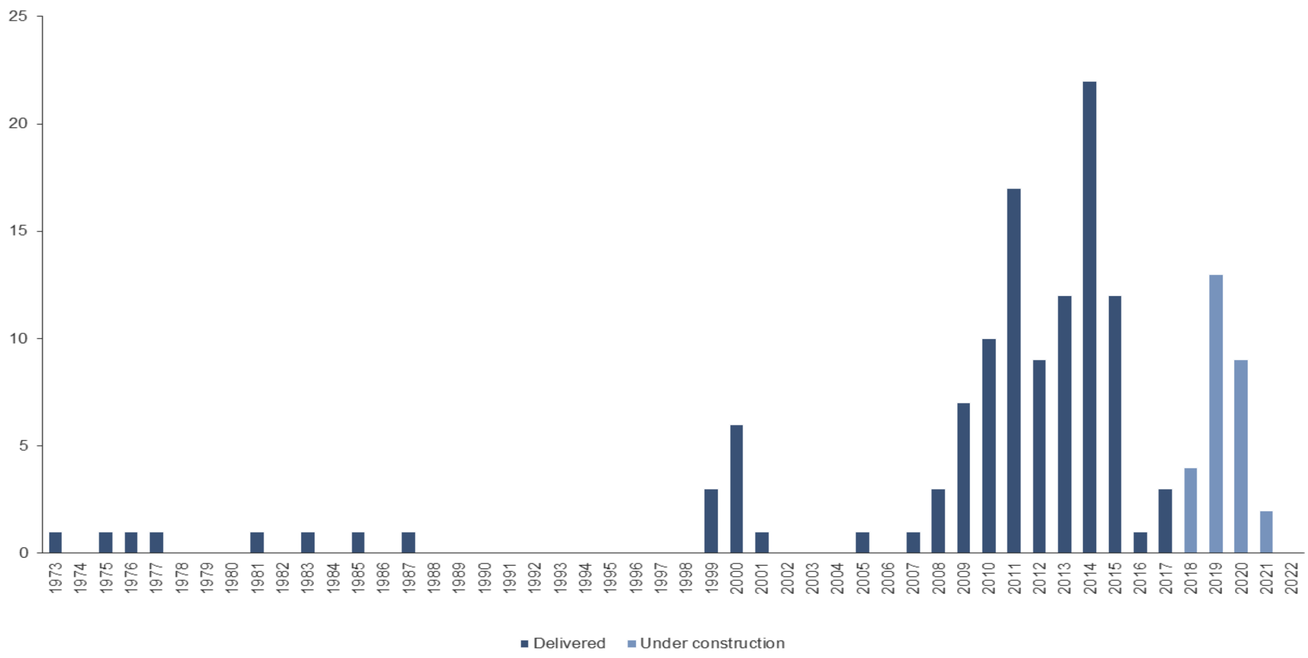
Source: IHS Petrodata, DNB Markets Equity Research 22.05.2018

9.2.2 Drillships

Drillships are ships with an on-board propulsion system, often based on a conventional ship hull design but in addition equipped with full drilling equipment similar to that on semi-submersible rigs. Drillships are often constructed for drilling in deep water, as deepwater and ultra-deepwater location are typically far from shore and drillships normally have higher load capacity and better mobility than the other MODU types. Drilling operations are conducted through openings in the hull ("moon pools"), and like semi-submersible rigs, drillships can be equipped with conventional mooring systems or DP systems.

Drillships operate in both the midwater-, deepwater- and ultra-deepwater areas globally, depending on what the specific rig is dimensioned and equipped for. However, drillships are often preferred in deepwater and ultra-deepwater areas with benign environment, such as Brazil, West Africa, and the US Gulf of Mexico. The global drillship fleet consists of 144 units, of which 28 are under construction currently. The Company believes there is uncertainty relating to delivery and timing for some Drillships currently in the order book.

Figure 9: Number of drillships delivered per year, including order book



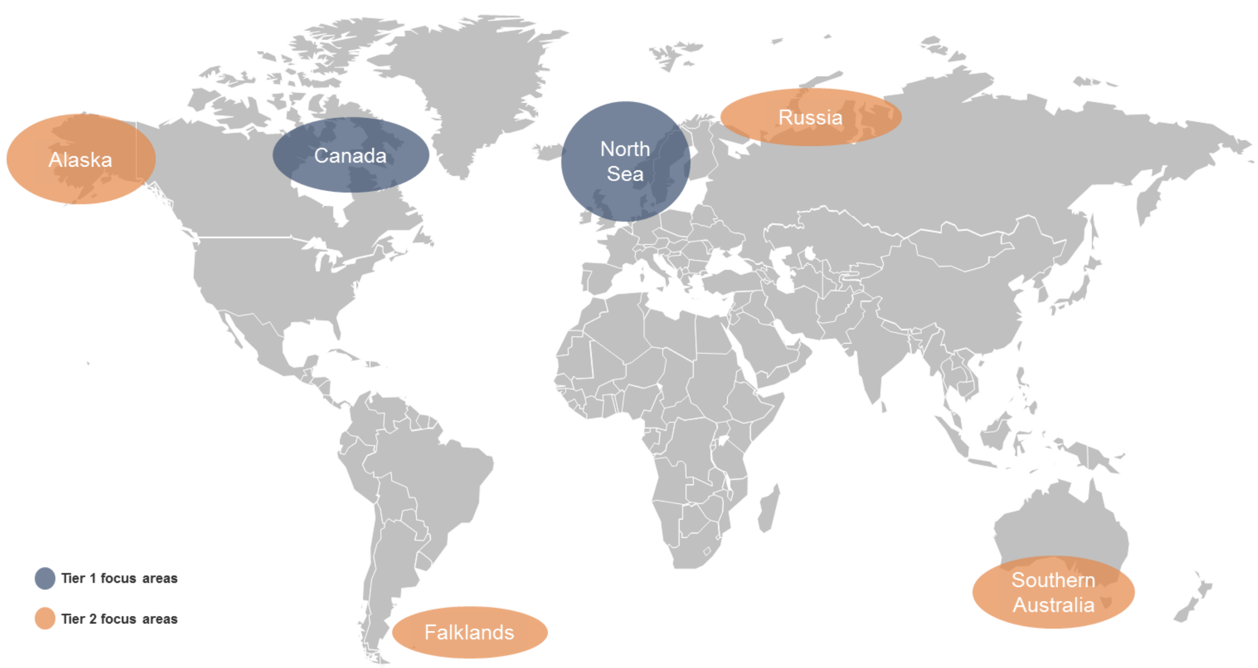
Source: IHS Petrodata 22.05.2018

9.3 The Harsh Environment Segment

The harsh environment market

The harsh environment market is a definition of the geographical regions that have so challenging climate and weather conditions that special equipment, vessels and MODU's are required. These regions are defined through three main criteria; wave height, temperature and wind.

Figure 10: Main geographical areas defined as harsh environment



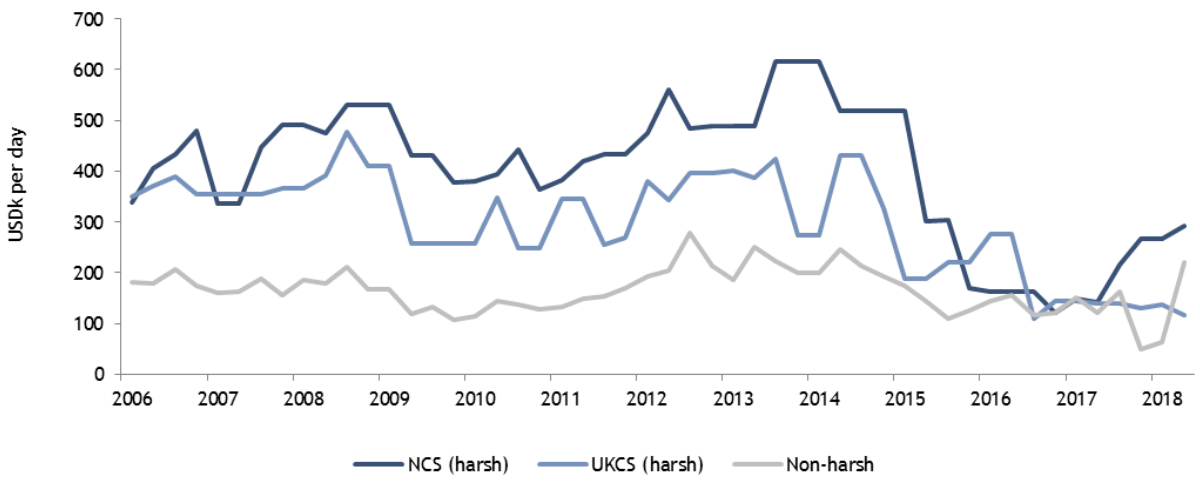
Source: Rystad Energy

Harsh environment MODU's are designed with air-gap and motion characteristics which allow them to operate in higher waves, and they are constructed to withstand slamming of waves with horizontal and vertical forces on the rig. The steel and equipment have to be certified for operations in minus 10-20 degrees Celsius. In addition, the different harsh environment areas have very strict local rules and regulations which the MODU must comply with. To ensure that a MODU is compliant and suitable for work in harsh environment, it must be designed and constructed specifically for harsh environment operations. It is very difficult and costly to upgrade/convert a MODU built for benign waters to a harsh environment compliant unit at a later stage.

Because of the high barriers to entry into the harsh environment market, only a small portion of the MODU's are able to operate in this niche part of the contract drilling market. The units that are best suited to operate in this market are semi-submersibles type MODU's. These units normally have a higher technical specification than non-harsh MODU's and a positioning system consisting of 8 or 12 point mooring, DP3 or a combination of the two. Large onboard power supply provides power to the positioning system, the heavily compensated topside, lighting and heat-tracing for the winter season. The derrick and other deck locations are often winterized (meaning working areas on deck are covered and sheltered) for a safer working environment. Modern harsh environment MODU's are designed to operate in all seasons, whereas older harsh environment units (with a few exceptions) cannot work during the winter season in the most challenging areas.

Because of their specialized features and the need to comply with extensive local regulatory requirements, harsh environment MODU's are more expensive to build than MODU's intended for non-harsh environment. Accordingly, they typically require a premium day rate.

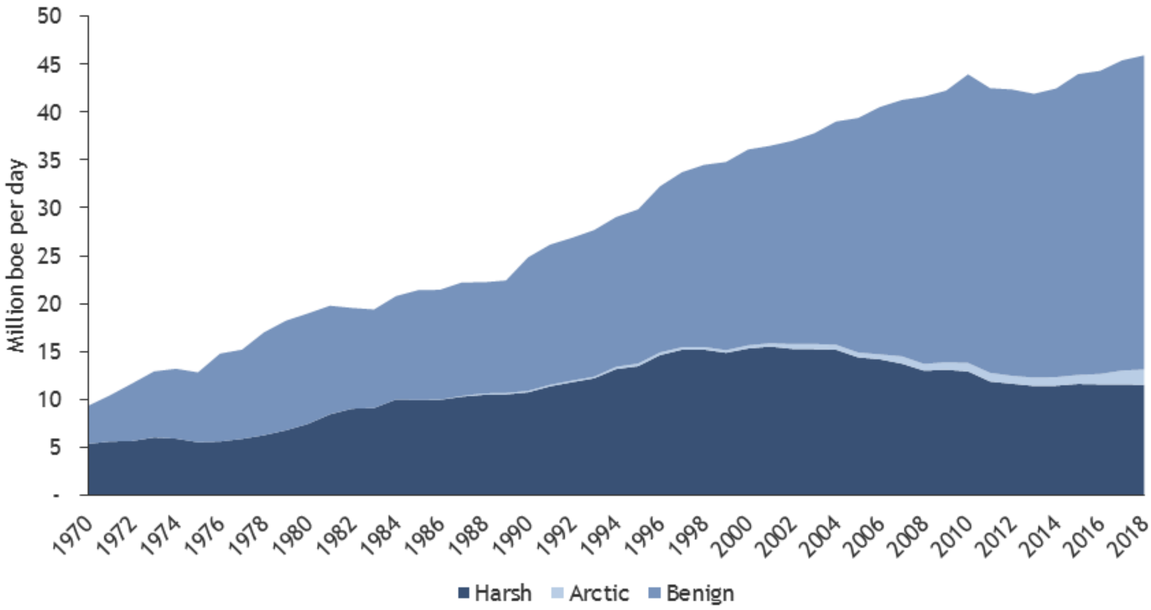
Figure 11: Dayrates since 2006 split between non-harsh regions and harsh environment regions NCS and UKCS



Source: IHS Petrodata, DNB Market Equity Research 22.05.2018

As illustrated in the chart above, MODU's operating in Norway and the UK, two of the main harsh environment regions, have consistently demanded higher day rates than MODU's operating in non-harsh, benign areas elsewhere. This indicates that harsh environment drilling rigs historically have earned a premium day rate. Currently day rates for harsh environment drilling rigs are at approx. 300 USDk/day, up from through of 150-160 USDk/day.

Figure 12: Global oil production offshore since 1970, split between benign-, harsh environment- and arctic areas (million boe per day)



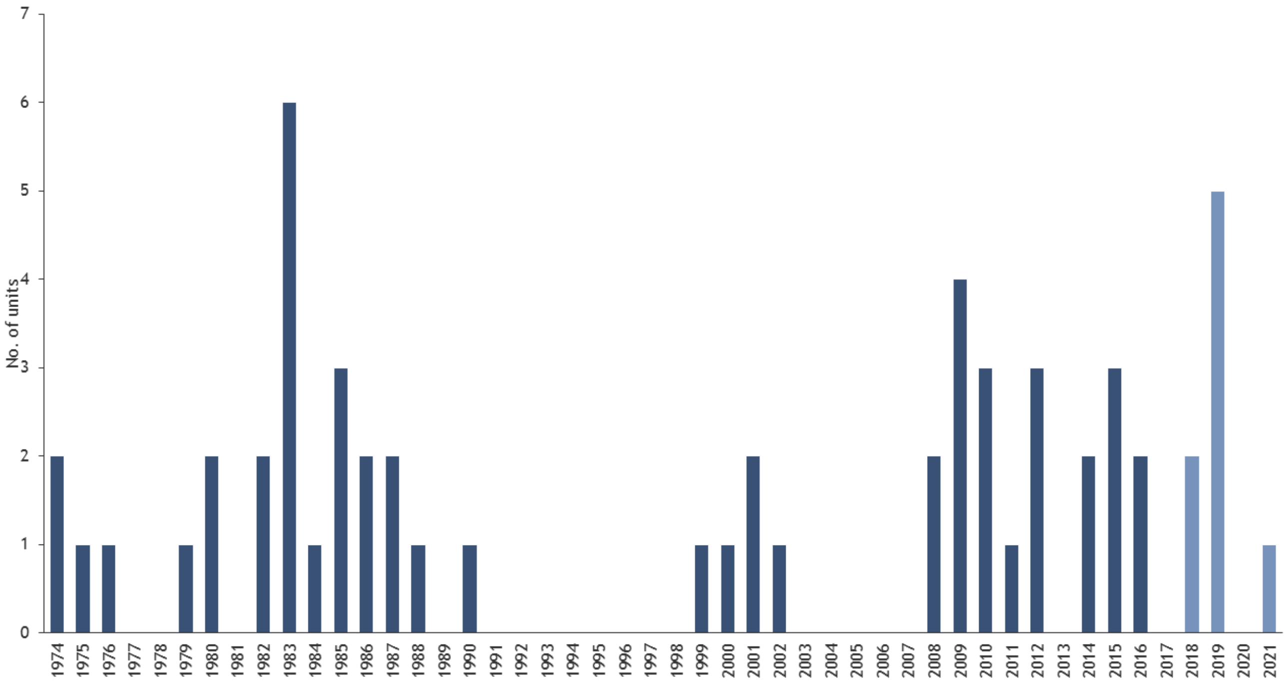
Source: Rystad Energy 22.05.2018

9.3.1 The harsh environment fleet

As of the date of this Prospectus, the Company owns two semi-submersible drilling rig currently under construction. Both these MODU's are 6th generation, modern semi-submersible drilling rigs built and equipped to operate in the harsh environment market; built with increased air gap, 8 point mooring (12 point mooring for first semi) and enforced hull and deckbox to withstand strong winds and large waves, steel and equipment graded to endure cold weather down to minus 10-20 degrees Celsius, fully winterized topside and exceptionally large VDL (Variable Deck Load) to enable drilling operations year round even in the most harsh environment regions in the world.

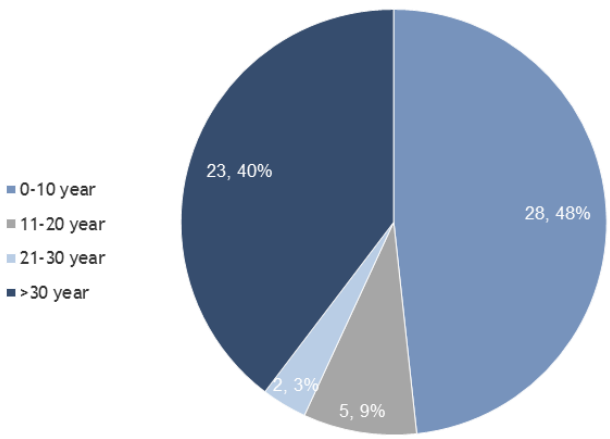
The global fleet of harsh environment capable semi-submersible drilling rigs consists of 58 units, of which 8 are under construction currently. The fleet have been reduced significantly during the current cyclical downturn following scrapping of several 1970's and 1980's built units, and today roughly 55% of this fleet is built after year 2000.

Figure 13: Number of harsh environment capable semi-submersible rigs delivered per year, including order book



Source: IHS Petrodata, DNB Markets Equity Research 22.05.2018

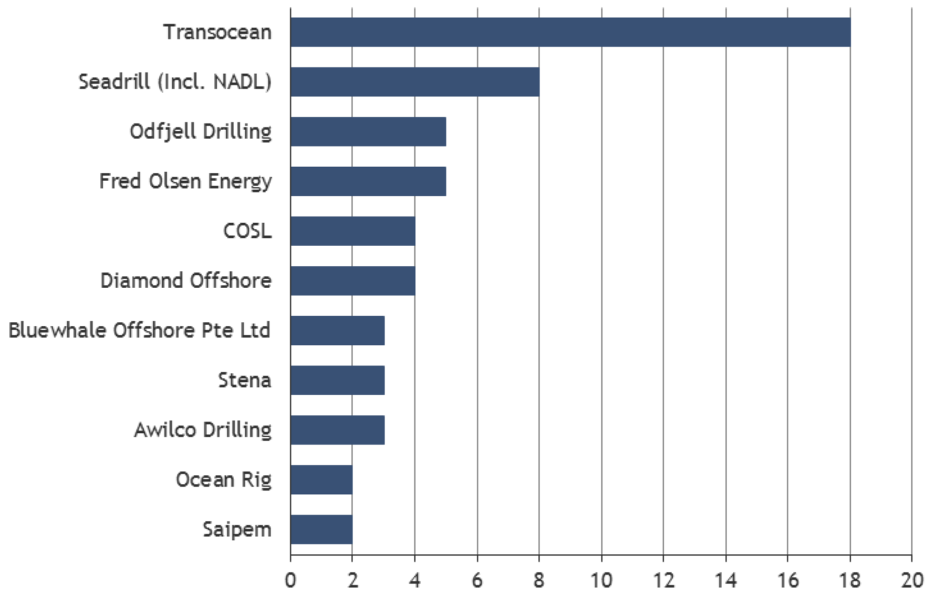
Figure 14: Age profile of the fleet of harsh environment capable semi-submersible rigs



Source: IHS Petrodata, DNB Markets Equity Research 22.05.2018

The harsh environment segment is relatively consolidated compared to the general contract drilling market. Following the combination of Transocean and Songa Offshore, the five largest companies own 69% of the harsh environment fleet. The remaining 31% of the fleet is however more fragmented, with 10 companies owning 1-3 MODUs each.

Figure 15: Global fleet of delivered harsh environment drilling rigs, split by number of MODU's per company



Source: IHS Petrodata, DNB Markets Equity Research 22.05.2018

Figure 16: Current global fleet of harsh environment drilling rigs, including rigs under construction

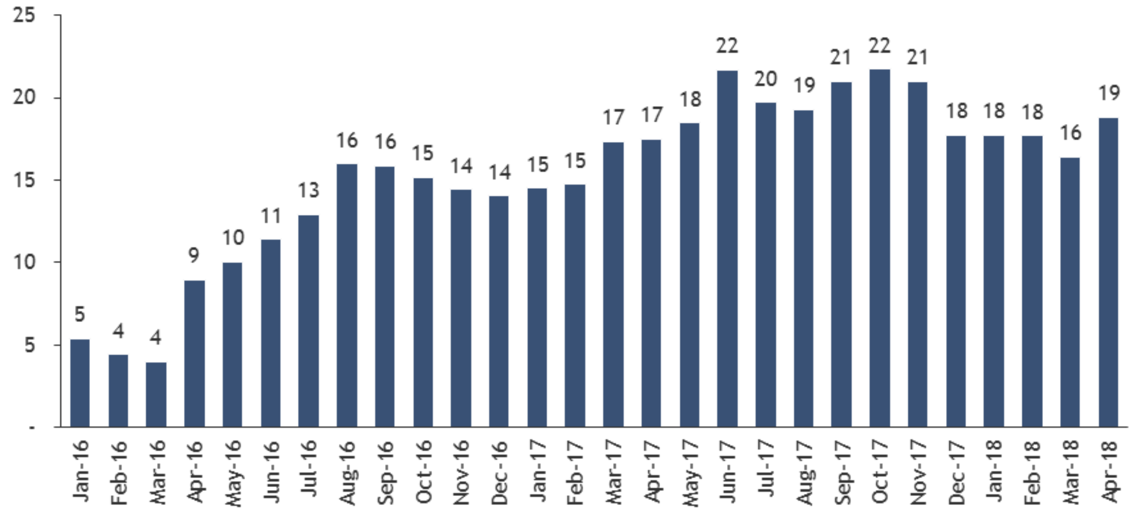
#	Rig Name	Manager	Rig Water Depth (ft)	Year In Service	#	Rig Name	Manager	Rig Water Depth (ft)	Year In Service
1	Byford Dolphin	Fred Olsen Energy	1,500	1974	30	Eirik raude	Ocean Rig	10,000	2002
2	Blackford Dolphin	Fred Olsen Energy	6,000	1974	31	West Hercules	Seadrill	10,000	2008
3	Bideford Dolphin	Fred Olsen Energy	1,750	1975	32	West Phoenix	North Atlantic Drilling	10,000	2008
4	Songa Trym	Transocean	1,200	1976	33	West Eminence	Seadrill	10,000	2009
5	Borgland Dolphin	Fred Olsen Energy	1,475	1999	34	Deepsea Atlantic	Odfjell Drilling	10,000	2009
6	Paragon MSS1	Borr Drilling	1,500	1979	35	West Aquarius	Seadrill	10,000	2009
7	Bredford Dolphin	Fred Olsen Energy	1,500	1980	36	Transocean Barents	Transocean	6,500	2009
8	Songa Delta	Transocean	1,500	1980	37	COSLPioneer	COSL	1,640	2010
9	Sedco 711	Transocean	1,000	1982	38	Deepsea Stavanger	Odfjell Drilling	10,000	2010
10	WilPhoenix	Awilco Drilling	1,200	1982	39	Transocean Spitsbergen	Transocean	6,500	2010
11	Ocean Patriot	Diamond Offshore	1,640	1983	40	COSLInnovator	COSL	1,640	2011
12	Deepsea Bergen	Odfjell Drilling	1,475	1983	41	COSLPromoter	COSL	1,640	2012
13	Stena Spey	Stena	1,500	1983	42	Island Innovator	Odfjell Drilling	2,300	2012
14	Transocean 712	Transocean	1,600	1983	43	Scarabeo 8	Saipem	9,843	2012
15	Sedco 714	Transocean	1,000	1983	44	COSLProspector	COSL	5,000	2014
16	WilHunter	Awilco Drilling	1,500	1983	45	Deepsea Aberdeen	Odfjell Drilling	10,000	2014
17	Songa Dee	Transocean	1,500	1984	46	Songa Endurance	Transocean	1,640	2015
18	Transocean Leader	Transocean	4,500	1987	47	Songa Equinox	Transocean	1,640	2015
19	Ocean Guardian	Diamond Offshore	1,500	1985	48	Songa Enabler	Transocean	1,640	2016
20	Polar Pioneer	Transocean	1,640	1985	49	Songa Encourage	Transocean	1,640	2015
21	Henry Goodrich	Transocean	5,000	1985	50	Ocean Greatwhite	Diamond Offshore	10,000	2016
22	West Alpha	North Atlantic Drilling	1,968	1986	51	North Dragon	Bluewhale Offshore Pte Ltd	1,650	2018
23	Transocean Arctic	Transocean	1,650	1986	52	Beacon Atlantic	Bluewhale Offshore Pte Ltd	1,650	2018
24	Paul B. Loyd, Jr.	Transocean	1,969	1987	53	Beacon Pacific	Bluewhale Offshore Pte Ltd	1,640	2019
25	Ocean Valiant	Diamond Offshore	5,500	1988	54	Stena MidMax	Stena	6,562	2019
26	Scarabeo 5	Saipem	6,233	1990	55	Bollsta dolphin	Seadrill	7,500	2019
27	West Venture	North Atlantic Drilling	2,600	2000	56	West Mira	Seadrill	10,000	2019
28	Stena Don	Stena	1,640	2001	57	Transocean Norge	Transocean	10,000	2019
29	Leiv Eiriksson	Ocean Rig	7,500	2001	58	Awilco Semi Tbn1	Awilco Drilling	4,921	2021

Source: IHS Petrodata, DNB Markets Equity Research 22.05.2018

9.3.2 The harsh environment activity level

The current market downturn has affected all contract drilling segments adversely, and utilization and dayrates have dropped significantly since 2014. This is also the case for the harsh environment segment. However, over the last 24 months we have seen strong signs of a recovery, as illustrated below with a small increase in number of outstanding tenders for harsh environment regions and day rates starting to move higher for the most capable and modern harsh environment semis.

Figure 17: Development in outstanding tenders for key harsh environment regions since January 2016

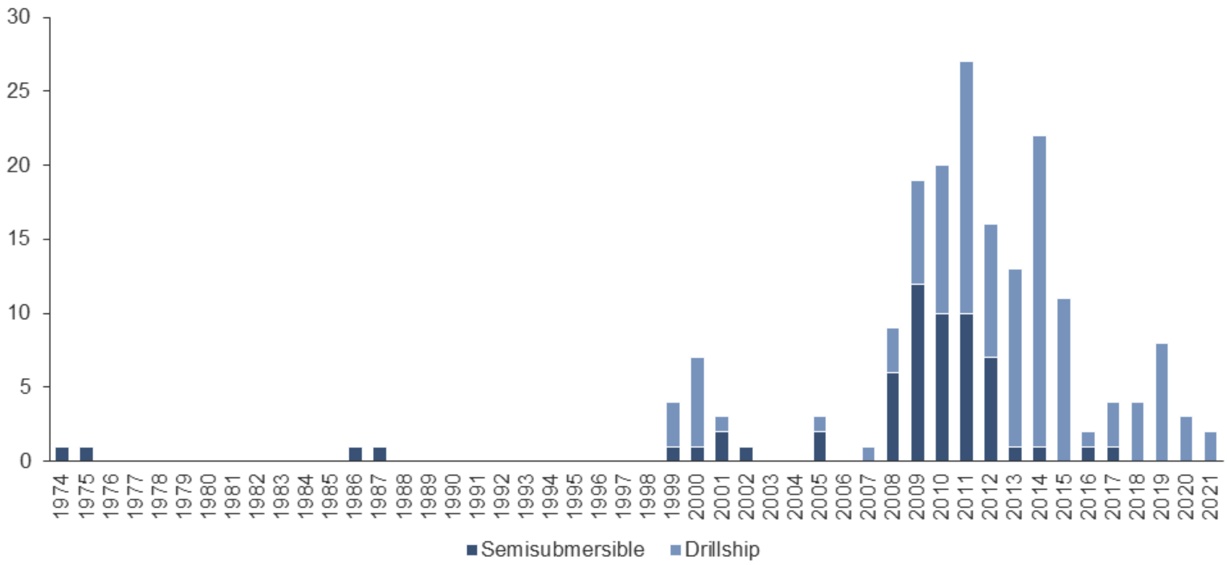


Source: IHS Petrodata, DNB Markets Equity Research 22.05.2018

9.4 Ultra-deepwater segment

Ultra-deepwater ("**UDW**") market refers to drilling operations conducted by drillships or semi-submersibles at water depths beginning at 7,500 feet and extending to the maximum water depths in which rigs are capable for drilling, which is currently 12,000 feet. As the date of this Prospectus the Company owns two UDW capable drillships currently under construction (West Aquila and West Libra) and one option for a third, UDW drillship (the Option Drillship). These drillships are designed for drilling operations up to 12,000 feet water depth.

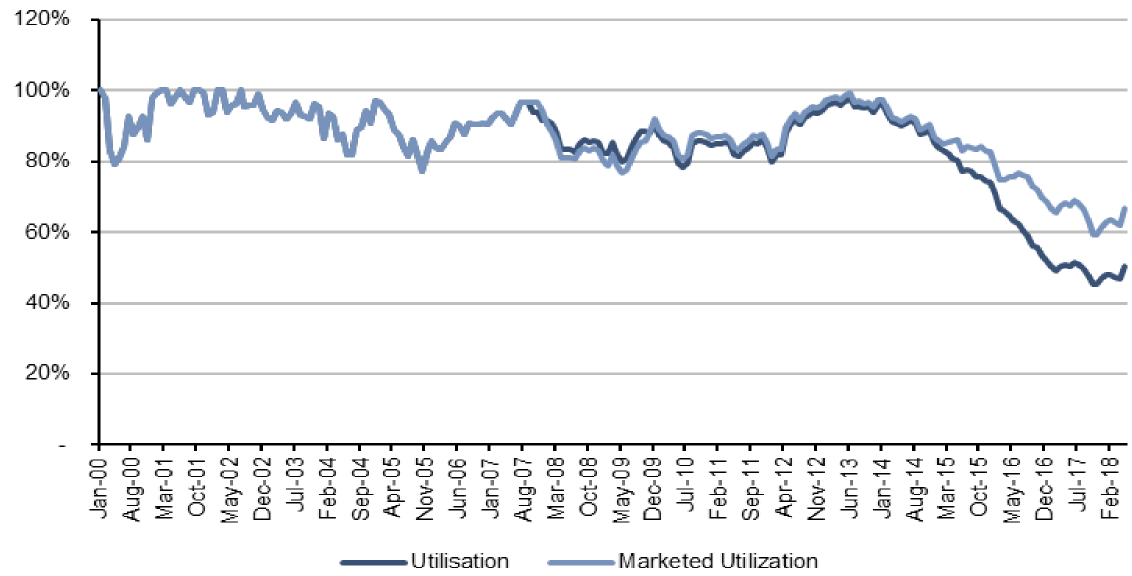
Figure 18: Number of UDW capable rigs delivered per year, by rig type. Including order book



Source: IHS Petrodata 22.05.2018

The global UDW fleet consists of 166 delivered rigs, of which 60 semisubmersibles and 106 drillships. As there is uncertianly realting to some of the rigs on order, the Compnay believe the real orderbook for UDW capable rigs currently consists of 17 drillships. Until the year 2004 only 19 UDW rigs existed, before the fleet expansion took off as a result of expecations of a surge in demand for drilling at ultra-deep water depths. Out of the total UDW rigs delivered, 88.6% are delivered post 2004. Drillships have been the preferred rig type over semisubmersibles for UDW operations due to, amongst other factors, the drillships superior flexibility in moving from location to location. This makes drillships more suited for exploration drilling, and many E&P operators were heavily focused on exploration drilling during the years prior to the oil price collapse.

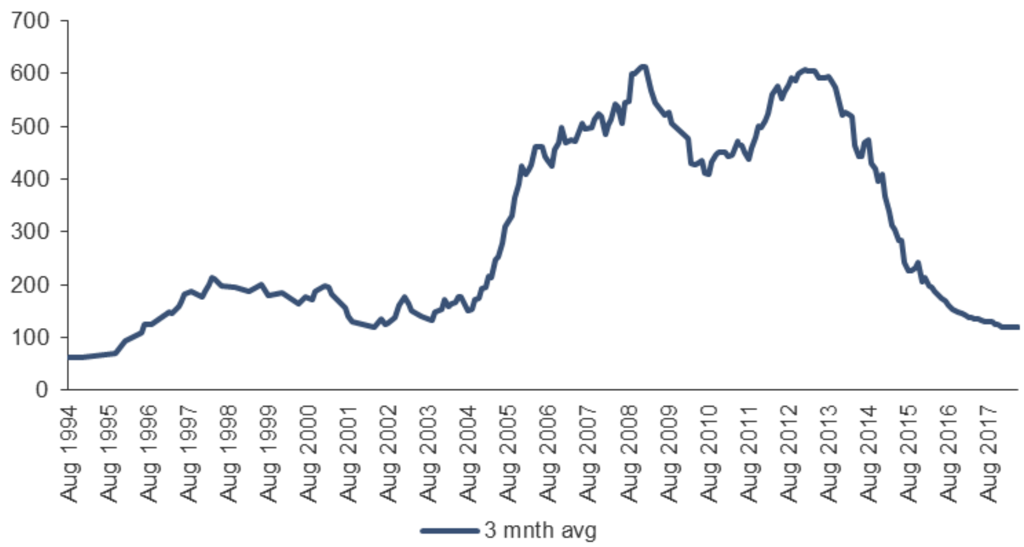
Figure 19: Implied total UDW utilization and implied marketed utilization



Source: IHS Petrodata, DNB Markets Equity Research 22.05.2018

The demand for UDW rigs saw a sharp decline post the oil price downturn in 2014, as E&P companies cut back on capital expenditure and frontier exploration drilling to focus on cost and operations. Today, 84 UDW rigs of the total fleet of 166 are contracted, implying total utilisation of 47%. Adjusting for 39 cold-stacked UDW rigs, marketed utilisation is 67%.

Figure 20: UDW dayrates (USDk/day 3 month average)



Source: IHS Petrodata, DNB Markets Equity Research 22.05.2018

UDW dayrates have been on a downwards trend following a weak UDW supply/demand balance. Currently, dayrates for high-spec UDW rigs are generally around the USD 120,000-150,000 range for both short-term and long-term jobs. After trending lower for the past few years, the daily operating cost for a UDW rig is typically around USD 140,000, depending on region, implying current dayrates at a breakeven level. Despite the recent UDW down-cycle, with the recent oil price increase, increasing contracting activity and a preference for the highest specification drillships among E&P companies, the outlook for the most capable UDW floaters is increasingly favourable.

10. CAPITALIZATION AND INDEBTEDNESS

This Section provides information about the (a) Company's capitalization and net financial indebtedness on an actual basis as of 31 March 2018 and (b) in the "As Adjusted" columns the Company's capitalization and net financial indebtedness on an adjusted basis to show the estimated effects of the following items only to the Company's capitalization and net financial indebtedness:

- *the issuance of 29,805,883 new ordinary shares as part of the Private Placement, which generated net proceeds of USD 245.1 million, and*
- *the payment of USD 180 million in May 2018 in respect of the first instalments on the Drillships.*

The information presented below should be read in conjunction with the other parts of this Prospectus, in particular Section 11 "Selected Financial Information and Other Information", Section 12 "Operating and Financial Review", and the Company's Financial Statements and the notes related thereto, which are incorporated by reference to this Prospectus, see Section 19 "Incorporation by Reference; Documents on Display".

10.1 Capitalisation

	As of 31 March 2018 (unaudited)		
USD thousands	**Actual**	**Adjustment (1)**	**As Adjusted**
Total current liabilities	**1,266**	**—**	**1,266**
—Guaranteed	—	—	—
—Secured	—	—	—
—Unguaranteed/unsecured	1,266	—	1,266
Total non-current liabilities	**—**	**—**	**—**
—Guaranteed	—	—	—
—Secured	—	—	—
—Unguaranteed/unsecured	—	—	—
Total liabilities (A)	**1,041**	**—**	**1,266**
Shareholders' equity			
—Share capital	77,750	29,806	107,556
—Legal reserves	395,620	215,316	610,936
—Other reserves	(5,080)	—	(5,080)
Total equity (B)	**468,290**	**245,122**	**713,412**
Total capitalization (A)+(B)	**469,556**	**245,122**	**714,678**

(1) Adjustment is attributed to the issuance of 29,805,883 shares with par value pf USD 1 each, at NOK 68 per share, which generated gross proceeds of USD 248.8 million and net proceeds of USD 245.1 million after costs of USD 3.7 million.

10.2 Net Financial Indebtedness

	As of 31 March 2018 (unaudited)		
USD thousands	**Actual**	**Adjustment (1)**	**As Adjusted**
A. Cash	83,067	65,122	148,189
B. Cash equivalents	—	—	—
C. Trading securities	—	—	—
D. Liquidity (A)+(B)+(C)	**83,067**	**65,122**	**148,189**
E. Current financial receivables	—	—	—
F. Current bank debt	—	—	—

G. Current portion of non-current debt	–	–	–
H. Other current financial debt	–	–	–
I. Current financial debt (F)+(G)+(H)	**–**	**–**	**–**
J. Net current financial indebtedness (I)-(E)-(D)	**(83,067)**	**(65,122)**	**(148,189)**
K. Non-current bank debt	–		–
L. Bonds issued	–		–
M. Other non-current financial debt	–		–
N. Non-current financial debt (K)+(L)+(M)	**–**		**–**
O. Net financial indebtedness (J)+(N)	**(83,067)**	**(65,122)**	**(148,189)**

(1) Adjustment is attributed to (i) the issuance of 29,805,883 shares with par value pf USD 1 each, at NOK 68 per share, which generated gross proceeds of USD 248.8 million and net proceeds of USD 245.1 million after costs of USD 3.7 million, and (ii) the payment of USD 180 million in May 2018 in respect of the first instalments on the Drillships.

Other than the Private Placement and the Transaction, there have been no significant changes to the Company's capitalisation and financial indebtedness since 31 March 2018.

11. SELECTED FINANCIAL INFORMATION AND OTHER INFORMATION

*The following selected financial information has been extracted from the Group's audited consolidated financial statements as of and for the period starting on the date of the Company's incorporation, 2 March 2017, until 31 December 2017 (the "**Financial Statements**") and the Group's unaudited condensed consolidated financial statements as of and for the three month period ending 31 March 2018 (the "**Interim Financial Statements**"), both of which are incorporated by reference to this Prospectus, see Section 19 "Incorporation by Reference; Documents on Display". The Financial Statements and the Interim Financial Statements have been prepared in accordance with U.S. GAAP. This Section should be read together with Section 12 "Operating and Financial Review".*

The Financial Statements have been subject to an audit by the Group's independent auditors PricewaterhouseCoopers AS. The audit opinion is enclosed to the Financial Statements.

11.1 Summary of Accounting Policies

For information regarding accounting policies, please refer to the notes to the audited consolidated financial statements for the period from 2 March to 31 December 2017, which are incorporated by reference to this Prospectus, see Section 19 - *"Incorporation by Reference; Documents on Display"*.

11.2 Selected Income Statement Information

The table below sets out a summary of the Group's audited consolidated income statement and retained earnings for the period starting on the date of the Company's incorporation, 2 March 2017, until 31 December 2017, and the unaudited condensed consolidated income statement and retained earnings for the three months period ending 31 March 2018.

USD thousands	**For the period from 2 March to 31 December 2017 (audited)**	**For the three month period ending 31 March 2018 (unaudited)**
Total operating revenues	**–**	**–**
Operating expenses		
Administrative expenses	822	278
Total operating expenses	**822**	**278**
Net operating loss	(822)	(278)
Other income (expenses)		
Interest income	725	303
Other financial expenses	(4,997)	(11)
Total other (expenses) income	**(4,272)**	**292**
Net (loss) income	(5,094)	14
Retained deficit at the start of the period	–	(5,094)
Retained deficit at the end of the period	**(5,094)**	**(5,080)**

11.3 Selected Balance Sheet Information

The table below sets out a summary of the Group's audited consolidated balance sheet information as of 31 December 2017 and its unaudited consolidated balance sheet information as of 31 March 2018.

USD thousands	**As of 31 December 2017 (audited)**	**As of 31 March 2018 (unaudited)**
Assets		
Current assets		
Cash and cash equivalents	84,090	83,067
Other current assets	57	1
Total current assets	**84,147**	**83,068**
Long term assets		
Newbuilding	185,170	386,488
Payment on account of newbuilding acquisition	200,000	–

USD thousands	As of 31 December 2017 (audited)	As of 31 March 2018 (unaudited)
Total long term assets	**385,170**	**386,488**
Total assets	**469,317**	**469,556**
Liabilities and equity		
Current liabilities		
Other current liabilities	290	103
Related party payables	751	1,163
Total current liabilities	**1,041**	**1,266**
Commitments and contingencies		
Equity		
Share capital	77,750	77,750
Additional paid in capital	395,620	395,620
Retained deficit	(5,094)	(5,080)
Total equity	**468,276**	**468,290**
Total liabilities and equity	**469,317**	**469,556**

11.4 Selected Changes in Equity Information

The table below sets out a summary of the Group's audited changes in equity information for period starting on the date of the Company's incorporation, 2 March 2017, until 31 December 2017 and the Group's unaudited changes in equity information for the three month period ending 31 March 2018.

USD thousands	For the period from 2 March to 31 December 2017 (audited)	For the three month period ending 31 March 2018 (unaudited)
Number of shares outstanding		
Balance at start of period	**—**	**77,750,100**
Shares issued	**77,750,100**	**—**
Balance at end of period	**77,750,100**	**77,750,100**
Share capital		
Balance at start of period	—	77,750
Shares issued	77,750	—
Balance at end of period	77,750	77,750
Additional paid in capital		
Balance at start of period	**—**	**395,620**
Shares issued	**395,620**	**—**
Balance at end of period	**395,620**	**395,620**
Retained deficit		
Balance at start of period	**—**	**(5,094)**
(Loss) income in the period	(5,094)	14
Balance at end of period	**(5,094)**	**(5,080)**

11.5 Selected Cash Flow Information

The table below sets out a summary of the Group's audited consolidated cash flow information for period starting on the date of the Company's incorporation, 2 March 2017, until 31 December 2017 and the Group's unaudited consolidated cash flow information for the three month period ending 31 March 2018.

USD thousands	For the period from 2 March to 31 December 2017 (audited)	For the three month period ending 31 March 2018 (unaudited)
Net (loss) income	**(5,094)**	**14**
Adjustment to reconcile net (loss) income to net cash provided by operating activities		
Loan fee paid to related party	5,000	–
Change in operating assets and liabilities		
Other current assets	(57)	–
Other current liabilities	121	(187)
Related party payables	134	412
Net cash provided by operating activities	**104**	**239**
Investing activities		
Additions to newbuilding	(2,053)	(1,262)
Payment on account to acquire newbuilding	(200,000)	–
Net cash used in investing activities	(202,053)	(1,262)
Financing activities		
Net proceeds from share issuance	358,539	–
Repayment of loan to related party	(72,500)	–
Net cash provided by financing activities	**286,039**	**–**
Net increase (decrease) in cash and cash equivalents	84,090	(1,023)
Cash and cash equivalents at start of the period	–	84,090
Cash and cash equivalents at start of the period	**84,090**	**83,067**

See Section 12.7 to this Prospectus and Note 9 to the Financial Statements for information regarding non-cash investing and financing activities.

11.6 Other Selected Financial and Operating Information

The table below sets out certain other unaudited key financial and operating information for the Company on a consolidated basis. Please refer to Section 4.2 for an explanation of APMs used in the below.

USD thousands	As of or for the period from 2 March to 31 December 2017	For the three month period ending 31 March 2018
EBITDA(1)	(5,094)	14
NIBD(2)	–	–
Equity ratio(3)	99.8%	99.7%
Debt-to-equity ratio(4)	0.2%	0.3%
Interest coverage ratio(5)	–	–

(1) The Company defines EBITDA as net income before depreciation, net interest expense, amortization of debt issue expenses and impairment charges.

(2) Net interest bearing debt, which is interest bearing debt less cash and cash equivalents.

(3) Total shareholders' equity divided by total assets, multiplied by 100.

(4) Total liabilities to shareholders equity.

(5) EBIT divided by net interest expense.

11.7 Financial effects of the Transaction

Accounting treatment

The Transaction will be accounted for as an acquisition of assets, which do not constitute a business. Consequently, the assets will be recorded at costs and related transaction costs are capitalized.

Under the Transaction, the downpayments will be recorded as newbuilding under non-current assets. The Drillships will be acquired at the delivery from DSME in 2021, when title will be transferred to the Company.

The estimated effects of the Transaction on the Company's financial statements at the date of the Transaction[1]*, being the payment of the first instalments, are set out in the table below:*

In USD 1,000 Increase/(decrease)	**Cash**	**Newbuildings (non-current assets)**
The Transaction	(180,000)	180,000,[2]

During the construction periods for the Drillships, the Group will incur supervision cost that will be recorded as part of these newbuilding assets.

The Transaction is exceeding the 25% threshold of the total balance of the Group – defined as a significant transaction according to the ESMA recommendation for preparation of prospectus (item 52), thereby generally triggering the need for pro forma financial information. However, as the Transaction involves the acquisition of assets (drillships under construction) only, and not acquisition of shares of the selling entities, any historical information in relation to these assets will not reflect any commercial activities, and such financial statements are therefore considered not relevant for pro forma purposes. Therefore, pro forma information prepared in accordance with Annex II to EU Regulation No. 809/2004 as incorporated in Norwegian law through section 7-13 of the Norwegian Securities Trading Act would not provide a fair description of the Transaction. On this basis, no pro forma financial information has been prepared.

See Section 7 for further information on the Transaction.

[1] Meaning the date of the downpayments in the Transaction
[2] Represents the down payment of USD 90 million (per vessel) of the contract price under the construction contracts for the acquisition of the Drillships, which is presented as a prepayment within non-current assets. The rest of the contract price for the Transaction (USD 412 million) will be payable in 2021 at delivery of the units, when title will transfer to the Company (or such subsidiary nominated by it).

12. OPERATING AND FINANCIAL REVIEW

This operating and financial review should be read together with Section 11 "Selected Financial Information and Other Information", the Financial Statements and the Group's unaudited consolidated financial statements as of and for the three month period ending 31 March 2018, both of which are incorporated by reference to this Prospectus, see Section 19 "Incorporation by Reference; Documents on Display". The following discussion contains Forward-looking statements that reflect the Company's plans and estimates. Factors that could cause or contribute to differences to these Forward-looking Statements include those discussed in Section 2 "Risk Factors", see also Section 4.1 "General Information—Cautionary Note Regarding Forward-Looking Statements".

12.1 Introduction

As at the date of this Prospectus, the Company has two drilling rigs (Semi 1 and Semi 2) under construction at Hyundai Heavy Industries (HHI), to be delivered early 2019. The Company also has two drillships under construction at the DSME yard in Korea, to be delivered in January and March 2021. Further, the Company has an option to acquire another drillship under construction at the DSME yard in Korea.

The functional and presentation currency of the Company is USD and normally all revenues and expenses are in USD.

The Company prepares its consolidated financial statements in USD and in accordance with US GAAP.

12.2 Principal Factors Affecting the Company's Financial Condition and Results of Operations

The business, financial condition, results of operations and cash flows, as well as the period-to-period comparability of the financial results of the Company, are affected by a number of factors, see Section 2 "Risk Factors". Some of the factors that are expected to influence the Company's financial condition and results and cash flows are:

- *The level of charter rates in the offshore drilling market*. The Company will earn its revenues through employment of its rigs in the offshore drilling market, and the charter rates for drilling rigs are subject to market fluctuations, depending on various supply and demand factors. Currently the Company has no rigs chartered out.

- *The number of rigs owned*. The Company currently owns four (4) newbuilds (Semi 1, Semi 2 and the Drillships), and has the option to acquire one more drillship (the Option Drillship). The number of rigs in the Group's portfolio will affect the Company's revenues and expenses.

- *The costs and expenses associated with the company's operations*. The Company will incur operating expenses for its rig(s), including repairs maintenance and insurance. The Company also incurs general and administrative expenses for its day-to-day operations.

- *Level of debt and interest expense*. Thus far, the Company has financed its acquisitions of its units with equity. It may however in the future obtain debt financing which may affect the cash position and financial gearing of the Company. The Company intends to finance the second instalments of the Rigs and the Drillships with debt to be raised, but will also consider equity financing, depending on the market terms and conditions on the debt/equity markets at the relevant time.

- *Seasonality*. In general, seasonal factors do not have a significant direct effect on the Company's business. However, the Company may have operations in certain parts of the world where weather conditions during parts of the year could adversely impact the operational utilization of the rigs and the Company's ability to relocate rigs between drilling locations, and as such, limit contract opportunities in the short term. Such adverse weather could include the hurricane season and loop currents for operations in the Gulf of Mexico, the winter season in offshore Norway, West of the Shetlands and Canada, and the monsoon season in Southeast Asia.

The most important driver for the Group's revenue growth is the level of charter rates in the drilling market combined with number of rigs owned.

12.3 Reporting Segments

The Group is currently operating in only one segment with respect to products and services. For internal reporting and management purposes, the Group's business is organised into one reporting segment, offshore drilling. Performance is not and will not be evaluated by geographical region. The Company's subsidiaries which are a party to the newbuilding contract are incorporated in Marshall Islands, while the Company's subsidiary which is party to the DSME Option Agreement is incorporated in Bermuda.

12.4 Recent Developments

Other than as discussed below, there has not been any significant change in the Group's financial and trading position since 31 March 2018:

On 9 May 2018, the Company announced that it had successfully completed a Private Placement raising gross proceeds in the amount of NOK 2,026,800,000 (approximately USD 250 million) through the placing of 29,805,883 new shares at a subscription price of NOK 68.00 per share. For more details on this Private Placement, please refer to Section 5 – *The Private Placement*.

12.5 Results of Operations

Operating results for the period starting on the date of the Company's incorporation, 2 March 2017, until 31 December 2017.

Operating revenues for the period starting on the date of the Company's incorporation, 2 March 2017, until 31 December 2017 were USD 0 due to the fact that the Company does not currently have any operating drilling units.

Operating expenses for the period starting on the date of the Company's incorporation, 2 March 2017, until 31 December 2017 were USD 822,000 primarily due to incorporation fees, set up costs and general administrative expenses in the period.

Net loss for the period starting on the date of the Company's incorporation, 2 March 2017, until 31 December 2017 was USD 5.1 million primarily due to operating expenses (described above) and the USD 5 million fee paid to Stena Finance Ltd. ("**Sterna Finance**") for the granting of the Sterna Mira Loan and supporting the acquisition of the Semi 1. This fee was settled by way of the Company issuing one million common shares to Sterna Finance, which Sterna Finance subsequently sold to Greenwich.

Operating results for the three month period ending 31 March 2018

Operating revenues for the three month period ending 31 March 2018 were USD 0 due to the fact that the Company does not currently have any operating drilling units.

Operating expenses for the three month period ending 31 March 2018 were USD 278,000 primarily due to general administrative expenses in the period.

Net income for the three month period ending 31 March 2018 was USD 14,000 primarily due to interest income, which was partially offset by operating expenses (described above).

12.6 Liquidity and Capital Resources

As of the date of this Prospectus, the Group has approximately USD 148 million in available liquidity to finance continued growth.

As of the date of this Prospectus, neither the Company nor any of the Company's wholly-owned subsidiaries has entered into any loan agreements.

As of the date of this Prospectus the Company does not have funding in place for the second instalments of the Rigs and the Drillships to HHI and DSME, respectively. The Company would expect to finance these instalments with debt to be raised. The Company will however consider equity financing if the equity capital market provides for more beneficial terms and conditions to the Company. Market conditions can have a significant impact on the ability to raise equity and loan finance, while new equity financing may be dilutive to existing shareholders and loan finance which will contain covenants and other relevant restrictions.

12.7 Cash Flows

The Company has had a positive cash flow from operating activities of USD 0.3 million since its incorporation, mainly due to interest income, partially offset by the payment of administrative expenses.

In March 2017, West Mira Inc., a wholly-owned subsidiary of the Company entered into the Sterna Mira Loan, whereby West Mira Inc. borrowed USD 182.5 million from Sterna Finance and it was acknowledged that this amount had already been paid by Seatankers as settlement of the first instalment due in connection with the purchase of Semi 1.

Also in March 2017, the Company and West Mira Inc. entered into an agreement with Greenwich and Sterna Finance regarding the settlement of the Sterna Mira Loan, the purchase of Semi 1 and the Private Placement whereby USD 110 million of the Sterna Mira Loan was settled by the Company issuing 22,000,000 common shares to Greenwich, subject to a partial assignment by Sterna Finance of the Sterna Mira Loan to Greenwich. Further, the Company issued 1 million common shares to Sterna Finance in settlement of a USD 5 million fee for granting the Sterna Mira Loan and supporting the acquisition of Semi 1 (the "**Sterna Fee**"). Remaining USD 72.5 million of the Sterna Mira Loan was settled in cash in March 2017. The Sterna Mira Loan did not bear any interest.

About the same time, the Company completed a private placement and generated gross proceeds of USD 230.0 million. Net cash proceeds of USD 112.7 million were received following the payment of associated fees of USD 2.3 million, partial settlement of the Sterna Mira Loan and settlement of the Sterna Fee.

On 10 November 2017, the Company announced that it had successfully completed a private placement raising gross proceeds in the amount of NOK 2,032,000,000 (approximately USD 250 million) through the placing of 31,750,000 new shares at a subscription price of NOK 64.00 per share.

On 9 May 2018, the Company announced that it had successfully completed the Private Placement raising gross proceeds in the amount of NOK 2,026,800,000 (approximately USD 250 million) through the placing of 29,805,883 new shares at a subscription price of NOK 68.00 per share. For more details on this Private Placement, please refer to Section 5 – *The Private Placement*.

12.8 Balance Sheet Information

As of 31 March 2018, the Group's total assets were USD 469.6 million, consisting primarily of cash and capitalised newbuilding costs for the Semi 1 and Semi 2. The total newbuilding cost for Semi 1 will be USD 365 million plus capitalized costs. The payments to the yard are payable in two equal instalments. The first instalment of USD 182.5 million was paid shortly after the agreement was entered into, while the remaining instalment is payable upon delivery of the rig. As of 31 March 2018 the first instalment of USD 182.5 million to the yard has been capitalized in the balance sheet, in addition to some other newbuilding costs of USD 1.5 million. Please see Section 14.2 for further details for this transaction. The total newbuilding cost for Semi 2 will be USD 400.0 million plus capitalized costs. The payments to the yard are payable in two equal instalments. The first instalment of USD 200.0 million was paid shortly after the agreement was entered into, while the remaining instalment is payable upon delivery of the rig. As of 31 March 2018 the first instalment of USD 200.0 million to the yard has been capitalized in the balance sheet, in addition to some other newbuilding costs of USD 1.5 million. Please see Section 14.4 for further details for this transaction.

As of 31 March 2018, the Group's total equity was USD 468.3 million, due to issued share capital and additional paid in capital of USD 77.8 million and USD 395.6 million, respectively, partially offset by the loss in the period from incorporation to 31 March 2018.

As of 31 March 2018, the Group's total liabilities were USD 1.3 million, due to other current liabilities and amounts due to related parties.

12.9 Working Capital Statement

As of the date of this Prospectus, the Company does not have sufficient working capital for its planned capital expenditures for the next 12 months, which mainly consists of instalments to HHI.

The yard instalments in respect of the Rigs equalling a total of USD 382.5 million, falls due upon delivery of such Rigs which is expected around January 2019. The Company intends to raise debt against such Rigs prior to delivery and has initiated discussions with lending banks to explore willingness to supply bank debt in connection with the take-out instalments. The Company is confident that it can secure financing at attractive terms for the Group.

In the unlikely event that the Company should not be able to secure bank loans on acceptable terms, the Company has a range of other financing alternatives available. These alternatives include (i) issuance of secured bonds with security in relevant drilling units, (ii) issuance of unsecured bonds, (iii) direct lending structures with larger credit institutions, (iv) sale leaseback of one or more of the Company's drilling units, and (v) additional equity to be raised. These alternatives will be viable should the Company not be able to secure bank loans on acceptable terms to fund any deficit at delivery of the respective vessels.

12.10 Investing Activities

Past investment activities

The Company's principal investments since its incorporation, related to the acquisition of the Units.

In March 2017, West Mira Inc., a wholly-owned subsidiary of the Company entered into the Sterna Finance Loan Agreement, whereby West Mira Inc. borrowed USD 182.5 million from Sterna Finance and it was acknowledged that this amount had already been paid by Seatankers as settlement of the first instalment due in connection with the purchase of the Semi 1. The loan did not bear interest and was also settled in March 2017 upon completion of a private placement. The Company was a guarantor party to this loan agreement.

In December 2017, a wholly-owned subsidiary of the Company exercised the option for Semi 2 and the Company paid USD 200 million into a suspense account to be released to HHI on receipt of a refund guarantee. The refund guarantee was received in January 2018 and the funds were released to HHI at which time the USD 200 million payment was transferred from 'Payment on account of newbuilding acquisition' to Newbuildings.

In May 2018, the Company paid USD 180 million to DSME being the two first instalments on the Drillships of USD 90 million each.

Principal Investments in Progress and Planned Principal Investments

The Group is committed to paying USD 182.5 million in the second and final yard instalment to HHI upon delivery of the Semi 1. Delivery date is set to 31 December 2018, but the Company has the right (and intends) to extend delivery by a period of up to thirty-one days (to 31 January 2019). The second and final yard instalment is assumed to be financed with debt.

The Group is also committed to paying USD 200 million in the second and final yard instalment to HHI upon delivery of the Semi 2. Delivery date is scheduled for January 2019. The second and final yard instalment is assumed to be financed with debt.

The Group is further committed to paying USD 412.0 million in the second and final yard instalments to DSME upon delivery of the Drillships. Delivery is set to January and March 2021, but the Company has the right to take early delivery by giving DSME a three months' notice.

The Group has no other committed investments. The Group has however an option to acquire the Option Drillship, which may be exercised within six months. If the Company exercises the option to acquire the Option Drillship, the Company shall pay a total purchase price of USD 350.0 million, of which USD 105.0 million is due at signing and remaining balance is due at delivery which is expected in early 2021. If the option is exercised, the initial instalment is expected to be funded with cash at hand, new equity or debt raised or a combination of these.

Apart from the above, the Company does not have any other investments in progress, firm commitments or obligations to make significant future investments.

12.11 Property, Plant and Equipment

The Company's future rig(s) will be subject to environmental regulations, such as the U.S. Oil Pollution Act of 1990, or OPA, the Comprehensive Environmental Response, Compensation and Liability Act, or CERCLA, the U.S. Clean Water Act, or CWA, the U.S. Clean Air Act, or CAA, the U.S. Outer Continental Shelf Lands Act and the U.S. Maritime Transportation Security Act of 2002, or the "MTSA, European Union regulations".

These laws govern the discharge of materials into the environment or otherwise relate to environmental protection.

In April 2016, the BSEE issued a final rule on well control regulations that set new and revised safety and operational standards for owners and operators of offshore wells and facilities. Among other requirements, the new regulation sets standards for BOPs that include baseline requirements for their design, manufacture, inspection and repair, requires third-party verification of the equipment, and calls for real-time monitoring of certain drilling activities, and sets criteria for safe drilling margins, to name just a few of the many requirements. These new regulations grow out of the findings made in connection with the Deepwater Horizon Incident and include a number of requirements that will add to the costs of exploring for, developing and producing of oil and gas in offshore settings.

In certain circumstances, these laws may impose strict liability, rendering the Group liable for environmental and natural resource damages without regard to negligence or fault on the Group's part. Implementation of new environmental laws or regulations that may apply to ultra-deepwater drilling units may subject the Group to increased costs or limit the operational capabilities of the Group's drilling units and could materially and adversely affect the Group's operations and financial condition. See Section 2 - Risk Factors.

12.12 Significant Recent Trends

The offshore drilling market has since 2014 experienced a severe market downturn with a material reduction in demand. A reduction in the oil price from more than USD 100 in 2013 to below USD 30 in Q1 2016 resulted in a significant reduction in exploration and development spending from oil companies with reduced demand for offshore drilling services as a result. Demand for offshore drilling rigs went from 681 in 2014 to 473 in 2016 with overall industry utilization dropping from 80% to 56%. All new tenders coming out have been fiercely competitive and day rates have experienced a similar drop.

In Q4 2017 the overall utilization for the world's drilling floaters was reported to be 73.1%, marking the first uptick in utilization since Q3 2013. This trend has continued into Q1 2018 with several long term charters being awarded to various offshore drilling companies in major offshore basins globally. The overall utilization for the world's drilling floaters was reported to be 74.5% in Q1 2018, improving by close to 1.4 percentage points. The day rates remain however at a depressed level with earnings barely covering operational cost in many circumstances. With a continued improvement in global fleet utilization day rates are expected to eventually increase from today's unsustainable low levels.

The Group has no rigs in operations but is actively bidding in tenders for start-up in 2019 and onwards. The competition continues to be fierce, but the harsh environment market has experienced an uptick in tender activity, contract awards and day rate levels for modern rigs recently. Several contracts have been awarded at day rates believed to be at an increased margin compared to operational cost of the rig, indicating a gradual recovery for the harsh environment drilling fleet.

13. THE BOARD OF DIRECTORS, EXECUTIVE MANAGEMENT AND EMPLOYEES

This Section provides summary information about the Board of Directors and the Executive Management of the Company and disclosures about their employment arrangements with the Company and other relations with the Company.

13.1 Overview

The Board of Directors is responsible for the overall management of the Company and may exercise all the powers of the Company. In accordance with Bermuda law, the Board of Directors is responsible for, among other things, supervising the general and day-to-day management of the Company's business; ensuring proper organisation, preparing plans and budgets for its activities; ensuring that the Company's activities, accounts and asset management are subject to adequate controls and to undertake investigations necessary to ensure compliance with its duties. The Board of Directors may delegate such matters as it seems fit to the executive management of the Company (the "**Executive Management**").

The Company's Executive Management is responsible for the day-to-day management of the Company's operations in accordance with instructions set out by the Board of Directors. Among other responsibilities, the Company's CEO is responsible for keeping the Company's accounts in accordance with applicable legislation and regulations and for managing the Company's assets in a responsible manner.

13.2 Board of Directors and Executive Management

Board of Directors

The Company's Bye-Laws provide that the Board of Directors shall have a minimum of two members.

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

Name	Position	Served Since	Expiry of Term
Gary Casswell	Director and Chairman	September 2017	N/A
Georgina E. Sousa	Director	March 2017	N/A
Jon Olav Østhus	Director	May 2018	N/A

The Company's registered business address, Par la Ville Place, 14 Par la Ville Road, Hamilton, HM08, Bermuda, serves as c/o address for the members of the Board of Directors in relation to their directorship of the Company.

The composition of the Company's Board of Directors is in compliance with the independence requirements of the Norwegian Code of Practice of 30 October 2014 (the "**Norwegian Code of Practice**"). The Norwegian Code of Practice provides that a board member is generally considered to be independent when he or she does not have any personal, material business or other contacts that may influence the decisions it makes as a board member.

Set out below are brief biographies of the directors of the Company, along with disclosures about the companies and partnerships of which each director has been member of the administrative, management and supervisory bodies in the previous five years, not including directorships and executive management positions in the Company or any of its subsidiaries.

Gary Casswell, Chairman

Mr. Casswell has more than 35 years industry experience, most recently serving as President & CEO of Northern Offshore Ltd. In 2015 Mr. Casswell successfully led the sale of the company to a private investment company. Prior to this, Mr. Casswell served as vice president of eastern hemisphere operations for Pride International and was responsible for re-organizing Forasol/Foramer into a division of Pride with 39 drillships, jackups, tenders and land rigs operating in 18 countries. Prior to joining Pride, Mr. Casswell was with Santa Fe International and held a variety of increasingly responsible positions in operations, marketing, and business development including development of Santa Fe's deep water strategy. Mr. Casswell served with the IADC and received the IADC Exemplary Service award in 2007. Mr. Casswell holds a Bachelor of Science degree in Business Administration from the University of California, Long Beach.

Current other directorships and management positions	Directorships: Northern Drilling Ltd. – Chairman Ensign Energy Services Inc - Director Management position(s): —

Previous directorships and management positions held during the last five years.. Directorships: —

Management position(s):
Northern Offshore Ltd. - President & CEO
Pride International. – Vice President

Georgina E. Sousa, Director

Georgina E. Sousa has served as a director and the Secretary of the Company since incorporation in March 2017. Ms. Sousa is a director and the Secretary of Frontline Ltd., a Bermuda company listed on the New York and Oslo Stock Exchanges and has been employed by Frontline Ltd. as Head of Corporate Administration since February 2007. Ms. Sousa is a director and Secretary of Sevan Drilling Limited and FLEX LNG LTD., both Bermuda companies listed on the Oslo Stock Exchange, and Seadrill Limited, a Bermuda company listed on the New York and Oslo Stock Exchanges. Ms. Sousa served as a director of Golden Ocean Group Limited from April 2013 to March 2015 and as a director of Golar LNG Limited from 2005 to 2015. She also served as a director of North Atlantic Drilling Ltd., from September 2013 until September 2016 and Ship Finance International Limited from May 2015 until September 2016. Ms. Sousa is Secretary of Golden Ocean Group Limited, North Atlantic Drilling Ltd. and Ship Finance International Limited. Mrs. Sousa was Vice-President – Corporate Services of Consolidated Services Limited, a Bermuda Management Company, having joined the firm in 1993 as Manager, Corporate Administration. From 1976 to 1982 she was employed by the Bermuda law firm of Appleby, Spurling & Kempe (now Appleby) as a Company Secretary and from 1982 to 1993 she was employed by the Bermuda law firm of Cox & Wilkinson (now Cox, Hallett & Wilkinson) as Senior Company Secretary.

Current other directorships and management positions .... Directorships:
Frontline Ltd. – Director
FLEX LNG LTD. – Director
Sevan Drilling Limited – Director
Seadrill Limited.

Management position(s): —

Previous directorships and management positions held during the last five years.. Directorships:
Golden Ocean Group Limited – Director
Golar LNG Limited – Director
North Atlantic Drilling Ltd. – Director
Ship Finance International Limited - Director.

Management position(s): —

Jon Olav Østhus, Director

Jon Olav Østhus was appointed as a Director of the Company in May 2018. Until recently he held the position as Vice President Legal and Commercial in Seadrill Ltd., related party to the Company. Mr. Østhus has more than 35 years' experience in various positions of shipping and oil business and holds a master in Business and Economics from the Norwegian School of Economics (NHH) in Bergen (1979). He practiced as a teacher at a college in Stavanger from 1979-1982. Mr. Østhus was employed by the offshore drilling contractor Smedvig in 1982 - initially as a company secretary - and has held various financial and legal positions within Smedvig. When Smedvig ASA was acquired by Seadrill in 2006, Mr. Østhus worked as Director of Contracts – a position he held until 2011 when he was appointed Vice President – Legal & Commercial, a position he held until 2017. His main task in this position was contract negotiations with shipyards and oil companies, litigations and M&A transactions. He now works as an independent consultant. The last few years he has also held numerous internal board positions within the Seadrill group.

Current other directorships and management positions .... Directorships:

SeaMex Holding BV, Seadrill Jack-Up I BV, Seadrill Jack-Up II BV, Seadrill Leasing BV, Seadrill Saudi I BV, Seadrill Saudi II BV, Scorpion Nederlandse B.V., Seadrill Mexico UK Ltd., Seadrill Auriga UK Ltd, Seadrill Vela UK Ltd, Seadrill Sirius UK Ltd, North Atlantic

Drilling UK Ltd, North Atlantic Support Services Ltd, Seadrill Holdings Mexico SA de CV, Seadrill Jack Up Operations de Mexico SA de CV, Seadrill Logistics de Mexico S de RL de CV, Seadrill Oberon de Mexico S de RL de CV, Seadrill Intrepid de Mexico S de RL de CV, Seadrill Defender de Mexico S de RL de CV, Seadrill Courageous de Mexico S de RL de CV, Seadrill Titania de Mexico S de RL de CV, Eastern Drilling AS, Fjellhaug Eiendom AS, NLM Eiendom AS, NLM Sandnesporten AS, Norrona Eiendom AS, North Atlantic Management AS, Prinsens Vei 3 AS, Torneroseveien 12 AS, Seadrill Capital Spares Pool AS, Seadrill Management AS, Seadrill Offshore AS, Sevan Drilling ASA, Sevan Drilling Rig V AS, Asia Offshore Drilling Limited, Asia Offshore Rig 1 Limited, Asia Offshore Rig 2 Limited, Asia Offshore Rig 3 Limited, North Atlantic Norway Ltd, North Atlantic Alpha Ltd, North Atlantic Epsilon Ltd, North Atlantic Venture Ltd, North Atlantic Navigator Ltd, North Atlantic Elara Ltd, North Atlantic Linus Ltd, North Atlantic Linus Charterer Ltd, Scorpion Courageous Ltd, Scorpion Deepwater Ltd, Scorpion Defender Ltd, Scorpion Drilling Ltd, Scorpion Freedom Ltd, Scorpion International Ltd, Scorpion Intrepid Ltd, Scorpion Resolute Ltd, Scorpion Rig Ltd, Scorpion Vigilant Ltd , SDS Drilling Ltd, Seadrill Abu Dhabi Operations Ltd, Seadrill Aquila Ltd, Seadrill Auriga Ltd, Seadrill Brunei Ltd, Seadrill Capricorn Ltd, Seadrill Castor Ltd, Seadrill China Operations Ltd, Seadrill Cressida Ltd, Seadrill Common Holdings Ltd, Seadrill Deepwater Charterer Ltd, Seadrill Deepwater Contracting Ltd, Seadrill Deepwater Holdings Ltd, Seadrill Dorado Ltd, Seadrill Draco Ltd, Seadrill Eclipse Ltd, Seadrill Egypt Operations Limited, Seadrill Eminence Ltd, Seadrill Equatorial Guinea, Seadrill Freedom Ltd, Seadrill GCC Operations Ltd, Seadrill Gemini Ltd, Seadrill Ghana Operations Ltd, Seadrill Global Services Ltd, Seadrill Hyperion Ltd, Seadrill Indonesia Ltd, Seadrill Insurance Ltd, Seadrill Jack Up Holding Ltd, Seadrill Janus Ltd, Seadrill Juno Ltd - Resigned, Seadrill Jupiter Ltd, Seadrill Libra Ltd, Seadrill Leo Ltd, Seadrill Mexico Holding Ltd, Seadrill Mimas Ltd, Seadrill Oberon Ltd, Seadrill Orion Ltd, Seadrill Polaris Ltd, Seadrill Proteus Ltd, Seadrill Saturn Ltd, Seadrill T-15 Ltd, Seadrill T-16 Ltd, Seadrill Telesto Ltd, Seadrill Tellus Ltd, Seadrill Tethys Ltd, Seadrill Titan Ltd, Seadrill Triton Ltd, Seadrill Tucana Ltd, Seadrill Umbriel Ltd, Seadrill Vela Ltd, SeaMex Ltd, , Seadrill China Operations Ltd (Class A Manager), Seadrill Titania S.a.r.l (Class A Manager), Seadrill Neptune Hungary Kft, Seadrill Mira Hungary Kft, Seadrill Ireland Ltd., Seadrill International Ltd, Seadrill Far East Ltd, , Seadrill Management (S) Pte Ltd, Seadrill Australia (S) Pte Ltd, Seadrill Pegasus (S) Pte Ltd, Seadrill Deepwater Units Pte Ltd, Seadrill Castor Pte Ltd, Scorpion Offshore Inc, Scorpion USA Expats, Inc, Seadrill Americas Inc, Seadrill Gulf Operations Auriga LLC, Seadrill Gulf Operations Vela LLC, Seadrill Gulf Operations Sirius LLC, Seadrill Gulf Operations Neptune LLC, Seadrill US Gulf LLC, Sevan Drilling North America LLC, Seadrill Canada Ltd., Seadrill Newfoundland Operations Ltd., Subsea Drilling (III) Limited.

Management position(s): Asia Offshore Drilling Ltd. – Chief Executive Officer

Previous directorships and management positions held during the last five years	Directorships: —
	Management position(s): —

Executive Management

The Company's Executive Management comprises of the following members:

Name	Position	Employed From
Gunnar Winther Eliassen	Interim CEO	August 2017

Set out below are brief biographies of the members of the Executive Management, along with disclosures about the companies and partnerships of which the member of the Executive Management has been member of the administrative, management and supervisory bodies in the previous five years, not including directorships and Executive Management positions in the Company or its subsidiaries.

Gunnar Winther Eliassen, interim CEO

Through Seatankers, Mr. Eliassen has been engaged as the Company's interim CEO since its incorporation. He has been employed by Seatankers Consultancy Services (UK) Limited since January 2016. Mr Eliassen currently also serves as a Director of Golden Close Maritime Corp. Ltd. and as a Director of Quintana Energy Services Inc. Prior to joining Seatankers Consultancy Services, he was a Partner at Pareto Securities Inc. in New York and Oslo. Mr. Eliassen holds a Master in Finance from the Norwegian School of Economics (NHH) and residents in London, UK.

Current other directorships and management positions	Directorships: Golden Close Maritime Corp. Ltd. – Director Quintana Energy Services Inc. - Director Management position(s): —
Previous directorships and management positions held during the last five years..	Directorships: — Management position(s): —

13.3 Remuneration and Benefits

Board of Directors

The compensation for the members of the Company's Board of Directors is determined on an annual basis by the shareholders of the Company at the annual meeting of the Company's shareholders. An aggregate remuneration for the Board of Directors of USD 130,000 per annum from the date of the Company's listing on Oslo Axess in October 2017 will be proposed at the forthcoming shareholders meeting in September 2018.

Executive Management

For the management services provided by Gunnar Winther Eliassen, the Company pays a service fee equal to actual costs and expenses incurred by Seatankers in providing the relevant services thereunder together with a mark-up of 5% of such costs and expenses. Gunnar Winther Eliassen is not entitled to severance pay from the Company or any of its subsidiaries upon termination of his management of the Company. Seatankers has its registered office at Promachon Eleftherias Street, Deana Beach Apts., Block 1, Office 411, Agios Athanasios, Limassol, Cyprus.

Shares and Options held by Members of the Board of Directors and Executive Management

The table below sets forth the number of Shares beneficially owned by each of the Company's members of the Board of Directors and Executive Management as of the day of this Prospectus.

	Position	Shareholding	Options etc.
Gary Casswell	Chairman	0	0
Georgina E. Sousa	Director	0	0
Jon Olav Østhus	Director	0	0
Gunnar Winther Eliassen	Interim CEO	71,898	0

Loans and Guarantees

The Company has not provided any guarantees, or granted any loans or made any other similar commitments to any member of the Board of Directors or the Executive Management.

Agreements with benefits upon termination

There are no existing agreements or service contracts with the Group and any member of its administrative, management or supervisory bodies providing for benefits upon termination of employment.

13.4 Disclosure of Conflicts of Interests

Director Georgina Sousa also serve on the boards of one or more publicly traded companies involved in various sectors of the shipping and oil services industries with Hemen, or affiliated companies of Hemen, as principal shareholder. As such, there may be real or apparent conflicts of interest with respect to matters affecting Hemen and other relevant Hemen affiliated companies whose interest in some circumstances may be adverse to the interest of the Company. To the Company's knowledge there are currently no other actual or potential conflicts of interest between the Company and members of the Board.

Gunnar Winther Eliassen, currently acting as the Company's interim CEO, is considered as an Affiliate of Hemen due to his employment with Seatankers. As such, there may be real or apparent conflicts of interest with respect to matters affecting Hemen and other relevant Hemen affiliated companies whose interest in some circumstances may be adverse to the interest of the Company.

13.5 Disclosure About Convictions in Relation to Fraudulent Offences

During the last five years preceding the date of this Prospectus, no member of the Board of Directors or the Executive Management has:

- 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 liquidation in his capacity as a founder, director or senior manager of a company.

13.6 Nomination Committee

The Company does not have a Nomination Committee.

13.7 Audit Committee

The Company does not have an Audit Committee and is exempted from the requirement due to the Company being a newly established company with no employees, and with a limited net turnover.

13.8 Remuneration Committee

The Company does not have a Remuneration Committee.

13.9 Corporate Governance

The Company's corporate governance principles are based on, and comply with, the Norwegian Code of Practice, with the following exceptions:

Section 2 "Business": In accordance with normal practice for Bermuda companies, the Company's Bye-Laws do not include a specific description of its business. According to the Memorandum of Association, the objects for which the Company was formed and incorporated are unrestricted. As a Bermuda incorporated company, the Company has chosen to establish the constitutional framework in compliance with the normal practice of Bermuda and accordingly deviate from section 2 of the Norwegian Code of Practice.

Section 3 "Equity and dividends": The Company's equity capital is at a level appropriate for its objectives, strategy, and risk profile. In accordance with Bermuda law, the Board of Directors is authorised to permit its own shares to be held as treasury shares, and to issue any unissued shares within the limits of the authorised share capital. These authorities are neither limited to specific purposes nor to a specific period as recommended in section 3 of the Norwegian Code of

Practice. While the Company aims at providing competitive long-term return on the investments of its shareholders, it does not currently have a formal dividend policy.

Section 4 "Equal treatment of shareholders and transaction with close associates": In accordance with the company laws of Bermuda, the shareholders can resolve an amount of authorised capital within which the Board of Directors may decide to increase the issued capital at its discretion without further shareholder approval. There is no legal framework providing for specific time-limited or purpose-limited authorisations to increase the share capital. The Board of Directors will propose to the shareholders that they consider and, if necessary, resolve to increase the authorised capital of the Company that will allow the Board of Directors some flexibility to increase the number of issued shares without further shareholder approval. As such, the Company may deviate from the recommendation in the Norwegian Code of Practice section 4 to limit such authorisation to 10% of the issued share capital. Any increase of the authorised capital is, however, subject to approval by the shareholders by simple majority of the votes cast.

Section 5 "Freely negotiable shares": Neither the Company's Bye-Laws nor Bermuda company laws include regulation of pre-emptive rights for shareholders in connection with share capital increases. The Bye-Laws provide for the Board of Directors in its sole discretion to direct a share issue to existing shareholders at par value or at a premium price. The Company is subject to the general principle of equal treatment of shareholders under the Norwegian Securities Trading Act section 5-14. The Board of Directors will, in connection with any future share issues, on a case-by-case basis, evaluate whether deviation from the principle of equal treatment is justified. The Board of Directors will consider and determine on a case-by-case basis whether independent third party evaluations are required if entering into agreements with close associates in accordance with the Norwegian Code of Practice section 5. The Board of Directors may decide, however, due to the specific agreement or transaction, to deviate from this recommendation if the interests of the shareholders in general are believed to be maintained in a satisfactory manner through other measures.

Section 5 "Freely negotiable shares": With limited exceptions, all shares in the Company are freely negotiable, and the Bye-Laws contain no form of restriction on the negotiability of the shares, or on voting rights.

Section 6 "General meetings": The Company's Bye-Laws require five days' notice for a meeting of the shareholders, rather than 21 days. Given the Company's current commercial position, this shorter period is considered to be sufficient for shareholders to consider the matters being voted on.

Section 6 "General meetings": The Company strives to maintain an open and fair dialogue with its shareholders through the publishing of information, presentations and responding to questions from shareholders. The Company has not, however, taken specific measures for obtaining shareholders' proposals for matters to be proposed to the meeting of shareholders. In the view of the Company, the current shareholder structure, the shareholder representation, and the policy to communicate with shareholders is sufficient to ensure that shareholders may communicate their points of view to the executive management and the Board.

Section 6 "General meetings": The Board of Directors has not made arrangements for an independent Chairman for each annual meeting of the shareholders as the Company believes that the Chairman of the Board can act independently and in the interests of shareholders. Further, the Company does not believe that it is necessary for all directors and the auditor to be physically present at the meeting of the shareholders.

Section 6 "General meetings": As a Bermuda registered company, the general meetings of the Company can be conducted through proxy voting. The VPS registered shareholders are holders of interests in the shares and thus represented by the VPS Registrar in the general meetings and not through their own physical presence. This is in line with the general practice of other non-Norwegian companies listed on Oslo Axess. The Company complies in all other respects with the recommendations for general meetings as set out in of the Norwegian Code of Practice.

Section 7 "Nomination committee": As permitted under Bermuda law, the Company will not have a nomination committee as recommended by the Norwegian Code of Practice section 7. In lieu of a nomination committee comprised of independent directors, the Board of Directors is responsible for identifying and recommending potential candidates to become board members and recommending directors for appointment to board committees.

Section 8 "Corporate assembly and board of directors": The Board of Directors elects its Chairman, rather than the shareholders. Given the Company's current development status the Company believe that this is satisfactory and that the Chairman can ensure that the Board is effective in its tasks of setting and implementing the Company's direction and strategy.

Section 8 "Corporate assembly and board of directors": As a Bermuda registered company with a limited number of employees and contractors, the Company does not have a corporate assembly. Given the size of the Company this is not believed to be necessary.

Section 9 "The work of the board of directors": The Company does not have an audit committee. In lieu of an audit committee, the entire Board of Directors is responsible for any decisions otherwise subject to review and preparation by an audit committee. The Company finds this arrangement to be satisfactory with respect to the Company's current activity level. The Company will consider establishing an audit committee if this is deemed appropriate at a later time.

Section 11 "Remuneration of the board of directors": There is no obligation to present the guidelines for remuneration of the Board of Directors to the shareholders of a Bermuda incorporated company and the Company will not implement procedures that are not generally applied under Bermuda law. The Company therefore deviates from this part of section 11 of the Norwegian Code of Practice. There are no service contracts between the Company and any of its directors providing for benefits upon termination of their service.

Section 12 "Remuneration of executive personnel": There is no obligation to present the guidelines for remuneration of the executive management to the shareholders of a Bermuda incorporated company and the Company will not implement procedures that are not generally applied under Bermuda law. In the view of the Company there is sufficient transparency and simplicity in the remuneration structure and information provided through the annual report and financial statements are sufficient to keep shareholders adequately informed. The Company therefore deviates from this part of section 12 of the Norwegian Code of Practice.

13.10 **Employees**

Employees

As of 31 March 2018, the Group did not have any employees. The Group currently has an interim CEO seconded from Seatankers, but other than this the Company does not have any employees.

14. RELATED PARTY TRANSACTIONS

This Section provides information regarding certain transactions which the Company is, or has been, subject to with its related parties during the period from incorporation on 2 March 2017 to the date of this Prospectus. For the purposes of the following disclosures of related party transactions, "related parties" are those that are considered as related parties of the Company pursuant to FASB Codification Topic 850 "Related Party Disclosures".

Hemen, a company indirectly controlled by trusts established by Mr John Fredriksen for the benefit of his immediate family and affiliated with Greenwich, subscribed for and was allocated Shares in the Private Placement resulting in an ownership of approximately 37% of the Company's shares following completion of the Private Placement. The Company transacts business with the following related parties, being companies in which Hemen, or companies affiliated with Hemen, has a significant interest: Sterna Finance Ltd, Seadrill Ltd. and Seatankers Management Co. Ltd.

14.1 Seadrill Service Agreements

In May 2017, a wholly-owned subsidiary of the Company and Seadrill Global Services Ltd, or SGS, a wholly-owned subsidiary of Seadrill, entered into a management agreement whereby SGS agreed to perform the Company's scope of works under the purchase agreement for Semi 1 and to carry out the supervision of the construction of Semi 1 from 10 March 2017 to the rig's delivery date for a fixed fee of USD 7,000 per day. The fee amounted to USD 2.8 million in the period from 2 March 2017 to 31 March 2018 and has been included in the cost of the newbuilding. The agreement also gives SGS the right of first offer in the event of a proposed sale of the rig by the Company from 30 April 2018 for the duration of the agreement. In May 2018, the Company entered into a similar management agreement with SGS in respect of Semi 2, effective as of the date of exercise of the option. The fee amounted to USD 0.6 million in the three months ended 31 March 2018. The Company expects to enter into management agreements with SGS for the Drillships.

During the period in which Semi 1 will be employed under the Wintershall Agreement (as described below), the management agreement with SGS in respect of Semi 1 will be suspended and replaced by a separate agreement between the Company, West Mira Inc., SGS and North Atlantic Norway Ltd (Bermuda) (later renamed Seadrill Norway Operations Ltd., hereinafter "**NAN**"), a subsidiary of Seadrill (the "**Semi 1 Operating Agreement**"). Pursuant to this agreement, NAN will be entitled to a fixed fee of USD 10,000 per day and an incentive bonus which is linked to any performance bonus earned under the Wintershall Contract. The Company may elect to settle such incentive bonus to NAN in the form of either cash or shares in the Company.

14.2 Semi 1 – West Mira Purchase Agreement

On 10 March 2017, the Company's wholly-owned subsidiary, West Mira Inc., entered into an agreement with HHI for the purchase of Semi 1. The purchase price for the rig is USD 365.0 million, payable in two equal instalments. The first instalment was paid shortly after the agreement was entered into, while the remaining instalment is payable upon delivery of the rig. Seatankers has guaranteed payment of the second and final instalment of USD 182.5 million for the Semi 1. No consideration was paid for this guarantee. The Company's scope of work under this agreement has been contracted to SGS under the Seadrill Service Agreement. Delivery date is 31 December 2018, but the Company has the right (and intends) to extend delivery by a period of up to thirty-one days (31 January 2019), or take early delivery subject to giving HHI a three months' notice.

14.3 Wintershall Agreement

On 27 June 2018, the Company announced that Semi 1 had been awarded a firm contract for 6 wells at the Nova field in Norway, with expected commencement in Q1 2020 (the "**Wintershall Agreement**"). The award is made by Wintershall Norway AS ("**Wintershall**") to North Atlantic Norway Ltd (Bermuda) (later renamed Seadrill Norway Operations Ltd.), a subsidiary of Seadrill, who will operate Semi 1 on the Company's behalf pursuant to the Semi 1 Operating Agreement. The Wintershall Agreement also includes options for early commencement starting from early Q3 2019 as well as follow-on options after the firm contract period. Should all options be exercised, Semi 1 is expected to be contracted to Wintershall until mid Q1 2022.

14.4 Semi 2 - Bollsta Dolphin Novation Agreement

In March 2017, Seatankers entered into an option agreement with HHI to acquire Semi 2 for a purchase price of USD 400.0 million payable in two equal installments. The first installment is payable upon exercise of the option and the second installment is payable upon delivery of Semi 2. In September 2017, a wholly-owned subsidiary of the Company and Seatankers entered into an agreement whereby Seatankers agreed to either nominate a subsidiary of the Company as buyer to accept delivery of Semi 2 from HHI, subject to HHI's prior consent, or to exercise Seatankers' rights to purchase the Semi 2 and when instructed to do so by a subsidiary of the Company to immediately sell the Semi 2 to that subsidiary on back-to-back terms. In December 2017, Seatankers, HHI and a wholly-owned subsidiary of the Company entered into a Novation Agreement relating to the option agreement entered into in March 2017 whereby all of the rights and obligations of Seatankers under this agreement were novated to a wholly-owned subsidiary of the Company and this subsidiary exercised its rights under the option agreement. Seatankers has guaranteed payment to HHI of the second and final installment of USD 200.0 million for Semi 2. The Company accrued USD 0.4 million at December 31, 2107 in respect of a fee payable to Seatankers as consideration for this guarantee. The Company has counter indemnified Seatankers for the guarantee provided to HHI. The Company accrued USD 0.4 million at 31 December 2017 in respect of a fee payable to Seatankers as consideration for this guarantee.

In December 2017, a wholly-owned subsidiary of the Company exercised the option for Semi 2 and the Company paid USD 200 million into a suspense account to be released to HHI on receipt of a refund guarantee. The refund guarantee was received in January 2018 and the funds were released to HHI at which time the USD 200 million payment was transferred from 'Payment on account of newbuilding acquisition' to Newbuildings.

14.5 DSME Option Agreement

On 9 May 2018, the Company's wholly-owned subsidiary Northern Rig Holding II Ltd. entered into an optional sales and purchase agreement with Blue Sea, whereby Blue Sea granted Northern Rig Holding II Ltd. an option to acquire a third drillship (the Option Drillship), which Blue Sea in turn has an option to acquire from DSME pursuant to a separate option agreement with DSME (the DSME Option Agreement). The option may be exercised by Northern Rig Holding II Ltd. within a six months' period, following which Blue Sea is obliged to proceed with the exercise of the option available to it under the DSME Option Agreement. Nor the Company or Northern Rig Holding II Ltd. has made any payment to Blue Sea in exchange for the option, and if exercised, the terms of acquisition for Northern Rig Holding II Ltd. are back-to-back with the terms Blue Sea has agreed with DSME. If Northern Rig Holding II Ltd. exercises the option to acquire the Option Drillship, the company shall pay a purchase price of USD 350.0 million, payable in two instalments whereas USD 105.0 million is due upon option exercise and the remaining upon delivery. Pursuant to the DSME Option Agreement, DSME may require Blue Sea to provide a parent company guarantee, following which Northern Rig Holding II Ltd. shall pay Blue Sea a guarantee fee upon execution of such guarantee (if required).

14.6 Seatankers Management Agreement

Pursuant to a management agreement dated 21 November 2017, the Company and its subsidiaries receive services from Seatankers relating to general administration and contract management services, including business advisory, shipping related and other support services. The Company pays Seatankers a service fee equal to actual costs and expenses incurred by Seatankers in providing the relevant services thereunder together with a mark-up of 5% of such costs and expenses, and the Company may at any time terminate the management agreement by giving notice to Seatankers. The Company's interim CEO is employed under this agreement.

14.7 GOMA Service Agreement

Pursuant to a service agreement dated 6 June 2018, Golden Ocean Group Management ("**GOMA**") provides advice to the Company for the purpose of or in connection with general administration, treasury services, assisting in executing the financing strategy of the Company, IR services and any other business developing efforts undertaken by the Company. The Company pays GOMA a service fee of USD 50,000 per annum in addition to reimbursement of reasonable actual costs and expenses incurred by GOMA in providing the services. The Company may at any time terminate the service agreement by giving notice to GOMA.

14.8 Sterna Finance Loan Agreements

In March 2017, the Company as guarantor and West Mira Inc. as borrower, entered into a loan agreement with Sterna Finance Ltd. ("**Sterna Finance**") whereby West Mira Inc. borrowed USD 182.5 million from Sterna Finance (the "**Sterna Mira Loan**"). The loan did not bear interest and was also settled in March 2017 upon completion of a private placement. The Company issued one million common shares to Sterna Finance for granting the loan and supporting the acquisition of the Semi 1, and subsequently, Sterna Finance sold such all the shares to Greenwich for the total amount of USD 5.0 million.

On 9 May 2018, the Company as Guarantor and West Aquila Inc. as borrower, entered into a loan facility agreement in the amount of USD 90 million with Sterna Finance (the "**Sterna Aquila Loan**"). The loan facility, to be used to finance the first instalment of West Aquila, if required, did not bear interest but was subject to a fee of USD 20,000. The Sterna Aquila Loan was never utilised as the first instalment was funded from the Private Placement proceeds.

On 9 May 2018, the Company as Guarantor and West Libra Inc. as borrower, entered into a loan facility agreement in the amount of USD 90 million with Sterna Finance (the "**Sterna Libra Loan**"). The loan facility, to be used to finance the first instalment of West Libra, if required, did not bear interest but was subject to a fee of USD 20,000. The Sterna Libra Loan was never utilised as the first instalment was funded from the Private Placement proceeds.

14.9 Sterna Finance Transaction Agreement

In connection with the Sterna Mira Loan, the Company and West Mira Inc. entered into a transaction agreement with Greenwich and Sterna Finance regarding the settlement of the Sterna Mira Loan and certain other agreements between the parties relating to the purchase of the Semi 1. USD 110.0 million of the Sterna Mira Loan was settled by the Company by way of issuing 22,000,000 common shares in the Company to Greenwich, subject to a partial assignment by Sterna Finance of the Sterna Mira Loan to Greenwich.

14.10 Frontline Management Agreement

The Company has entered into an agreement with Frontline Management (Bermuda) Ltd., an affiliated company, for provision of administrative and accounting services.

15. DIVIDEND AND DIVIDEND POLICY

This Section provides information about the dividend policy and dividend history of the Company, as well as certain legal constraints on the distribution of dividends under the Bermuda Companies Act. The following discussion contains Forward-looking Statements that reflect the Company's plans and estimates; see Section 4.1 "General Information—Cautionary Note Regarding Forward-Looking Statements".

15.1 Dividend Policy and Dividend History

As the Company has yet to produce stable cash flow and has only existed since March 2017, the Company has not yet paid any dividends.

There can be no assurances that in any given period dividends will be proposed or declared. In deciding whether to propose a dividend and in determining the dividend amount, the Company's Board of Directors will take into account legal restrictions, as set out in Section 14.2 ("*Legal Constraints on the Distribution of Dividends*"), the Company's capital requirements, including capital expenditure requirements, its financial condition, general business conditions and any restrictions that its borrowing arrangements or other contractual arrangements in place at the time of the dividend may place on its ability to pay dividends and the maintaining of appropriate financial flexibility.

15.2 Legal Constraints on the Distribution of Dividends

Under the Bermuda Companies Act, a company may, subject to its bye-laws and by resolution of the directors, declare and pay a dividend, or make a distribution out of contributed surplus, provided there are reasonable grounds for believing that after any such payment (a) the company will be solvent and (b) the realizable value of its assets will be greater than its liabilities.

Pursuant to the Bye-Laws, the Board of Directors of the Company may from time to time declare cash dividends or distributions out of contributed surplus to be paid to the shareholders according to their rights and interests including such interim dividends as appear to the Board of Directors to be justified by the position of the Company. The Company may by resolution of a shareholders meeting or the Board of Directors fix any date as the record date for any such dividend.

The Board of Directors may also pay any fixed cash dividend which is payable on any shares of the Company half yearly or on such other dates, whenever the position of the Company, in the opinion of the Board of Directors, justifies such payment.

Except insofar as the rights attaching to, or the terms of issue of, any share otherwise provide:

(i) all dividends or distributions out of contributed surplus may be declared and paid according to the amounts paid up on the shares in respect of which the dividend or distribution is paid, and an amount paid up on a share in advance of calls may be treated for the purpose of the Bye-Laws as paid-up on the share;

(ii) dividends or distributions out of contributed surplus may be apportioned and paid pro rata according to the amounts paid-up on the shares during any portion or portions of the period in respect of which the dividend or distribution is paid.

The Board of Directors may deduct from any dividend, distribution or other moneys payable to a shareholder by the Company on or in respect of any shares all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in respect of shares of the Company.

No dividend, distribution or other moneys payable by the Company on or in respect of any share shall bear interest against the Company.

Any dividend distribution, interest or other sum payable in cash to the holder of shares may be paid by cheque or warrant sent through the mail addressed to the holder at his address in the shareholder register or, as the case may be, the VPS, or, in the case of joint holders, addressed to the holder whose name stands first in the register or, as the case may be, the VPS, in respect of the shares at his registered address as appearing in the shareholder register or, as the case may be, the VPS, or addressed to such person at such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall, unless the holder or joint holders otherwise direct, be made payable to the order of the holder or, in the case of joint holders, to the order of the holder whose name stands first in the shareholder register or, as the case may be, the VPS, in respect of such shares, and shall be sent at his or their risk, and payment of the cheque or warrant by the bank on which it is drawn shall constitute a good discharge to the Company. Any one of two or more joint holders may give effectual receipts for any dividends, distributions or other moneys payable or property distributable in respect of the shares held by such joint holders.

Any dividend or distribution out of contributed surplus unclaimed for a period of six years from the date of declaration of such dividend or distribution shall be forfeited and shall revert to the Company and the payment by the Board of Directors of any unclaimed dividend, distribution, interest or other sum payable on or in respect of the share into a separate account shall not constitute the Company a trustee in respect thereof.

With the sanction of a resolution of the shareholders, the Board of Directors may direct payment or satisfaction of any dividend or distribution out of contributed surplus wholly or in part by the distribution of specific assets, and in particular of paid-up shares or debentures of any other company, and where any difficulty arises in regard to such distribution or dividend the Board of Directors may settle it as it thinks expedient, and in particular, may authorize any person to sell and transfer any fractions or may ignore fractions altogether, and may fix the value for distribution or dividend purposes of any such specific assets and may determine that cash payments shall be made to any shareholders upon the footing of the values so fixed in order to secure equality of distribution and may vest any such specific assets in trustees as may seem expedient to the Board of Directors.

16. CORPORATE INFORMATION; SHARES AND SHARE CAPITAL

The following is a summary of certain corporate information and other information relating to the Group, the Shares and share capital of Company, summaries of certain provisions of the Company's Bye-Laws and applicable Bermuda law in effect as of the date of this Prospectus. This summary does not purport to be complete and is qualified in its entirety by Company's Bye-Laws and applicable Bermuda law.

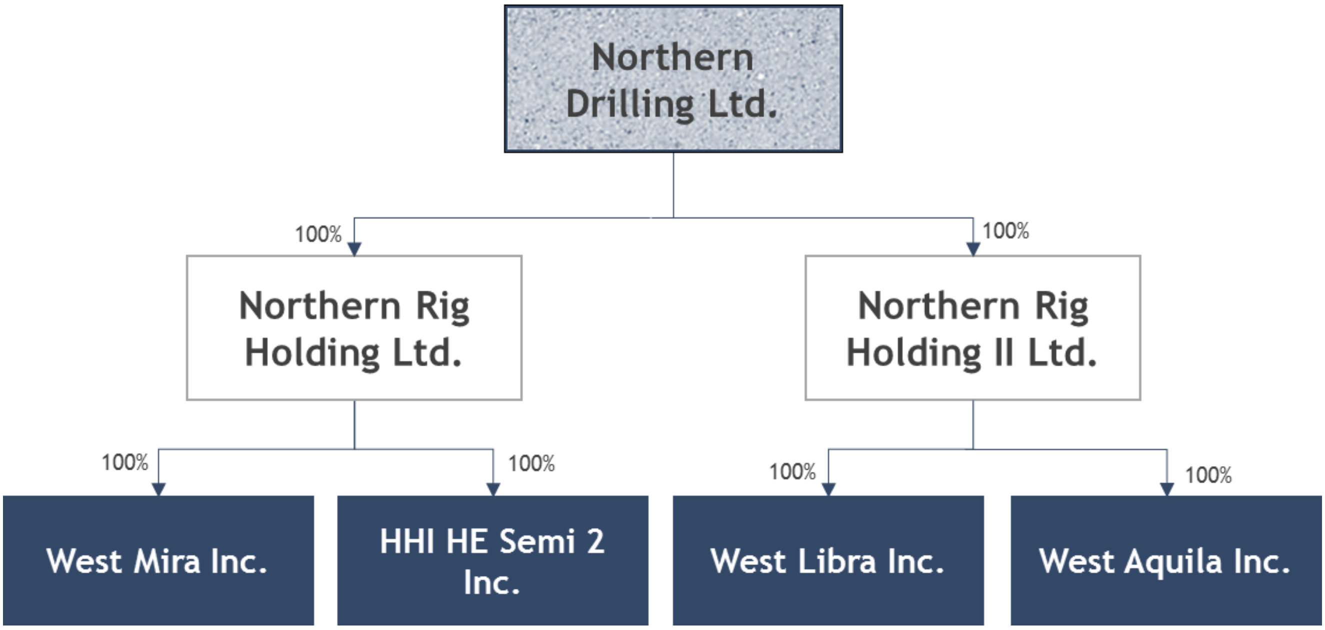
16.1 Incorporation; Registration Number; Registered Office and Other Company Information

Northern Drilling is an exempted company incorporated under the laws of Bermuda, with registration number 52367. The legal and commercial name of the Company is Northern Drilling Ltd. The Company was incorporated in accordance with the Bermuda Companies Act section 14 on 2 March 2017.

The Company's registered office is at Par la Ville Place, 14 Par la Ville Road, Hamilton, HM08, Bermuda, telephone +1 (441) 295-6935 and website www.northerndrillingltd.com.

16.2 Legal Structure

The chart below shows the current legal structure of the Group:



16.3 Information on Holdings

The following table sets out information about the entities in which the Company, as of the date of this Prospectus, holds (directly or indirectly) more than 10% of the outstanding capital and votes (dormant companies are not included).

Name	Country of Incorporation	Registered Office	Holding	Field of Activity
Northern Rig Holding Ltd	Bermuda	Par-la-Ville Place, 14 Par-la-Ville Road, Hamilton HM 08, Bermuda	100%	Holding Company
Northern Rig Holding II Ltd.	Bermuda	Par-la-Ville Place, 14 Par-la-Ville Road, Hamilton HM 08, Bermuda	100%	Holding Company
West Mira Inc.	Marshall Islands	Par-la-Ville Place, 14 Par-la-Ville Road, Hamilton HM 08, Bermuda	100%	Owning drilling unit
HHI Deepwater Semi 2 Inc.	Marshall Islands	Par-la-Ville Place, 14 Par-la-Ville Road, Hamilton HM 08, Bermuda	100%	Owning drilling unit

West Aquila Inc.	Marshall Islands	Par-la-Ville Place, 14 Par-la-Ville Road, Hamilton HM 08, Bermuda	100%	Owning drilling unit
West Libra Inc.	Marshall Islands	Par-la-Ville Place, 14 Par-la-Ville Road, Hamilton HM 08, Bermuda	100%	Owning drilling unit

16.4 Share Capital and Share Capital History

As of the date of this Prospectus, the Company's share capital is USD 107,555,983 divided into 107,555,983 Shares, fully paid and each Share having a par value of USD 1.00.

The table below shows the development in the share capital of the Company since 2 March 2017 and up to the date of this Prospectus.

	Date	Capital Increase (*USD*)	Share Capital After Change (USD)	Par Value of Shares (USD)	Subscription Price per Share	New Shares	Total Number of Outstanding Shares
Incorporation	02/03/17	100	100	1.00	USD 1.00	100	100
Private Placement	17/03/17	46,000,000	46,000,100	1.00	USD 5.00	46,000,000	46,000,100
Private Placement	14/11/17	31,750,000	77,750,100	1.00	NOK 64	31,750,000	77,750,100
Private Placement	09/05/18	29,805,883	107,555,983	1.00	NOK 68	29,805,883	107,555,983

16.5 Authorisation to Increase the Share Capital and to Issue Shares and Other Financial Instruments

The Company's memorandum of association authorises the issuance of 1,000,000,000 common shares, each with a par value of USD 1.00.

Shares and other equity securities may be issued to eligible persons, for such consideration and on such terms as proposed by the Board of Directors and resolved by the meeting of shareholders. The term "securities" means shares and debt obligations of every kind, and includes without limitation options, warrants and rights to acquire shares or debt obligations.

16.6 Share Classes; Rights Conferred by the Shares

The Company has one single share class and all shares carry the same rights. At the Company's General Meetings, each share carries one vote.

16.7 Disclosure on Notifiable Holdings

As of 28 June 2018, which was the latest practicable date prior to the date of this Prospectus, and insofar as known to the Company, the following persons had, directly or indirectly, interest in 5% or more of the issued share capital of the Company (which constitutes a notifiable holding under the Norwegian Securities Trading Act):

	%
Hemen Holding Ltd	37.37
Morgan Stanley & Co. Int. Plc.	9.88

Hemen is a company indirectly controlled by trusts established by Mr. John Fredriksen for the benefit of his immediate family. When agreements are being entered into between the Company and Hemen, or other companies controlled by Hemen, the Board of Directors has particular focus on acting in the best interest of the Company, in accordance with good corporate governance practice. If needed, external, independent opinions are sought.

The Company is not aware of any arrangements, the operation of which may at a date subsequent to the date of this Prospectus result in a change of control in the Company.

None of the major shareholders has different voting rights than the other shareholders in the Company.

16.8 Bye-Laws and Certain aspects of Bermuda Law

The Company's Bye-Laws are appended as Appendix A—Bye-Laws to this Prospectus. Below is a summary of certain provisions of the Bye-Laws.

Objective

Pursuant to Item 6 of the Memorandum of Association, the object of the Company is unrestricted.

Registered Office

The Company's registered office is at Par-la-Ville Place, 14 Par-la-Ville Road, Hamilton HM 08, Bermuda.

Board of Directors, Management and Supervisory Bodies

Pursuant to Section 96 of the Bye-Laws, the Company's Board of Directors shall consist of a minimum of two members, and shall at all times comprise a majority of directors who are not resident in the United Kingdom.

The Company's shareholders may determine the minimum and maximum number of directors by the vote of shareholders representing a majority of the total number of votes which may be cast at any annual or special general meeting, or by written resolution. Each director is elected at an annual general meeting of shareholders for a term commencing upon election and expiring on the date of the next scheduled annual general meeting of shareholders or until his or her successor is appointed. The Bye-Laws do not permit cumulative voting for directors.

Share Class

The Company has one class of common shares and the holders of the shares are entitled to one vote per share on each matter requiring the approval of the shareholders. At any annual or special general meeting of shareholders where there is a quorum, a simple majority vote will generally decide any matter, unless a different vote is required by express provision of the Bye-Laws or Bermuda law. In general, only shareholders registered in the Company's Register of Members are entitled to vote on the shares.

Share Capital

The Memorandum of Association provides for an authorized share capital of USD 1,000,000,000, divided into shares of USD 1.00 each.

The Bye-Laws section 5A provides that the Company's Board of Directors may exercise all the powers of the Company to:

(a) divide the Company's shares into several classes and attach thereto respectively any preferential, deferred, qualified or special rights, privileges or conditions;

(b) consolidate and divide all or any of the Company's share capital into shares of larger amount than its existing shares;

(c) subdivide the Company's shares, or any of them, into shares of smaller amount than is fixed by the memorandum, so, however, that in the subdivision the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived; or

(d) make provision for the issue and allotment of shares which do not carry any voting rights.

No Restrictions on Transfer of Shares

The Bye-Laws do not provide for any restrictions, or a right of first refusal, on transfer of Shares. Share transfers are not subject to approval by the Board of Directors. However, the Board of Directors may decline to register any transfer in certain circumstances described in the Bye-Laws.

General Meetings

Under the Bermuda Companies Act, an annual general meeting of the shareholders shall be held for the election of directors on any date or time as designated by or in the manner provided for in the bye-laws and held at such place within or outside Bermuda as may be designated in the bye-laws. Any other proper business may be transacted at the annual general meeting. The Bye-Laws provide that the Board of Directors may fix the date, time and place of the annual general meeting within or without Bermuda (but never in Norway or the United Kingdom) for the election of directors and to transact any other business properly brought before the meeting.

Under the Bermuda Companies Act, any meeting that is not the annual general meeting is called a special general meeting, and may be called by the board of directors or by such persons as authorized by the company's bye-laws. Additionally, as required by the Bermuda Companies Act, the holders of at least 10% of the issued and outstanding shares entitled to vote are allowed to call a special general meeting. At such special general meeting, only business that is related to the purpose set forth in the required notice may be transacted. Additionally, under Bermuda law, a company may, by resolution at a special general meeting, elect to dispense with the holding of an annual general meeting for (a) the year in which it is made and any subsequent year or years; (b) for a specified number of years; or (c) indefinitely.

The Bye-Laws provide that special general meetings may be called by the Board of Directors and when required by the Bermuda Companies Act, i.e., by holders of one-tenth of a company's issued common shares through a written request to the board.

Under the Bermuda Companies Act, notice of any general meeting must be given not less than five days before the meeting and shall state the place, date and hour of the meeting and, in the case of a special general meeting, shall also state the purpose of such meeting and that it is being called at the direction of whoever is calling the meeting. Under Bermuda law, accidental failure to give notice will not invalidate proceedings at a general meeting.

Under the Bye-Laws, quorum at any general meeting shall be constituted by at least two shareholders, or in the event that there is only one Shareholder, one Shareholder, present in person or by proxy and entitled to vote (whatever the number of shares held by them).

Change of Control

The Company's Memorandum of Association and Bye-Laws contain provisions that may have an effect of delaying, deferring or preventing a change of control of the Company, including (i) the authorization of up to 1,000,000,000 common shares with potential voting powers, designations, preferences and other rights as may be provided for by the Board of Directors and (ii) no provision allowing for cumulative voting in the election of directors.

Additionally, as required by the Bermuda Companies Act, the holders of at least 10% of the issued and outstanding shares entitled to vote are allowed to call for a special general meeting, which may prevent a shareholder from forcing a special general meeting of shareholders and impede a change of control of the Company or the removal of management.

Amendments to the Memorandum of Association and Bye-Laws

Subject to the Bermuda Companies Act, all or any of the special rights attached by the Company's Board of Directors to any class of shares may only be altered or abrogated with the consent in writing of the holders of not less than 75% of the issued shares of that class or with the sanction of a resolution passed at a separate general meeting of the holders of such shares voting in person or by proxy. Additionally, the special rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided in the rights attaching to or the terms of issue of such shares, be deemed to be altered by the creation or issue of further shares ranking *pari passu* therewith. Under Bermuda law, a company may, by resolution passed at an annual or special general meeting of shareholders, alter the provisions of the memorandum of association. An application for alteration can only be made by (i) holders of not less in the aggregate than 20% in par value of a company's issued share capital, (ii) by holders of not less in the aggregate that 20% of the company's debentures entitled to object to alterations to the memorandum, or (iii) in the case a company that is limited by guarantee, by not less than 20% of the shareholders.

The Bye-Laws may be amended in the manner provided for in the Bermuda Companies Act, provided that such amendment should only become operative to the extent that it has been confirmed by resolution passed at an annual or special general meeting of shareholders by a simple majority vote.

Additional Issuances and Pre-Emptive Rights

The Bye-Laws do not provide a shareholder of the Company with any pre-emptive rights to subscribe for additional issues of the Company's shares.

Rights of Redemption and Conversion of Shares

The Bye-Laws do not provide for any shareholder rights of conversion or redemption of the common shares in the Company.

Shareholder Vote on Certain Reorganizations

Under the Bermuda Companies Act, any plan of merger or amalgamation must be authorized by the resolution of a company's shareholders and must be approved by a majority vote of 3/4 of those shareholders voting at such special general meeting. A quorum of two or more persons holding or representing more than 1/3 of the issued and outstanding common shares of the company on the record date of such special general meeting must be in attendance in person or by proxy at such special general meeting. The Bye-laws provide that any plan of merger or amalgamation may be authorized by resolution of a company's shareholders passed at a special general meeting of shareholders by a simple majority vote. The Bye-laws also provide that the quorum at such special general meeting shall be constituted by at least two shareholders, or in the event that there is only one Shareholder, one Shareholder, present in person or by proxy and entitled to vote (whatever the number of shares held by them).

Liability of Directors

Under Bermuda law, directors and officers shall act honestly and discharge their duties in good faith with a view to the best interests of the Company and with that degree of diligence, care and skill which reasonably prudent people would exercise under similar circumstances in like positions. In discharging their duties, directors and officers may rely upon financial statements of the company represented to them to be correct by the officer having charge of its books or accounts or by independent accountants.

The Bermuda Companies Act provides that a company's bye-laws may include a provision for the elimination or limitation of liability of a director to the company or its shareholders for any loss arising or liability attaching to him by virtue of any rule of law in respect to any negligence, default, breach of any duty or breach of trust which the director may be guilty of; provided that such provision shall not eliminate or limit the liability of a director for any fraud or dishonesty he may be guilty of.

Indemnification of Directors and Officers

Bermuda law permits the bye-laws of a Bermuda company to contain a provision indemnifying the company's directors and officers for any loss arising or liability attaching to him or her by virtue of any rule of law in respect of any negligence, default, breach of duty or breach of trust of which the officer or person may be guilty, save with respect to fraud or dishonesty. Bermuda law also grants companies the power generally to indemnify directors and officers of a company, except in instances of fraud and dishonesty, if any such person was or is a party or threatened to be made a party to a threatened, pending or completed action, suit or proceeding by reason of the fact that he or she is or was a director and officer of such company or was serving in a similar capacity for another entity at such company's request.

The Bye-Laws provide that each director, alternate director, officer, person or member of a board committee, if any, resident representative, and his or her heirs, executors or administrators will be indemnified and held harmless out of the Company's assets to the fullest extent permitted by Bermuda law against all liabilities, loss, damage or expense (including but not limited to liabilities under contract, tort and statute or any applicable foreign law or regulation and all reasonable legal and other costs and expenses properly payable) incurred or suffered by him or her as such director, alternate director, officer, person or committee member or resident representative. The restrictions on liability, indemnities and waivers provided for in the Bye-Laws do not extend to any matter that would render the same void under the Bermuda Companies Act. In addition, each such person shall be indemnified out of the assets of the Company against all liabilities incurred in defending any proceedings, whether civil or criminal, in which judgment is given in such person's favor, or in which he or she is acquitted.

Distribution of Assets on Liquidation

Upon liquidation, dissolution or winding up, the shareholders of the Company will be entitled under Bermuda law to receive, pro rata, the net assets available after the payment of all of the Company's debts and liabilities and any preference amount owed to any preference shareholders. The rights of shareholders, including the right to elect directors, are subject to the rights of any series of preference shares the Company may issue in the future.

17. SECURITIES TRADING IN NORWAY

The following is a summary of certain information in respect of trading and settlement of shares on the Oslo Stock Exchange, securities registration in Norway and certain provisions of applicable Norwegian securities law, including the Norwegian Securities Trading Act, in effect as of the date of this Prospectus. This summary does not purport to be complete and is qualified in its entirety by Norwegian law.

17.1 Trading and Settlement

The Oslo Stock Exchange comprise two separate trading markets for trading in equities, Oslo Børs, a stock exchange operated by Oslo Børs ASA, and Oslo Axess, a regulated market operated by Oslo Børs ASA.

Trading of equities on the Oslo Stock Exchange is carried out in the electronic trading system Millennium Exchange. This trading system is in use by all markets operated by the London Stock Exchange as well as by the Borsa Italiana and the Johannesburg Stock Exchange.

Official trading on the Oslo Stock Exchange takes place between 09:00 hours (CET) and 16:30 hours (CET) each trading day, with pre-trade period between 08:15 hours (CET) and 09:00 hours (CET), a closing auction from 16:20 hours (CET) to 16:25 hours (CET), and a post-trade period from 16:25 hours (CET) to 17:30 hours (CET).

The settlement period for trading on the Oslo Stock Exchange is two trading days (T+2). This means that securities will be settled on the investor's account in the VPS two trading days after the transaction, and that the seller will receive payment after two trading days.

Investment services in Norway may only be provided by Norwegian investment firms holding a license under the Norwegian Securities Trading Act, branches of investment firms from a member state of the EEA or investment firms from outside the EEA that have been licensed to operate in Norway. Investment firms in an EEA member state may also provide cross-border investment services into Norway.

17.2 Information, Control and Surveillance

Under Norwegian law, the Oslo Stock Exchange is required to perform a number of surveillance and control functions. The Surveillance and Corporate Control unit of the Oslo Stock Exchange monitors all market activity on a continuous basis. Market surveillance systems are largely automated, promptly warning department personnel of abnormal market developments.

The Norwegian FSA controls the issuance of securities in both the equity and the bond markets in Norway.

Under Norwegian law, a company that is listed on a Norwegian regulated market, or is subject to the application for listing on such market, must promptly release any inside information (that is, precise information about financial instruments, the issuer thereof or other matters that are likely to have a significant effect on the price of the relevant financial instruments or related financial instruments, and that are not publicly available or commonly known in the market). A company may, however, delay the release of such information in order not to prejudice its legitimate interests, provided that it is able to ensure the confidentiality of the information and that the delayed release would not be likely to mislead the public. The Oslo Stock Exchange may levy fines on companies violating these requirements.

17.3 The VPS and Transfer of Shares

In order to facilitate registration of the beneficial interests in the shares with the VPS, the Company has entered into a registrar agreement with the VPS Registrar, who will operate the Company's VPS share register. Pursuant to the registrar agreement, the VPS Registrar is registered as holder of the shares in the register of members that the Company maintains pursuant to Bermuda law. The VPS Registrar will register the beneficial interests in the shares in book-entry form with the VPS. Therefore, it is not the shares in registered form issued in accordance with the Bermuda Companies Act, but the beneficial interests in such shares in book-entry form that are registered with the VPS.

The beneficial interests in the shares are registered in book-entry form with VPS under the category of a "share" and it is such interest in the shares that is registered and traded on the Oslo Stock Exchange. Each such share registered with the VPS will represent beneficial ownership of one Share. The beneficial interests registered with the VPS are freely transferable, with delivery and settlement through the VPS system. The VPS is the Norwegian paperless centralised securities register. It is a computerised bookkeeping system in which the ownership of, and all Transaction relating to, Norwegian listed shares must be recorded. The VPS and the Oslo Stock Exchange are both wholly owned by Oslo Stock Exchange VPS Holding ASA.

All Transaction relating to securities registered with the VPS are made through computerised book entries. No physical share certificates are, or may be, issued. The VPS confirms each entry by sending a transcript to the registered shareholder irrespective of any beneficial ownership. To give effect to such entries, the individual shareholder must establish a share account with a Norwegian account agent. Norwegian banks, Norges Bank (Norway's central bank), authorised securities brokers in Norway and Norwegian branches of credit institutions established within the EEA are allowed to act as account agents.

The entry of a transaction in the VPS is prima facie evidence in determining the legal rights of parties as against the issuing company or any third party claiming an interest in the given security.

The VPS is liable for any loss suffered as a result of faulty registration or an amendment to, or deletion of, rights in respect of registered securities unless the error is caused by matters outside the VPS's control which the VPS could not reasonably be expected to avoid or overcome the consequences of. Damages payable by the VPS may, however, be reduced in the event of contributory negligence by the aggrieved party.

The VPS must provide information to the Norwegian FSA on an on-going basis, as well as any information that the Norwegian FSA requests. Further, Norwegian tax authorities may require certain information from the VPS regarding any individual's holdings of securities, including information about dividends and interest payments.

17.4 Shareholder Register

Under Norwegian law, shares are registered in the name of the beneficial owner of the shares. As a general rule, there are no arrangements for nominee registration, and Norwegian shareholders are not allowed to register their shares in VPS through a nominee. However, foreign shareholders may register their shares in the VPS in the name of a nominee (bank or other nominee) approved by the Norwegian FSA. An approved and registered nominee has a duty to provide information on demand about beneficial shareholders to the company and to the Norwegian authorities. In case of registration by nominees, the registration in the VPS must show that the registered owner is a nominee. A registered nominee has the right to receive dividends and other distributions but cannot vote in General Meetings on behalf of the beneficial owners.

17.5 Foreign Investment in Norwegian Shares

Foreign investors may trade shares listed on the Oslo Stock Exchange through any broker that is a member of the Oslo Stock Exchange, whether Norwegian or foreign.

17.6 Disclosure Obligations

If a person's, entity's or consolidated Company's proportion of the total issued shares and/or rights to shares in a company listed on a regulated market in Norway (with Norway as its home state, which will be the case for the Company) reaches, exceeds or falls below the respective thresholds of 5%, 10%, 15%, 20%, 25%, 1/3, 50%, 2/3 or 90% of the share capital or the voting rights of that company, the person, entity or Company in question has an obligation under the Norwegian Securities Trading Act to notify the Oslo Stock Exchange and the issuer immediately. The same applies if the disclosure thresholds are passed due to other circumstances, such as a change in the company's share capital.

17.7 Insider Trading

According to Norwegian law, subscription for, purchase, sale or exchange of financial instruments that are listed, or subject to the application for listing, on a Norwegian regulated market, or incitement to such dispositions, must not be undertaken by anyone who has inside information, as defined in Section 3-2 of the Norwegian Securities Trading Act. The same applies to the entry into, purchase, sale or exchange of options or futures/forward contracts or equivalent rights whose value is connected to such financial instruments or incitement to such dispositions.

17.8 Mandatory Offer Requirement

The Norwegian Securities Trading Act requires any person, entity or consolidated group that becomes the owner of shares representing more than one-third of the voting rights of a Norwegian company listed on a Norwegian regulated market to, within four weeks, make an unconditional general offer for the purchase of the remaining shares in that company. A mandatory offer obligation may also be triggered where a party acquires the right to become the owner of shares that, together with the party's own shareholding, represent more than one-third of the voting rights in the company and the Oslo Stock Exchange decides that this is regarded as an effective acquisition of the shares in question.

The mandatory offer obligation ceases to apply if the person, entity or consolidated group sells the portion of the shares that exceeds the relevant threshold within four weeks of the date on which the mandatory offer obligation was triggered.

When a mandatory offer obligation is triggered, the person subject to the obligation is required to immediately notify the Oslo Stock Exchange and the company in question accordingly. The notification is required to state whether an offer will be made to acquire the remaining shares in the company or whether a sale will take place. As a rule, a notification to the effect that an offer will be made cannot be retracted. The offer and the offer document required are subject to approval by the Oslo Stock Exchange, in its capacity as Take-over Authority of Norway, before the offer is submitted to the shareholders or made public.

The offer price per share must be at least as high as the highest price paid or agreed to be paid by the offeror for the shares in the six-month period prior to the date the threshold was exceeded. However, if it is clear that that the market price was higher when the mandatory offer obligation was triggered, the offer price shall be at least as high as the market price. If the acquirer acquires or agrees to acquire additional shares at a higher price prior to the expiration of the mandatory offer period, the acquirer is obliged to restate its offer at such higher price. A mandatory offer must be in cash or contain a cash alternative at least equivalent to any other consideration offered.

In case of failure to make a mandatory offer or to sell the portion of the shares that exceeds the relevant mandatory offer threshold within four weeks, the Oslo Stock Exchange may force the acquirer to sell the shares exceeding the threshold by public auction. Moreover, a shareholder who fails to make an offer may not, as long as the mandatory offer obligation remains in force, exercise rights in the company, such as voting in a General Meeting of the Company's shareholders, without the consent of a majority of the remaining shareholders. The shareholder may, however, exercise his/her/its rights to dividends and pre-emption rights in the event of a share capital increase. If the shareholder neglects his/her/its duty to make a mandatory offer, the Oslo Stock Exchange may impose a cumulative daily fine that accrues until the circumstance has been rectified.

Any person, entity or consolidated group that owns shares representing more than one-third of the votes in a Norwegian company listed on a Norwegian regulated market is obliged to make an offer to purchase the remaining shares of the company (repeated offer obligation) if the person, entity or consolidated Company through acquisition becomes the owner of shares representing 40%, or more of the votes in the company. The same applies correspondingly if the person, entity or consolidated Company through acquisition becomes the owner of shares representing 50% or more of the votes in the company. The mandatory offer obligation ceases to apply if the person, entity or consolidated Company sells the portion of the shares which exceeds the relevant threshold within four weeks of the date on which the mandatory offer obligation was triggered.

Any person, entity or consolidated Company that has passed any of the above mentioned thresholds in such a way as not to trigger the mandatory bid obligation, and has therefore not previously made an offer for the remaining shares in the company in accordance with the mandatory offer rules is, as a main rule, obliged to make a mandatory offer in the event of a subsequent acquisition of shares in the company.

17.9 Compulsory Acquisition

Under Bermuda law, an acquiring party is generally able to acquire compulsorily the common shares of minority holders in the following ways:

- By a procedure under the Companies Act known as a "scheme of arrangement". A scheme of arrangement could be effected by obtaining the agreement of the company and of holders of common shares, comprising in the aggregate a majority in number representing at least 75% in value of the shareholders (excluding shares owned by the acquirer) present and voting at a meeting ordered by the Bermuda Supreme Court held to consider the scheme of arrangement. Following such approval by the shareholders, the Bermuda Supreme Court may then sanction the scheme of arrangement. If a scheme of arrangement receives all necessary agreements and sanctions, upon the filing of the court order with the Registrar of Companies in Bermuda, all holders of common shares could be compelled to sell their shares under the terms of the scheme of arrangement.

- Where an acquiring party makes an offer in a scheme or contract for shares or class of shares in a company and the acquiring party receives acceptances, pursuant to the offer, for not less than 90% of the shares in issue (other than those already held by the acquiring party, its subsidiary or by a nominee for the acquiring party or its subsidiary as at the date of the offer) the acquiring party may, at any time within two months from the date the acceptance was obtained, give notice to any dissenting shareholder that it wishes to acquire his shares on the same terms as the original offer. The dissenting shareholders could be compelled to transfer their shares unless the Bermuda Supreme Court (on application made within a one-month period from the date of the offeror's notice of its intention to acquire such shares) orders otherwise.

The holder(s) of not less than 95% of the shares or any class of shares of a company may give a notice to the remaining shareholders of the intention to acquire the shares of such remaining shareholders on the terms set out in the notice. When this notice is given, the acquiring party is entitled and bound to acquire the shares of the remaining shareholders on the terms set out in the notice, unless a remaining shareholder, within one month of receiving such notice, applies to the Bermuda Supreme Court for an appraisal of the value of their shares. This provision only applies where the acquiring party offers the same terms to all holders of shares whose shares are being acquired.

17.10 Foreign Exchange Controls

There are currently no foreign exchange control restrictions in Norway that would potentially restrict the payment of dividends to a shareholder outside Norway, and there are currently no restrictions that would affect the right of shareholders of a non-Norwegian company who are not residents in Norway to dispose of their shares and receive the proceeds from a disposal outside Norway. There is no maximum transferable amount either to or from Norway, although transferring banks are required to submit reports on foreign currency exchange Transaction into and out of Norway into a central data register maintained by the Norwegian customs and excise authorities. The Norwegian police, tax authorities, customs and excise authorities, the National Insurance Administration and the Norwegian FSA have electronic access to the data in this register.

The Company has been designated as a non-resident of Bermuda for exchange control purposes by the Bermuda Monetary Authority. The Company's common shares are to be listed on an appointed stock exchange. For so long as the Company's shares remain listed on an appointed stock exchange, the transfer of shares between persons regarded as resident outside Bermuda for exchange control purposes and the issuance of common shares to or by such persons may be effected without specific consent under the Bermuda Exchange Control Act of 1972 and regulations made thereunder. Issues and transfers of common shares between any person regarded as resident in Bermuda and any person regarded as non-resident for exchange control purposes require specific prior approval under the Bermuda Exchange Control Act 1972 unless such common shares are listed on an appointed stock exchange.

Subject to the foregoing, there are no limitations on the rights of owners of shares in the Company to hold or vote their shares. Because the Company has been designated as non-resident for Bermuda exchange control purposes, there are no restrictions on its ability to transfer funds in and out of Bermuda or to pay dividends to non-Bermuda residents who are holders of common shares, other than in respect of local Bermuda currency.

18. TAXATION

*This Section describes certain tax rules in Bermuda and Norway applicable to shareholders who are resident in Norway for tax purposes (“**Norwegian Shareholders**”) and to shareholders who are not resident in Norway for tax purposes (“**Foreign Shareholders**”). The statements herein regarding taxation are based on the laws in force in Norway as of the date of this Prospectus and are subject to any changes in law occurring after such date. Such changes could be made on a retrospective basis. The following summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of the Shares. Investors are advised to consult their own tax advisors concerning the overall tax consequences of their ownership of Shares. The statements only apply to shareholders who are beneficial owners of Shares. Please note that for the purpose of the summary below, references to Norwegian Shareholders or Foreign Shareholders refers to the tax residency rather than the nationality of the shareholder.*

18.1 Norwegian Shareholders

Taxation of Dividends

Dividends distributed by companies resident in Bermuda for tax purposes, including dividends from the Company, received by Norwegian corporate shareholders (i.e. limited liability companies and similar entities) (“**Norwegian Corporate Shareholders**”) are taxable as ordinary income in Norway for such shareholders at a flat rate of 23%.

Dividends distributed to Norwegian individual shareholders (i.e. other Norwegian shareholders than Norwegian Corporate Shareholders) (“**Norwegian Individual Shareholders**” and taken together with Norwegian Corporate Shareholders “**Norwegian Shareholders**”) are taxable under the “shareholder model”. According to the shareholder model, dividends distributed to Norwegian Individual Shareholders are multiplied with a factor of 1.33 before taken to taxation at the ordinary income rate of 23% (resulting in an effective tax rate of 30.59%) to the extent the dividend exceeds a basic tax-free allowance. The tax-free allowance shall be computed for each individual shareholder on the basis of the cost price of each of the shares multiplied by a risk-free interest rate. The risk-free interest rate will be calculated every income year and is allocated to the shareholder owning the share on 31 December of the relevant income year. Any part of the calculated tax-free allowance one year exceeding the dividend distributed on the share ("unused allowance") may be carried forward and set off against future dividends received on (or gains upon realization of, see below) the same share. Any unused allowance will also be added to the basis of computation of the tax-free allowance on the same share the following year.

For financial institutions, the tax rate for ordinary income is 25%.

Taxation of Capital Gains

Sale, redemption or other disposal of shares is considered as a realization for Norwegian tax purposes.

Norwegian Corporate Shareholders are taxable in Norway for capital gains on the realization of shares in the Company, and have a corresponding right to deduct losses. This applies irrespective of how long the shares have been owned by the Norwegian Corporate Shareholders and irrespective of how many shares that are realized. The taxable gain or deductible loss is calculated per share, as the difference between the consideration received and the tax value of the share. The tax value of each share is based on the Norwegian Corporate Shareholders cost price of the share. Costs incurred in connection with the acquisition or realization of the shares may be deducted in the year of sale. Any capital gain or loss is included in or deducted from the basis for computation of ordinary income in the year of disposal. Ordinary income is taxable at a rate of 23%.

Norwegian Individual Shareholders are taxable in Norway for capital gains on the realization of shares, and have a corresponding right to deduct losses. This applies irrespective of how long the shares have been owned by the individual shareholder and irrespective of how many shares that are realized. Gains are taxable as ordinary income in the year of realization, and losses can be deducted from ordinary income in the year of realization. Any gains or losses are also multiplied with a factor of 1.33 before taken to taxation at the tax rate for ordinary income of 23% (resulting in an effective tax rate of 30.59%). Under current tax rules, gain or loss is calculated per share, as the difference between the consideration received and the tax value of the share. The tax value of each share is based on the individual shareholder's purchase price for the share. Costs incurred in connection with the acquisition or realization of the shares may be deducted in the year of sale. Unused tax-free allowance connected to a share may be deducted from a capital gain on the same share, but may not lead to or increase a deductible loss. Further, unused tax-free allowance may not be set off against gains from realization of the other shares.

If Norwegian Shareholders realizes shares acquired at different times, the shares that were first acquired will be deemed as first sold (the "first in first out"-principle) upon calculating taxable gain or loss.

A shareholder who ceases to be tax resident in Norway due to domestic law or tax treaty provisions may become subject to Norwegian exit taxation of capital gains related to shares in certain circumstances.

For financial institutions, the tax rate for ordinary income is 25%.

Taxation of Subscription Rights

A Norwegian Shareholder's subscription for shares in companies resident in Bermuda for tax purposes pursuant to a subscription right is not subject to separate taxation in Norway. Costs related to the subscription for the shares will be added to the cost price of the shares.

Sale and other transfer of such subscription rights are considered a realisation for Norwegian tax purposes. Any gain (calculated as for shares) are taxable at the flat rate of 23%. Losses are deductible at the same rate.

For financial institutions, the tax rate for ordinary income is 25%.

Controlled Foreign Corporation (CFC) taxation

Norwegian Shareholders in the Company will be subject to Norwegian taxation according to the Norwegian Controlled Foreign Corporations regulations (the "**Norwegian CFC-regulations**") if Norwegian Shareholders directly or indirectly own or control (together referred to as "**Control**") the shares of the Company.

Norwegian Shareholders will be considered to Control the Company if:

- Norwegian Shareholders Control 50% or more of the shares or capital in the Company at the beginning of and at the end of a tax year; or
- If Norwegian Shareholders Controlled the Company the previous tax year, the Company will also be considered Controlled by Norwegian Shareholders in the following tax year unless Norwegian Shareholders Control less than 50% of the shares or capital at both the beginning and the end of the following tax year; or
- Norwegian Shareholders Control more than 60% of the shares or capital in the Company at the end of a tax year.
- If less than 40% of the shares or capital are Controlled by Norwegian Shareholders at the end of a tax year, the Company will not be considered Controlled by Norwegian Shareholders for Norwegian tax purposes.

Under the Norwegian CFC-regulations Norwegian Shareholders are subject to Norwegian taxation on their proportionate part of the taxable net income generated by the Company, calculated according to Norwegian tax regulations, regardless of whether or not any dividends are distributed from the Company.

Net Wealth Tax

The value of shares is taken into account for net wealth tax purposes in Norway. The marginal tax rate is currently 0.85%. Norwegian limited liability companies and similar entities are exempted from net wealth tax.

Shares listed on the Oslo Stock Exchange are valued at 80% of the quoted value at 1 January in the assessment year.

Norwegian Corporate Shareholders are not subject to net wealth tax.

VAT and Transfer Taxes

No VAT, stamp duty or similar duties are currently imposed in Norway on the transfer or issuance of shares.

Inheritance Tax

A transfer of shares through inheritance or as a gift does not give rise to inheritance or gift tax in Norway.

18.2 Non-Norwegian Shareholders

Taxation of dividends

Dividends received by Non-Norwegian Shareholders from shares in Non-Norwegian companies are not subject to Norwegian taxation unless the Non-Norwegian Shareholders holds the shares in connection with the conduct of a trade or business in Norway.

Taxation of Capital Gains

Capital gains generated by Non-Norwegian Shareholders are not taxable in Norway unless the Non-Norwegian Shareholders holds the shares in connection with the conduct of a trade or business in Norway.

Net Wealth Tax

Non-Norwegian Shareholders are generally not subject to Norwegian net wealth tax. Non-Norwegian personal shareholders may, however, be taxable if the shareholding is effectively connected to the conduct of trade or business in Norway.

VAT and transfer taxes

No VAT, stamp duty or similar duties are currently imposed in Norway on the transfer or issuance of shares.

Inheritance Tax

A transfer of shares through inheritance or as a gift does not give rise to inheritance or gift tax in Norway.

18.3 Bermuda Taxation

Under current Bermuda law, there are no taxes on profits, income or dividends nor is there any capital gains tax. Furthermore, the Company has received from the Minister of Finance of Bermuda under the Exempted Undertakings Tax Protection Act of 1966, as amended, an undertaking that, in the event that Bermuda enacts any legislation imposing tax computed on profits or income, or computed on any capital asset, gain or appreciation, or any tax in the nature of estate duty or inheritance tax, then the imposition of any such tax shall not be applicable to the Company or to any of its operations, or the common shares, debentures or other obligations of the Company, until 31 March 2035. This undertaking does not, however, prevent the imposition of any such tax or duty on such persons as are ordinarily resident in Bermuda and holding such shares, debentures or obligations of the Company or of property taxes on Company-owned real property or leasehold interests in Bermuda.

19. INCORPORATION BY REFERENCE; DOCUMENTS ON DISPLAY

The Norwegian Securities Trading Act and the Norwegian Securities Trading Regulations, implementing the EC Regulation 809/2004 and the Prospectus Directive regarding incorporation by reference and publication of such prospectuses and dissemination of advertisements, allow the Company to incorporate by reference information into this Prospectus that has been previously filed with the Oslo Stock Exchange or the Norwegian Financial Supervisory Authority in other documents. The Company's audited financial statements for the period from its incorporation in March 2017 and until 31 December 2017 including the related auditor report, and the Group's unaudited condensed consolidated financial statements as of and for the three month period ending 31 March 2018 is by this reference incorporated as a part of this Prospectus. Accordingly, this Prospectus is to be read in conjunction with these documents.

Cross Reference Table

The information incorporated by reference in this Prospectus should be read in connection with the following cross-reference table. References in the table to "Annex" and "Items" are references to the disclosure requirements as set forth in the Norwegian Securities Trading Act cf. the Norwegian Securities Trading Regulations by reference to such Annex (and Item therein) of the EC Regulation 809/2004.

Minimum Disclosure Requirement for Prospectuses (Annex XXV)		Reference Document	Page of Reference Document
Item 20.1	Audited historical financial information	2017 Financial Statements: http://www.northerndrillingltd.com/wp-content/uploads/2018/03/NODL-2017-Financial-Statements.pdf	1 – 6 and 11 - 19
Item 20.3	Audit Reports	2017 financial statements audit report http://www.northerndrillingltd.com/wp-content/uploads/2018/03/NODL-2017-Financial-Statements.pdf	7 - 10

20. ADDITIONAL INFORMATION

20.1 Independent Auditors

The Company's independent auditors are PricewaterhouseCoopers AS ("**PwC**"), with its registered address at Dronning Eufemias gate 8, 0191 Oslo, Norway. PwC has registration number 987 009 713 and is a member of The Norwegian Institute of Public Accountants (Nw: *Den Norske Revisorforening*).

PwC has acted as the Company's statutory auditor since the Company`s incorporation in March 2017. Accordingly, no auditor of the Group has resigned, been removed or failed to be re-appointed during the period covered by the financial information discussed herein.

The auditor's report to the Financial Statements is incorporated by reference together with the Financial Statements. Other than this report, neither PwC nor any other auditor has audited or reviewed any accounts of the Group or produced any report on any other information provided in this Prospectus.

20.2 Managers

DNB Markets, part of DNB Bank ASA, ABN AMRO Bank N.V., Arctic Securities AS, Fearnley Securities AS and Pareto Securities AS are the Managers for the Offering.

20.3 Legal Advisors

Advokatfirmaet BAHR AS is acting as legal adviser as to Norwegian law, and MJM Limited is acting as legal adviser as to Bermuda law, to the Company in connection with the Private Placement.

20.4 VPS Registrar

The Company's VPS registrar is DNB Bank ASA, which has its registered address at Dronning Eufemias gate 30, 0191 Oslo, Norway.

20.5 Documents on Display

For twelve months from the date of this Prospectus, copies of the following documents will be available for inspection at the Company's registered office during normal business hours from Monday through Friday each week (except public holidays):

- The Bye-Laws of the Company.
- All reports, letters, and other documents, historical financial information, valuations and statements prepared by any expert at the Company's request any part of which is included or referred to in the Prospectus.
- The Group's financial statements for the period from its incorporation in March 2017 and until 31 December 2017, and the related auditor report thereto.
- The Prospectus dated 24 October 2017
- The Prospectus dated 7 December 2017
- This Prospectus.

21. DEFINITIONS

Capitalised terms used throughout this Prospectus shall have the meaning ascribed to such terms as set out below, unless the context require otherwise.

Anti-Money Laundering Legislation	The Norwegian Money Laundering Act of 6 March 2009 no. 11 and the Norwegian Money Laundering Regulations of 13 March 2009 no. 302, taken together.
APMs	Alternative Performance Measures
Bermuda Companies Act	The Companies Act 1981 of Bermuda, as amended from time to time.
Blue Sea	Blue Sea Navigation Holdings Inc.
BMA	The Bermuda Monetary Authority
BOP	Blowout Preventer
Bunker Convention	The IMO International Convention on Civil Liability for Bunker Oil Pollution Damage of 2001.
BWM Convention	The International Convention for the Control and Management of Ship Ballast Water and Sediments.
Bye-Laws	The Company´s bye-laws in effect as the date of this Prospectus.
CEO	Chief Executive Officer.
CLC	The International Convention on Civil Liability for Oil Pollution Damage of 1969.
Company	Northern Drilling Ltd.
Deepwater Horizon Incident	The fire and explosion that took place on the unaffiliated Deepwater Horizon Mobile Offshore Drilling Unit in the Gulf of Mexico in April 2010.
Drillships	West Aquila and West Libra, two drillships currently under construction.
DP	Dynamic positioning
DSME	Daewoo Shipbuilding & Marine Engineering Co., Ltd
DSME Option Agreement	Option to acquire a third drillship from DSME.
Transaction	Has the meaning given to such term in Section 7.1
EC Regulation 809/2004	The Commission Regulation (EC) no. 809/2004 implementing the Prospectus Directive and the format, incorporation by reference and publication of prospectuses and dissemination of advertisements, as amended.
EPA	Environment Protection Agency.
EU	European Union.
EU Regulation 809/2004	Commission Regulation (EC) no. 809/2004 regarding information to be contained in prospectuses.
Executive Management	The members of the Company's Executive Management.
Existing Shares	77,750,100 shares in Northern Drilling Ltd. each with a par value of USD 1.00.
Financial Statements	The Group's audited, consolidated financial statements for the period 2 March (date of the Company's incorporation) to and as of 31 December 2017
First Private Placement	The private placement of 46,000,000 Shares in the Company completed in March 2017.
Foreign Corporate Shareholders	Foreign corporate shareholders (i.e. limited liability companies and similar).
Foreign Individual Shareholders	Foreign individual shareholders (i.e. other foreign shareholders than Foreign Corporate Shareholders).
Foreign Shareholders	Shareholders who are not resident in Norway for tax purposes.
Forward-looking Statements	Has the meaning ascribed to it in Section 4.1.
FSMA	The Financial Services and Markets Act 2000.
Greenwich	Greenwich Holdings Limited
Group	The Company together with its consolidated subsidiaries.
Hemen	Hemen Holding Ltd.
HHI	Hyundai Heavy Industries Co., Ltd.
IMO	International Maritime Organization.
Interim Financial Statements	The Group's unaudited condensed consolidated financial statements as of and for the three month period ending 31 March 2018.
ISM Code	The International Management Code for Safe Operation of Ships and Pollution Prevention.
Listing	The listing of the Company's Shares on Oslo Axess

Managers	DNB Markets, part of DNB Bank ASA, ABN AMRO Bank N.V., Arctic Securities AS, Fearnley Securities AS and Pareto Securities AS.
MARPOL	The International Convention for the Prevention of Pollution from Ships of 1973.
Memorandum of Association	The Company´s memorandum of association
MEPC	IMO's Maritime Environment Protection Committee.
MODU	Global fleet of delivered mobile offshore drilling units.
MTSA, European Union regulations	
Non-Norwegian Shareholders	Shareholders who are not resident in Norway for tax purposes.
Northern Drilling	The Group
Norwegian CFC-regulations	Norwegian Controlled Foreign Corporations regulation
Norwegian Code of Practice	The Norwegian Corporate Governance Code of 30 October 2014.
Norwegian Corporate Shareholders	Norwegian corporate shareholders (i.e. limited liability companies and similar).
Norwegian FSA	The Norwegian Financial Supervisory Authority (Nw. *Finanstilsynet*)
Norwegian Individual Shareholders	Norwegian individual shareholders (i.e. other Norwegian shareholders than Norwegian corporate shareholders).
Norwegian Securities Trading Act	The Norwegian Securities Trading Act of 29 2007 no. 75, as amended.
Norwegian Shareholders	Norwegian Corporate Shareholders taken together with Norwegian Individual Shareholders.
OPEC	Organization of Petroleum Exporting Countries.
Option Drillship	Company has an option from Blue Sea Navigation Holdings Inc. to acquire a third drillship.
Oslo Axess	A regulated market place operated by Oslo Børs ASA.
Oslo Stock Exchange	Oslo Børs (a stock exchange operated by Oslo Børs ASA), or as the case may be, Oslo Axess (a regulated market place operated by Oslo Børs ASA).
p.a.	per annum.
Private Placement	The private placement of 29,805,883 Shares in the Company completed in May 2018.
Private Placement Shares	Shares issued in the Private Placement.
Prospectus	This prospectus dated 29 June 2018.
Prospectus Directive	Directive 2003/71/EC of the European Parliament and the Council of 4 November 2003, as amended, regarding information contained in prospectuses.
QIB	Qualified Institutional Buyer, as defined in the U.S. Securities Act.
Regulation S	Regulation S of the U.S. Securities Act.
Relevant Member State	Each member state of the EEA which has implemented the Prospectus Directive.
Rigs	Semi 1 and Semi 2
Rule 144A	Rule 144A of the U.S. Securities Act.
Seadrill	The Seadrill Ltd. group of companies.
Seadrill Management Agreement	The management agreement dated 25 May 2017 between West Mira Inc. and Seadrill Global Services Ltd.
Seatankers	Seatankers Management Co. Ltd.
Seatankers Management Agreement	The management agreement dated 21 November 2017 between Seatankers and the Company.
Semi 1	The Company´s semi-submersible rig currently under construction, HHI HE Semi 1, previously known as "West Mira", which is expected to be delivered to the Company in January 2019.
Semi 1 Operating Agreement	Means the operating agreement entered into with NAN in respect of Semi 1, as further described in Section 14.1
Semi 1 Purchase Agreement	The resale agreement dated 10 March 2017 between West Mira Inc. and HHI
Semi 2	The semi-submersible rig, HHI HE Semi 2, previously known as Bollsta Dolphin, which the Company has an option to acquire from HHI.
SGS	Seadrill Global Services Ltd.
Shares	The shares of the Company, each with a par value of USD 1.00.
SOLAS	The IMO International Convention for the Safety at Sea of 1974.
Sterna Aquila Loan	A loan facility agreement entered into by the Company with West Aquila Inc. as borrower in the amount of USD 90 million with Sterna Finance.
Sterna Fee	The USD 5 million fee paid to Sterna Finance for granting the Sterna Mira

	Loan and supporting the acquisition of Semi 1.
Sterna Finance	Sterna Finance Ltd.
Sterna Finance Loan Agreements	The Sterna Mira Loan, the Sterna Libra Loan and the Sterna Aquila Loan.
Sterna Libra Loan	A loan facility agreement entered into by the Company with West Libra Inc. as borrower in the amount of USD 90 million with Sterna Finance.
Sterna Mira Loan	The USD 182.5 million loan granted by Sterna Finance to the Company for the financing of the first instalment of the Semi 1 purchase price.
UDW	Ultra-deepwater
Units	The Rigs and the Drillships
U.S. Securities Act	The United States Securities Act of 1933, as amended.
US GAAP	Generally accepted accounting principles in the USA.
VPS	The Norwegian Central Securities Depository (Nw. *Verdipapirsentralen*).
VPS Registrar	DNB Bank ASA
Wintershall Agreement	The marine drilling contract between Wintershall and NAN pursuant to which Semi 1 will be employed.

[THIS PAGE IS INTENTIONALLY LEFT BLANK]

APPENDIX A — Q1 2018 Financial Statements

NORTHERN DRILLING LTD.

INTERIM FINANCIAL INFORMATION AS OF MARCH 31, 2018

Highlights

- In May 2018, the Company acquired two 7th generation ultra deepwater capable drillships currently under construction at Daewoo Shipbuilding & Marine Engineering Co., Ltd for an historical low acquisition price of $296 million per unit
- The Company successfully completed a private placement in May 2018, raising gross proceeds of $250 million
- Northern Drilling continues its cost efficient efforts and reports limited operational expenses which are more than offset by interest income for the quarter, resulting in a marginal profit for the quarter

Results for the first quarter 2018

The Company's activities since incorporation in March 2017 have consisted principally of acquiring drilling units currently under construction and raising capital. The Company does not currently have any drilling units in operation and the results in the first quarter of 2018 consisted of interest income and some minor administrative expenses.

Events subsequent to the quarter end

In May 2018, the Company entered into agreements to purchase two newbuilding 7th generation DP3 and ultra-deepwater capable drillships from Daewoo Shipbuilding & Marine Engineering Co., Ltd ("DSME") known as the *West Aquila* and the *West Libra*, representing two of the most capable drillships ever built. The acquisition price was $296 million per unit, of which $90 million per unit was payable at contract signing and the remaining balance at delivery. Expected delivery is January and March 2021, with a flexible delivery schedule and an option to take earlier delivery. In addition, the Company has received an option to acquire a third drillship, the *Cobalt Explorer*, from DSME for a purchase price of $350 million, with a six months option period. The right to exercise the option is subject to a defined, unaffiliated, third party not exercising a senior priority purchase right over the drillship at $405 million during the option period.

In connection with the acquisition of the two drillships from DSME, the Company successfully completed a private placement of 29,805,883 new shares, at a subscription price of NOK 68.00 per share, generating gross proceeds of NOK 2,026,800,000 (approximately $250 million). The private placement was significantly over-subscribed. The Company estimates that total expenses will amount to approximately $4 million and so the net cash proceeds from the private placement are estimated to be approximately $246 million. The Company intends to use the net proceeds for further fleet expansion, including the partial funding of the two drillships under construction at DSME, and for general corporate purposes.

As of the date of this report, the Company owns two semi-submersible harsh environment rigs and two drillships, all which are currently under construction and expected to be delivered to the Company in the period 2019-2021.

Strategy

Northern Drilling continues to execute on its distressed asset strategy through the recent DSME transaction. The acquisition price represents close to a 45% discount to historical construction cost and is combined with a flexible delivery schedule until 2021, creating a unique optionality towards the offshore drilling market. With backend loaded payment terms of approximately 70% due at delivery, the carry cost is limited while awaiting the underlying market fundamentals to continue to strengthen.

The Company will carefully monitor the development in the UDW market when assessing its purchase option for the drillship known as Cobalt Explorer. The purchase option comes with equally attractive backend loaded payment terms and an acquisition price representing a significant discount to construction and replacement cost today. Exercise of the purchase option is strictly conditional upon it being accretive to Northern Drilling's shareholders.

Further growth of the Company's fleet will continue to be based on opportunistically target acquisition of high quality assets. The acquisition of West Mira and Bollsta Dolphin were ideally timed with meaningful value appreciation since acquisition. Given the relative pricing differences between different offshore drilling assets still seen in the market, the Company continues to pursue growth opportunities outside the harsh environment sector but with focus on forward delivery deals from high quality yards.

Northern Drilling has a prudent capital structure today with no interest bearing debt on its balance sheet. The remaining capital expenditures for the Company's rigs payable to the yards are interest free and provide the Company with interest free leverage until delivery of the rigs. Closer to delivery of each of the rigs, the Company will carefully consider financing take-out payments with interest bearing debt considering market fundamentals and terms for employment contracts secured.

Outlook

The market for harsh environment capable rigs continues to show all signs of a market in a recovery mode. Increased tender activity has been followed by increased dayrates, particularly for modern units. The Company's rigs are being marketed for opportunities through the Company's management contract with Seadrill Ltd. and are experiencing strong interest from a number of potential operators. When evaluating contract opportunities, Northern Drilling will be careful with entering into long term contracts at today's levels as the Company feels comfortable about the prospects for the market to eventually reach a full recovery at rates higher than observed today. Further, certain operators still value available high specification rigs that are warm over rigs delivered directly from the yard in contract discussions. Hence, Northern Drilling will target short to medium term employment as the first contract for each of its rigs once delivered from the yard.

The improved harsh environment fundamentals have renewed the general interest for entering into newbuilding contracts. Northern Drilling does not share that enthusiasm. The market is still struggling with overcapacity from less capable units willing to enter into contracts at unfavorable terms affecting the supply balance negatively. Hence, Northern Drilling is cautioning the ability of the markets to absorb a sudden large increase in newbuilding activity.

The market for benign UDW capable rigs is further away from a recovery than the harsh environment, albeit with clear positive signs that the market is past the trough with increasing tender activity being the leading indicator. The Company is confident its entrance into the ultra-deepwater market was completed at a timely point in the cycle given the low price tag, flexible delivery schedule and favorable payment terms. Further, it is already evident that high specification 7th generation drillships are preferred by operators due to, among other things, increased drilling efficiency. A similar trend as observed in the HE market is expected to play out also in the UDW segment with increased utilization and dayrates for the high specification rigs, while less capable rigs will continue to struggle to win contracts. Given Northern Drilling's flexible delivery schedule until 2021, the Company can comfortable await a further market improvement, before actively start marketing its UDW units.

Forward Looking Statements

This Report contains certain forward-looking statements relating to the business, financial performance and results of the Company and/or the industry in which it operates, sometimes identified by the words "believes", "expects", "intends", "plans", "estimates" and similar expressions. The forward-looking statements contained in this Report, including assumptions, opinions and views of the Company or cited from third-party sources, are solely opinions and forecasts which are subject to risks, uncertainties and other factors that may cause actual events to differ materially from any anticipated development. The Company does not provide any assurance that that the assumptions underlying such forward-looking statements are free from errors, nor does the Company accept any responsibility for the future accuracy of the opinions expressed in the presentation or the actual occurrence of the forecasted developments. No obligations are assumed to update any forward-looking statements or to conform to these forward-looking statements to actual results.

The Board of Directors
Northern Drilling Ltd.
Hamilton, Bermuda
May 31, 2018

Questions should be directed to:
Gunnar Eliassen: Chief Executive Officer
+44 74 6914 0012

NORTHERN DRILLING LTD.
CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

CONDENSED CONSOLIDATED INCOME STATEMENT *(in thousands of $)*	**Jan 1 to Mar 31, 2018**	**Mar 2 to Mar 31, 2017**	**Mar 2 to Dec 31, 2017**
Total operating revenues	—	—	—
Administrative expenses	278	33	822
Total operating expenses	**278**	**33**	**822**
Net operating loss	**(278)**	**(33)**	**(822)**
Interest income	303	9	725
Other financial expense	(11)	(5,000)	(4,997)
Net income (loss)	**14**	**(5,024)**	**(5,094)**
Basic loss per share ($)	—	**(0.11)**	**(0.11)**

See accompanying notes that are an integral part of these condensed consolidated financial statements.

CONDENSED CONSOLIDATED BALANCE SHEET *(in thousands of $)*	**2018 Mar 31**	**2017 Mar 31**	**2017 Dec 31**
ASSETS			
Short term			
Cash and cash equivalents	83,067	40,239	84,090
Other current assets	1	—	57
Long term			
Newbuildings	386,488	182,647	185,170
Payment on account of newbuilding acquisition	—	—	200,000
Total assets	**469,556**	**222,886**	**469,317**
LIABILITIES AND EQUITY			
Short term liabilities			
Other current liabilities	103	91	290
Related party payables	1,163	147	751
Commitments and contingencies			
Total equity	468,290	222,648	468,276
Total liabilities and equity	**469,556**	**222,886**	**469,317**

See accompanying notes that are an integral part of these condensed consolidated financial statements.

NORTHERN DRILLING LTD.
CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW *(in thousands of $)*	**Jan 1 to Mar 31, 2018**	**Mar 2 to Mar 31, 2017**	**Mar 2 to Dec 31, 2017**
NET INCOME (LOSS)	**14**	**(5,024)**	**(5,094)**
Adjustment to reconcile net loss to net cash provided by (used in) operating activities;			
Loan fee paid to related party	—	5,000	5,000
Change in operating assets and liabilities;			
Other current assets	—	—	(57)
Other current liabilities	(187)	91	121
Related party payables	412	—	134
Net cash provided by operating activities	**239**	**67**	**104**
INVESTING ACTIVITIES			
Additions to newbuilding	(1,262)	—	(2,053)
Payment on account to acquire newbuilding	—	—	(200,000)
Net cash used in investing activities	**(1,262)**	**—**	**(202,053)**
FINANCING ACTIVITIES			
Net proceeds from share issuances	—	112,672	358,539
Repayment of loan to related party	—	(72,500)	(72,500)
Net cash provided by financing activities	**—**	**40,172**	**286,039**
Net change in cash and cash equivalents	**(1,023)**	**40,239**	**84,090**
Cash and cash equivalents at start of the period	**84,090**	**—**	**—**
Cash and cash equivalents at end of the period	**83,067**	**40,239**	**84,090**

See accompanying notes that are an integral part of these condensed consolidated financial statements.

NORTHERN DRILLING LTD.
CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY *(in thousands of $ except number of shares)*	**Jan 1 to Mar 31, 2018**	**Mar 2 to Mar 31, 2017**	**Mar 2 to Dec 31, 2017**
NUMBER OF SHARES OUTSTANDING			
Balance at beginning of period	77,750,100	—	—
Shares issued	—	46,000,100	77,750,100
Balance at end of period	**77,750,100**	**46,000,100**	**77,750,100**
SHARE CAPITAL			
Balance at beginning of period	77,750	—	—
Shares issued	—	46,000	77,750
Balance at end of period	**77,750**	**46,000**	**77,750**
ADDITIONAL PAID IN CAPITAL			
Balance at beginning of period	395,620	—	—
Shares issued	—	181,672	395,620
Balance at end of period	**395,620**	**181,672**	**395,620**
RETAINED DEFICIT			
Balance at beginning of period	(5,094)	—	—
Net income (loss)	14	(5,024)	(5,094)
Balance at end of period	**(5,080)**	**(5,024)**	**(5,094)**
TOTAL EQUITY	**468,290**	**222,648**	**468,276**

See accompanying notes that are an integral part of these condensed consolidated financial statements.

NORTHERN DRILLING LTD.
NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL

Northern Drilling Ltd, or the Company, was incorporated under the laws of Bermuda on March 2, 2017, as a wholly-owned subsidiary of Greenwich Holdings Ltd, or Greenwich Holdings, with its principal executive offices located in Hamilton, Bermuda, for the purpose of ownership of offshore drilling rigs. The Company is expected to be primarily engaged in offshore contract drilling for the oil and gas industry in benign and harsh environments worldwide, including ultra-deep water environments.

The Company's activities since incorporation have consisted principally of acquiring rigs currently under construction and raising capital. The Company's activities are subject to significant risks and uncertainties, including failing to take delivery of the current newbuilding, acquiring future assets, developing into an operating business and securing additional funding. The Company does not currently have sufficient funding for its committed capital expenditures over the next twelve months but is confident that the required funding will be raised through debt financing, an equity issue or a combination of these.

As of the date of this report, the Company owns two semi-submersible rigs, West Mira and Bollsta Dolphin and two 7th generation drillships. All four units are currently under construction at Hyundai Heavy Industries Co Ltd ("HHI") and Daewoo Shipbuilding & Marine Engineering Co., Ltd ("DSME") respectively, with expected delivery between 2019 and 2021.

2. BASIS OF ACCOUNTING

The condensed consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States as described in the Company's audited financial statements for the period from March 2, 2017 to December 31, 2017. The condensed consolidated financial statements include the assets and liabilities of the Company and its subsidiaries. All intercompany balances and transactions have been eliminated on consolidation. The preparation of the condensed consolidated financial statements requires that management make estimates and assumptions affecting the reported amounts of assets and liabilities. Actual results could differ from those estimates.

3. EARNINGS PER SHARE

The basic earnings per share for the three months ended March 31, 2018 has been calculated based on the net income attributable to the Company of $0.01 million and the weighted average number of shares in the period of 77,750,100 shares. There were no potentially dilutive instruments outstanding in the period.

4 . NEWBUILDINGS

On January 4, 2018 the refund guarantee that was required in connection with the exercise of the option for Bollsta Dolphin was received by the Company and the option was considered fully exercised at which time the $200.0 million that was recorded in the balance sheet as Payment on account of newbuilding acquisition was transferred to Newbuildings.

5. SHARE CAPITAL

The Company has an authorized share capital of $1,000,000,000 comprising of 1,000,000,000 common shares, each with a par value of $1.00. As of December 31, 2017 and March 31, 2018, the Company had 77,750,100 shares outstanding.

6. RELATED PARTY TRANSACTIONS

Greenwich Holdings, and then a wholly-owned subsidiary of Greenwich Holdings, Hemen Holdings Ltd,. has been the Company's largest shareholder since the Company's formation. Hemen Holdings Ltd holds approximately 40.0% of shares in the Company at March 31, 2018. The Company transacts business with the following related parties, being companies in which Greenwich Holdings, or companies affiliated with Greenwich Holdings, has a significant interest - Sterna Finance Ltd, or Sterna Finance, Seadrill Ltd, or Seadrill, and Seatankers Management Co. Ltd, or Seatankers Management.

Seadrill transactions
A wholly-owned subsidiary of Seadrill carries out the newbuilding supervision of the Company's rigs currently under construction. The Company was charged $0.6 million for newbuilding supervision services in the three months ended March 31, 2018

Seatankers Management transactions
The Company and its subsidiaries receive management services from Seatankers Management. The fee was $0.1 million in the three months ended March 31, 2018.

7. COMMITMENTS AND CONTINGENCIES

As of March 31, 2018, the Company was committed to make the second and final installment of $182.5 million for West Mira. This installment is payable on delivery, which is currently expected in January 2019.

As of March 31, 2018, the Company was also committed to make the second and final installment of $200.0 million for Bollsta Dolphin. This installment is payable on delivery, which is currently expected in January 2019.

8. SUBSEQUENT EVENTS

In May 2018, the Company entered into agreements to purchase two newbuilding 7th generation DP3 and ultra-deepwater capable drillships from DSME known as the *West Aquila* and the *West Libra*. The acquisition price was $296 million per unit, of which $90 million per unit was payable at contract signing and the remaining balance at delivery. Expected delivery is January and March 2021, with a flexible delivery schedule and an option to take earlier delivery. In addition, the Company has received an option to acquire a third drillship, the *Cobalt Explorer*, from DSME for a purchase price of $350 million with a six months option. The right to exercise the option is subject to a defined, unaffiliated, third party not exercising a senior priority purchase right over the drillship at $405 million during the option period.

In connection with the acquisition of the two drillships from DSME, the Company successfully completed a private placement in May 2018 of 29,805,883 new shares, at a subscription price of NOK 68.00 per share, generating gross proceeds of NOK 2,026,800,000 (approximately $250 million).The Company estimates that total expenses will amount to approximately $4 million and so the net cash proceeds from the private placement are estimated to be to approximately $246 million. The Company intends to use the net proceeds for further fleet expansion, including the partial funding of the two drillships under construction at DSME, and for general corporate purposes.

Following the successful private placement of 29,805,883 new shares, the Company has of the date of this report 107,555,983 common shares outstanding.

[THIS PAGE IS INTENTIONALLY LEFT BLANK]

REGISTERED OFFICE AND ADVISORS

Northern Drilling Ltd.
Par la Ville Place, 14 Par la Ville Road, Hamilton, HM08, Bermuda

Tel: +1 (441) 295-6935
Fax: +1 (441) 295-3494

www.northerndrillingltd.com

Legal Advisor to the Company
(as to Norwegian law)
Advokatfirmaet BAHR AS
Tjuvholmen allé 16
N-0252 Oslo
Norway

Legal Advisor to the Company
(as to Bermudian law)
MJM Limited
Thistle House, 4 Burnaby Street
Hamilton HM 11
Bermuda

Independent auditors

PricewaterhouseCoopers AS
Dronning Eufemias gate 8
N-0191 Oslo
Norway