NORTHERN OCEAN

Company Presentation

3 December 2019

IMPORTANT INFORMATION

IMPORTANT INFORMATION. THIS DOCUMENT IS NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN OR INTO OR FROM THE UNITED STATES OF AMERICA, ITS TERRITORIES OR POSSESSIONS, AUSTRALIA, CANADA, JAPAN OR SOUTH AFRICA OR TO ANY RESIDENT THEREOF, OR ANY JURISDICTION WHERE SUCH DISTRIBUTION IS UNLAWFUL. THIS DOCUMENT IS NOT AN OFFER OR AN INVITATION TO BUY OR SELL SECURITIES.

This company presentation (the "Presentation") has been prepared by Northern Rig Holding Ltd. (to be renamed Northern Ocean Ltd.) (the "Company" or "Northern Ocean" and taken together with its consolidated subsidiaries the "Group") solely for information purposes i. In this Presentation, references to "Northern", "Northern Ocean", the "Company", the "Issuer", "we", "our", "us", or similar terms refer to Northern Ocean Ltd. except where context otherwise requires. Northern Ocean is as of the date of this Presentation a wholly owned subsidiary of Northern Drilling Ltd ("NODL").

No representation or warranty, express or implied, as to the accuracy or completeness of any information included herein is given by the Company, and nothing contained in this Presentation is or can be relied upon as a promise or representation by the Company, who disclaim all and any liability.

Generally, any investment in the Company should be considered as a high-risk investment. Certain risk factors relating to the Company, which the Company deems most significant as at the date of this Presentation, is included under the caption "Risk Factors" in this Presentation.

The information is only preliminary and indicative and does not purport to contain the information that would be required to evaluate the Company, its financial position and/or any investment decision. Any decision to invest must be made with careful consideration and not in reliance solely on the introductory information provided herein. This presentation is not a prospectus for the purposes of Regulation (EU) 2017/1129, as amended (together with any applicable implementing measures in any Member State, the "Prospectus Regulation"). The information contained in this document does not purport to be complete. The contents of this Presentation are not to be construed as financial, legal, business, investment, tax or other professional advice. Each recipient should consult with its own professional advisors for any such matter and advice.

Information provided on the market environment, market developments, market trends and on the competitive situation is based on data, statistical information and reports by third parties and/or prepared by the Company based on its own information and information derived from such third-party sources. Third party industry publications, studies and surveys generally state that the data contained therein have been obtained from sources believed to be reliable, but that there is no guarantee of the accuracy or completeness of such data. While the Company believes that each of these publications, studies and surveys has been prepared by a reputable source, the Company has not independently verified the data contained therein.

This Presentation is current as of 3 December 2019. Neither the delivery of this Presentation nor any further discussions of the Company with any of the recipients shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since such date. This Presentation contains several forward-looking statements relating to the business, future financial performance and results of the Company and/or the industry in which it operates. In particular, this Presentation contains forward-looking statements such as with respect to the Company's potential future revenues and cash flows, the potential future demand and market for the Company's services, the Company's equity and debt financing requirements and its ability to obtain financing in a timely manner and at favourable terms. Forward-looking statements concern future circumstances and results and other statements that are not historical facts, sometimes identified by the words "believes", "expects", "predicts", "intends", "projects", "plans", "estimates", "aims", "foresees", "anticipates", "targets", and similar expressions. The forward-looking statements contained in this Presentation, 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 distribution of this Presentation (directly or indirectly) by the Company in certain jurisdictions is restricted by law. This Presentation does not constitute an offer of, or an invitation to purchase, any securities.. Accordingly, neither this Presentation nor any advertisement or any other offering material may be distributed or published in any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations.

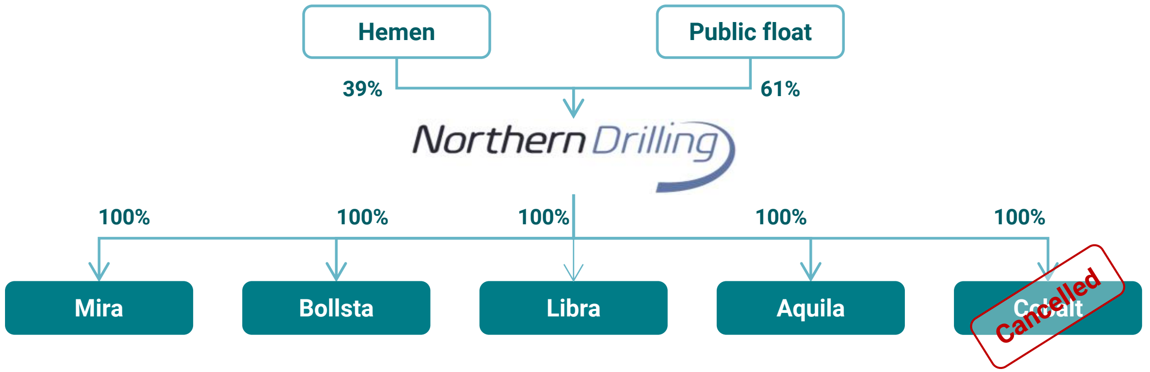
IN RELATION TO THE UNITED STATES AND U.S. PERSONS, THIS PRESENTATION IS STRICTLY CONFIDENTIAL AND IS BEING FURNISHED ONLY TO INVESTORS THAT ARE "QIBs", AS DEFINED IN RULE 144A UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"). THE SHARES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER 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, OR TO OR FOR THE ACCOUNT OR BENEFIT OF A U.S. PERSON, 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. ACCORDINGLY, THE SHARES WILL ONLY BE OFFERED OR SOLD (I) WITHIN THE UNITED STATES, OR TO OR FOR THE ACCOUNT OR BENEFIT OF U.S. PERSONS, ONLY TO QIBs IN PRIVATE PLACEMENT TRANSACTIONS NOT INVOLVING A PUBLIC OFFERING AND (II) OUTSIDE THE UNITED STATES IN OFFSHORE TRANSACTIONS IN ACCORDANCE WITH REGULATION S UNDER THE U.S. SECURITIES ACT.

This Presentation is subject to Norwegian law, and any dispute arising in respect of this presentation is subject to the exclusive jurisdiction of Norwegian courts with Oslo City Court as first venue.

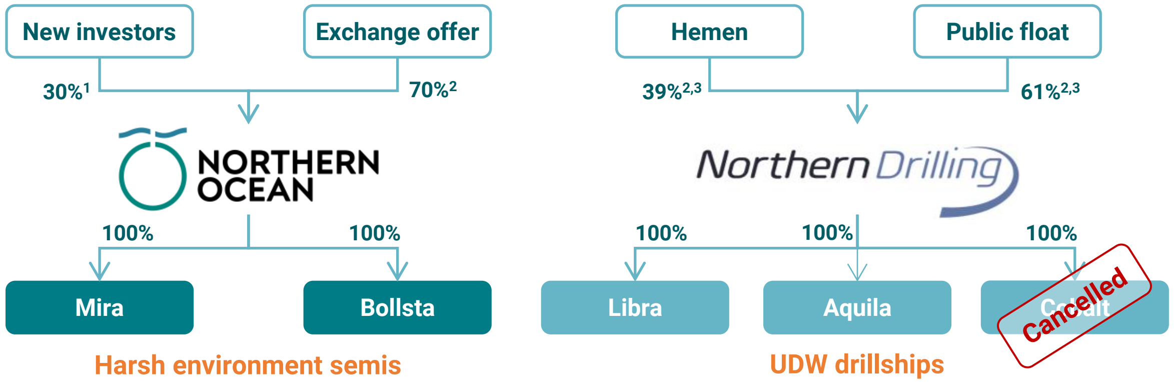
NORTHERN OCEAN

Contemplated company structure

Current structure



Illustrative new structure[1]



Transaction steps

1) Northern Ocean to reorganize to be the owner of 2x HE semis and related operating companies

2) Northern Ocean to raise USD 100m in equity and increase bank debt with USD 50m at similar terms as existing facilities
   - Register on the N-OTC

3) NODL expected to prepare an Exchange Offer where existing NODL shareholders can exchange a portion of their NODL shares for Northern Ocean shares[4]
   - Expected launch of Exchange Offer in Q1 2020 (if made)
   - Exchange ratio to be determined prior to launch, but NODL currently intends to offer substantial parts of its Northern Ocean shares to existing NODL shareholders (to the extent possible)

4) Northern Ocean to apply for listing on Oslo Stock Exchange or alternatively Oslo Axess (targeting Q1 2020)
   - Listing process already initiated
   - NODL aims to maintain its OSE listing post Exchange Offer

Note (1): Assuming private placement at share price of NOK 20.35 and USDNOK 9.18
Note (2): Assuming NODL decides to offer all of its share in the Company in the Exchange Offer to its shareholders and further that 100% of NODL's shareholders accept such offer. NODL could have a direct ownership in the Company upon completion of the Exchange Offer if (i) not all of NODL's shares in the Company is offered for exchange, and/or (ii) if not all NODL shareholders accept the offer
Note (3): Hemen and public ownership in NODL will depend on the acceptance rate in the exchange offer and the number of existing NODL shares eligible for exchange
Note (4): Launch of Exchange Offer subject to inter alia approval by necessary corporate resolutions and approval of a prospectus

Sources & Uses and Pro Forma Capitalization

Sources & Uses

Sources	USDm
Opening cash balance	31
New equity	100
Increased bank debt	50
Total sources	**181**

Uses	USDm
Remaining all-in ready to drill on Mira	*58*
Remaining all-in ready to drill on Bollsta	*67*
Total remaining all-in ready-to-drill	126
WC & cash on the balance sheet	55
Total uses	**181**

Ample pro forma cash position, additional USD 30m available under Sterna RCF[1]

Pro forma capitalization

Cash	USDm
Existing cash on balance sheet	31
Proceeds from equity offering	100
Proceeds from increased bank debt	50
Total cash	**181**
Undrawn Sterna RCF[1]	30
Total liquidity	**211**

Debt	USDm
Mira bank debt	195
Bollsta bank debt	200
Increased bank debt	50
Sterna RCF[1]	70
Total debt	**515**
Fully invested net debt per rig	**230**

Moderate interest bearing debt

NORTHERN OCEAN

Note (1): RCF of USD 100m of which USD 70m currently drawn. Any draw-down of remaining USD 30m is subject to certain conditions

Company highlights

1	Premium, high-end asset	Fleet an ideal candidate for M&A
2	Attractive entry point	Initial pricing of Northern Ocean at discount to peers
3	Best in class balance sheet	USD ~350m in contracted backlog, NIBD of USD ~230m per fully delivered rig and no unfunded capex commitments or financing overhang[1]
4	Dividend potential	A superior capital structure that supports dividend payments and a clear strategy of returning excess cash to shareholders[2]
5	Underlying market in strong recovery	Tier1 HE rigs close to sold out and current contract negotiations reflect base day rates between USD 350k and 400k/d plus substantial bonus element
6	Lean set-up with strong Sponsor support	Keeping costs at a minimum

NORTHERN OCEAN

Note (1): Assuming the Private Placement and Reorganization are completed
Note (2): Dividend payments would require amendments to existing bank facility and/or refinancing of existing debt both which is subject to receiving adequate interest and/or approval by creditors

Some of the world's most sophisticated high-end semis

West Mira

World's first hybrid offshore rig

Contract details[1]: Contract | Options

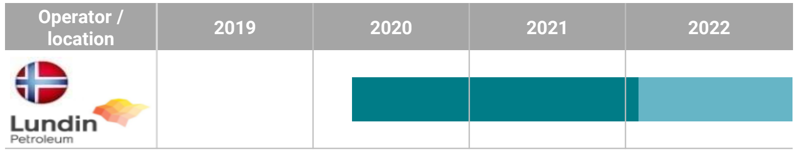
10 firm wells with expected remaining duration of ~575 days[1]

- Remaining backlog from fixed contract period of USD ~145m
- Significant further upside potential through bonus mechanism
- 6 option wells equivalent to approximately 1 year
- Wintershall has invested more than USD ~30m into rig-enhancements

West Bollsta

Significant emission savings vs standard configuration

Contract details[1]: Contract | Options



10 firm wells with expected duration of ~655 days[1]

- Remaining backlog from fixed contract period of USD ~200m
- Bonus potential of up to USD 50k/d
- Options for close to one year at Market Index Linked rates
- Bollsta on time and budget for contract start-up in Q2 2020

Ultra high-end harsh environment semisubmersible rigs

Both rigs equipped with 2 BoPs[2]

Significant emissions savings from new technology

Increased drilling efficiency

Pure play harsh environment fleet ideally positioned for M&A

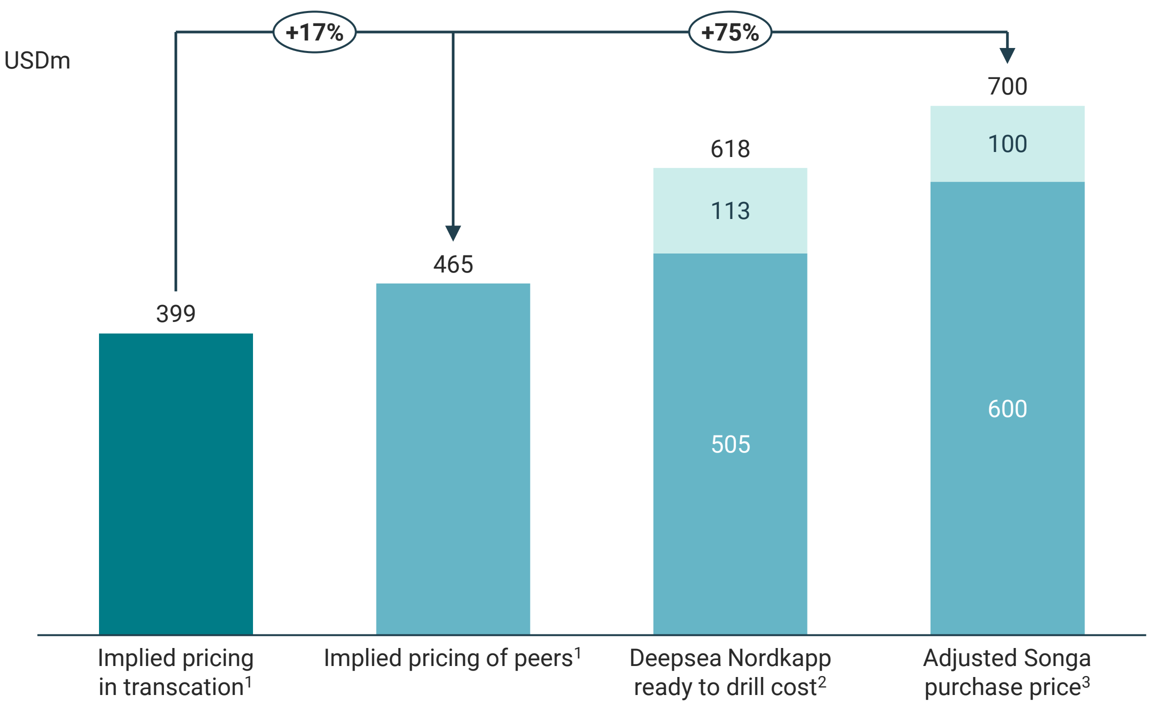
NORTHERN OCEAN

Note (1): Commercial contract are with Seadrill which is already or is expected to become the rig manager. The Company has or is expected to enter into management agreements enabling it to be entitled to receive the full day rate from Wintershall and the Lundin Petroleum. For more information about management agreements, please see www.northerndrillingltd.com

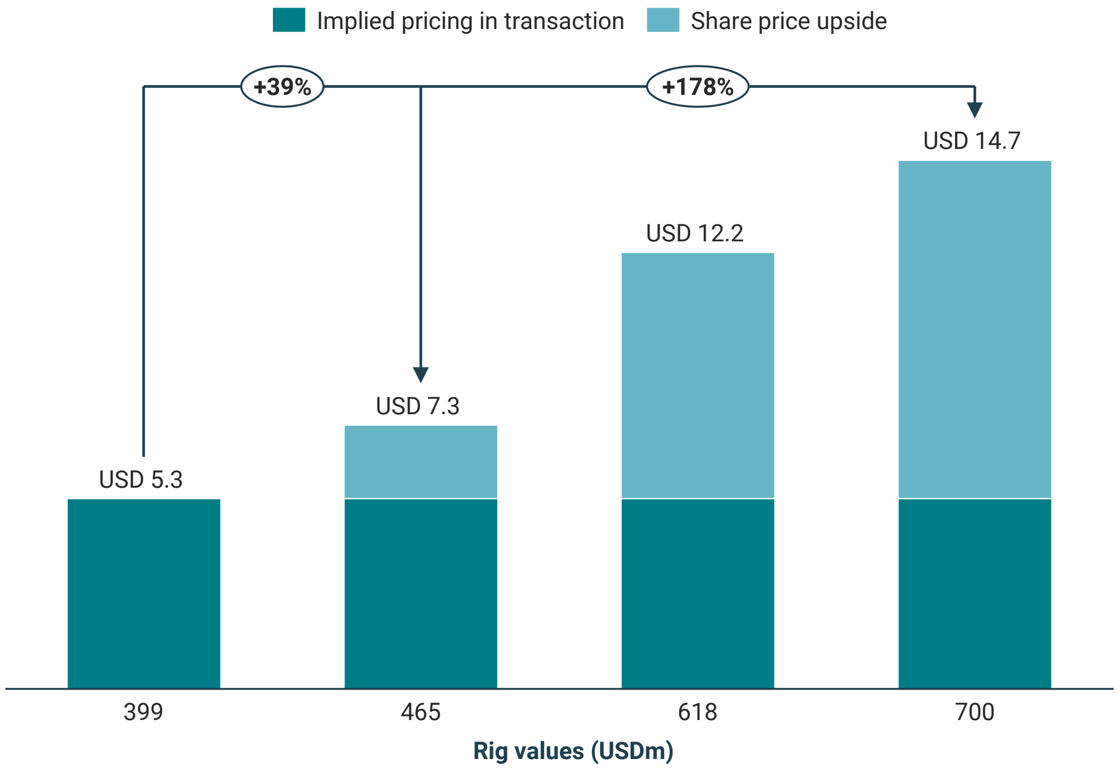
Note (2): Both rigs are currently equipped with two BOP's. The Company is discussing a leasing structure with Seadrill for the second BOP on West Mira

Highly attractive entry point for Tier 1 harsh environment rigs

Northern Ocean implied rig value at deep discount



Northern Ocean implied share prices[4]

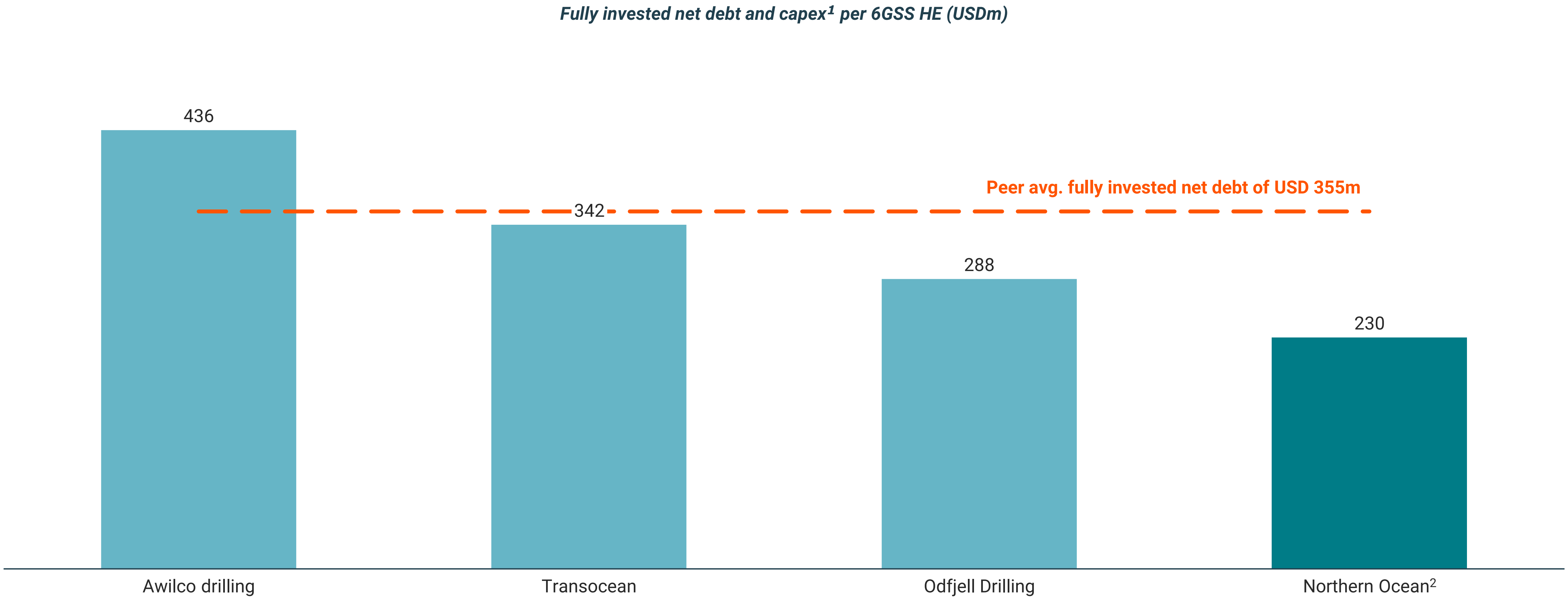


Mira and Bollsta newest vintage rigs vs average of peers of more than 5 years

Source: Bloomberg (3 December 2019), Company filings
Note (1): See page 21 for details. Peers consists of Transocean; Odfjell Drilling and Awilco Drilling
Note (2): As reported by Odfjell Drilling in May 2018. Purchase price of USD 505m and all-in ready to drill cost of USD 618m
Note (3): USD 3.4bn acquisition cost adj. for USD 1.8bn in backlog = USD 400m in steel value for rigs that will be >8Y+ in 2024. Implies NB parity of USD ~600m assuming 25Y life. Additionally Mira/Bollsta with significantly higher specifications justifying a further premium
Note (4): Based on NODL share price of NOK 20.35, USDNOK 9.18 and USD 100m equity offering of new shares

Best in class balance sheet

Low leverage on 6G harsh environment semis relative to peers



Source: DNB Markets, Company filings

Note (1): Peer net debt and remaining capex as per Q3 2019

Note (2): Assuming the Private Placement and Reorganization are completed, USD 445 in outstanding bank debt, USD 70m in drawn amount on Sterna RCF, pro forma cash balance of USD 181m and remaining all-in-ready-to-drill capex on Mira and Bollsta of USD 126m

Attractive debt terms

	West Mira facility	West Bollsta facility	New RCF facility[1]	Sterna facility[1]
Type	Senior secured term loan	Senior secured term loan	Senior secured RCF	Unsecured
Security	West Mira and West Bollsta[2]			-
Signed	November 2018	May 2019	December 2019	December 2019
Total facility amount	USD 200m	USD 200m	USD 50m	USD 100m[3]
Outstanding / drawn amount	USD 195m	USD 200m	USD 0m	USD 70m
Repayment	▪ 9 month grace period ▪ Quarterly instalments of USD 5m ▪ Balloon payment of USD 155m in December 2021	▪ 9 month grace period ▪ Quarterly instalments of USD 5m ▪ Balloon payment of USD 155m in June 2022	▪ Cancellation and repayment of USD 25m in December 2021 and USD 25m in June 2022	▪ No amortization ▪ Repayment in June 2022
Interest rate (p.a.)	Libor + 350 bps	Libor + 350 bps	Libor +350 bps	▪ Fixed coupon of 6.75% for drawn amounts ▪ No interest/fee for undrawn amounts

NORTHERN OCEAN

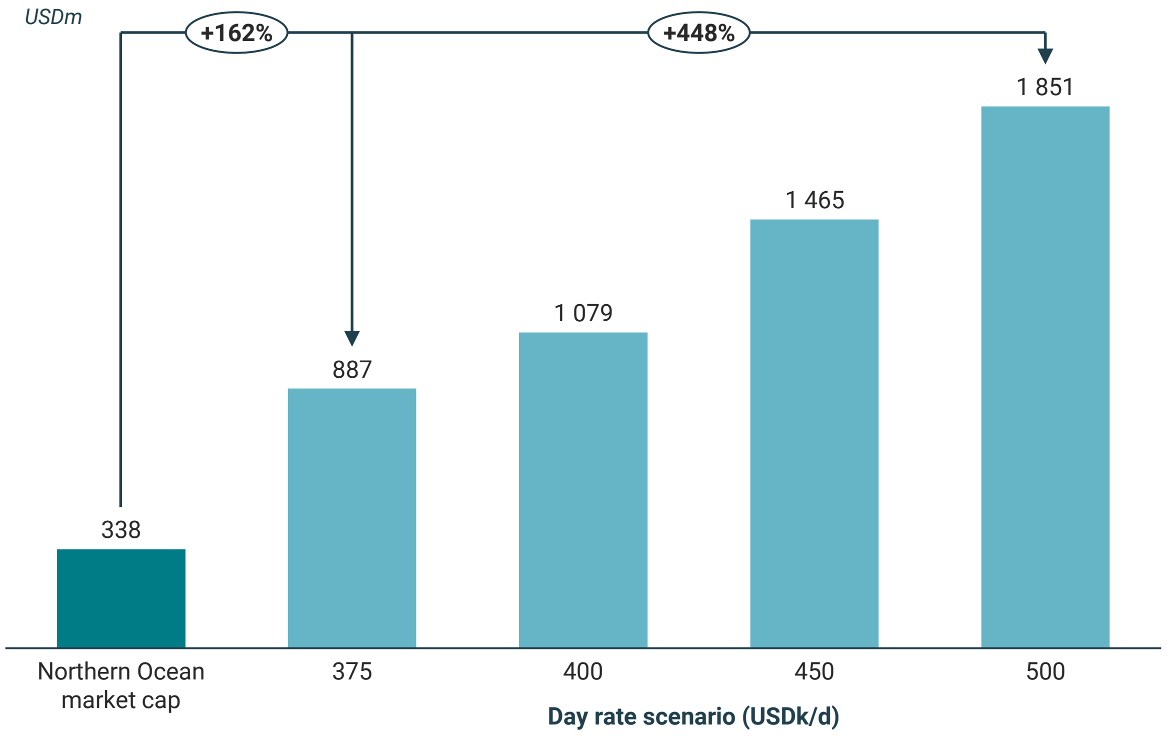
Note (1): Assuming the Private Placement and Reorganization are completed
Note (2): The Mira facility, the Bollsta facility and the New RCF facility share (among others) the following securities: mortgages over West Mira and West Bollsta, share pledges over the two rig owning entities, assignment of earnings and insurances and pledge of earning accounts
Note (3): Any draw-down of remaining USD 30m is subject to certain conditions

Significant upside potential already with current day rates

Illustrative cash flow sensitivity (Northern Ocean)[1]

Day rate scenario	USDk/d	375	400	450	500
Bonus 10% of day rate		10 %	10 %	10 %	10 %
Utilization	Pct	98 %	98 %	98 %	98 %
Opex	USDk/d	160	160	160	160
No of rigs	#	2	2	2	2
Revenue	**USDm**	**295**	**315**	**354**	**393**
Opex	"	-117	-117	-117	-117
G&A	"	-8	-8	-8	-8
EBITDA	"	**170**	**190**	**229**	**269**
Interest cost[2]	"	-29	-29	-29	-29
Tax on revenue[3]	"	-6	-6	-7	-8
Capex[4]	"	-7	-7	-7	-7
Debt amortization	"	-40	-40	-40	-40
Cash flow to equity		**89**	**108**	**147**	**185**
Market cap	USDm	338	338	338	338
Yield	**Pct**	**26%**	**32%**	**43%**	**55%**
Net debt	USDm	460	460	460	460
Net debt / EBITDA	**x**	**2.7x**	**2.4x**	**2.0x**	**1.7x**
Enterprise value	USDm	798	798	798	798
EV / EBITDA	**x**	**4.7x**	**4.2x**	**3.5x**	**3.0x**

Equity upside at 10% yield



Strong cash flow combined with low leverage enables significant dividend potential

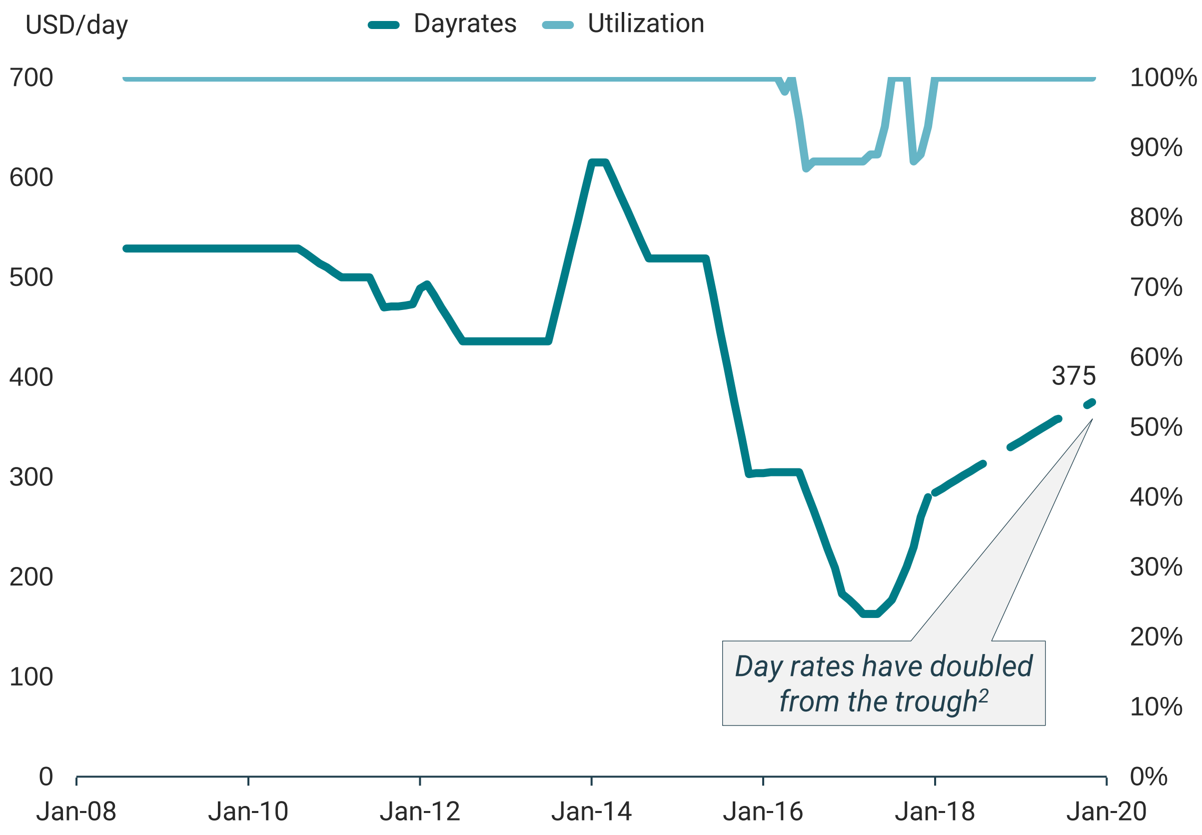
NORTHERN OCEAN

Note (1): Assuming the Private Placement and Reorganization are completed
Note (2): 5.6% in interest cost on total debt of USD 515m (blended average all-in cost of the Sterna, Mira and Bollsta facilities)
Note (3): 2% tax on revenue
Note (4): USD 7m in maintenance capex, including running maintenance and SPS cost

Ideally positioned in a recovering market niche…

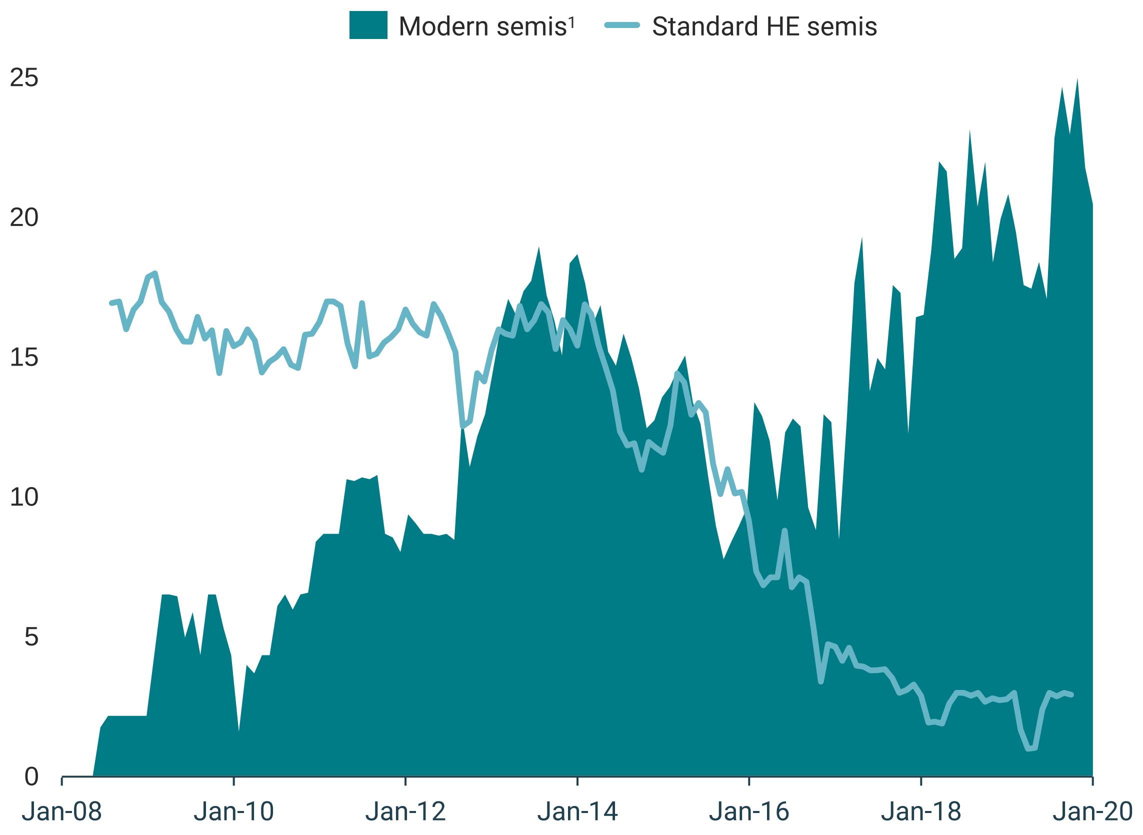
Harsh environment market recovery is well underway

Observed day rates for Tier 1[1] semis (3m rolling average)



Preference for modern rigs

Working semis in Norway

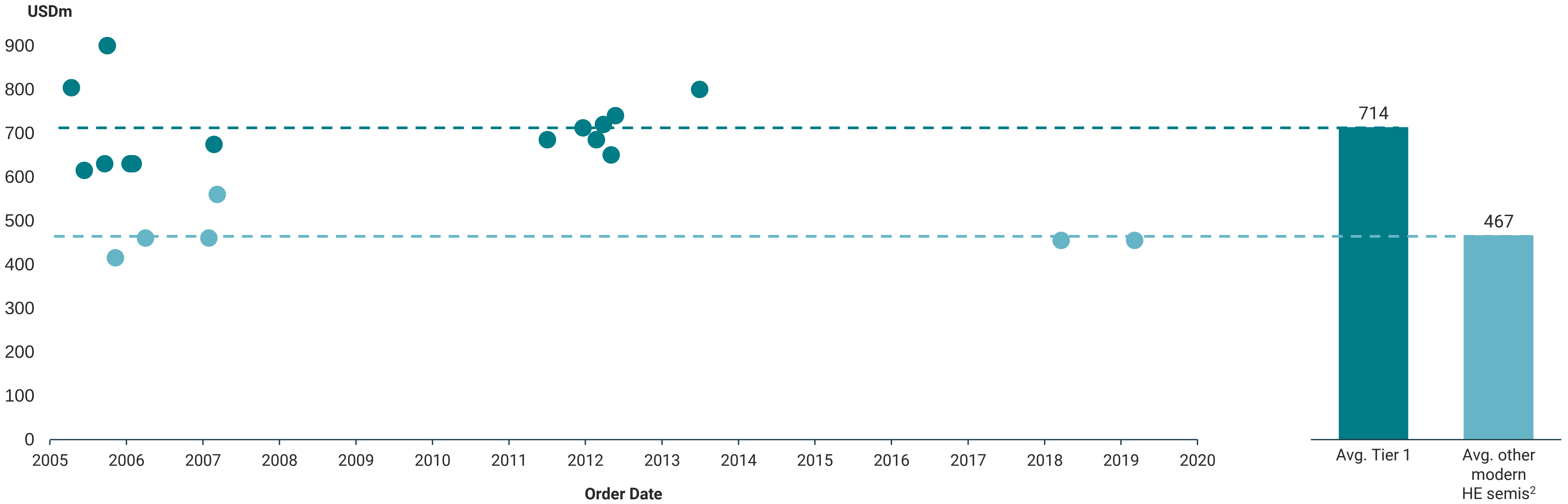


Source: IHS Rigbase and Company
Note (1): As defined on page 13
Note (2): Current contract negotiations for Tier 1 HE rigs reflects base day rates between 350 and 400k/d plus a substantial bonus element

…with high barriers to entry based on build cost alone

No Tier 1[1] newbuild HE semis in current market environment

Build cost modern harsh environment semis (before cost overruns, WC and additional spares/costs)



Extreme bull market required to defend new investments into Tier 1 rigs → Limited risk for supply growth

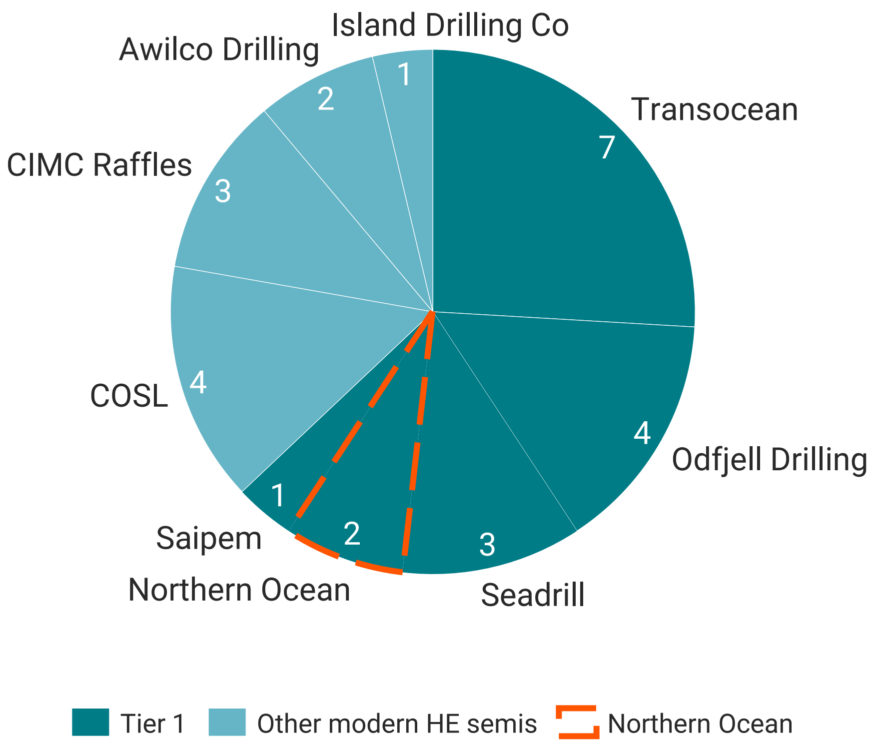
NORTHERN OCEAN

Source: IHS Rigbase
Note (1): Tier 1 HE semis (as defined on page 13)
Note (2): Lower spec HE semis capable of working in Norway

Northern Ocean perfectly positioned for M&A

Concentrated ownership of Tier 1 modern harsh environment semis[1]

Modern harsh environment fleet in Norway



- 3 drilling contractors controls 94% of total supply of Tier 1 harsh environment rigs
- Northern Ocean is the only company with 100% focus on Tier 1 harsh environment drilling rigs
- Well positioned for M&A
  - Ideal fleet size
  - Highest rig quality
  - Strongest balance sheet

Source: IHS Rigbase

Note (1): Modern Harsh environment semis defined as harsh environment rigs built after 2006 with certification to operate on the Norwegian continental shelf. Tier 1 defined as modern harsh environment semis with DP3, excluding rigs built in China

Leverage the Group's abilities and relationships to keep costs at a minimum and maintain a lean operating structure

Simplified corporate structure

Hemen

Other investors

NORTHERN OCEAN

100%

West Mira

West Bollsta

Lean and efficient overhead

SEATANKERS

Business development and financing

Seadrill

Operations management and shipyard oversight

FRONTLINE

GOLDEN OCEAN™

Back office and administration

NORTHERN OCEAN

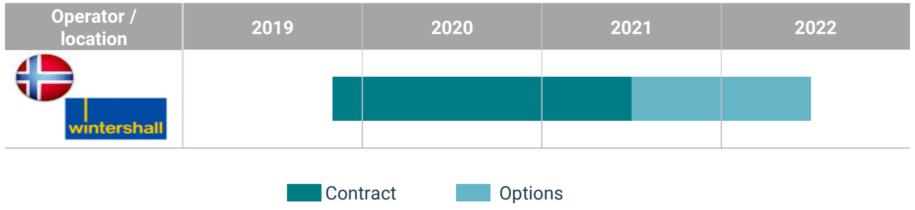
Source: The Company

Appendix

West Mira contract with Wintershall

- 6+4+6 well contract[1] announced June 2018 with Wintershall for the Nova field in Norway
  - Post announcement all 4 front end options have been exercised
- Contract commencement first week of Nov-19
  - Technical utilization of 96.8% since commencement
- 10 firm wells with expected remaining duration of ~575 days
  - Remaining backlog from fixed contract period of USD ~145m
  - Significant further upside potential through bonus mechanism
- Wintershall already indicated they are positive to exercise parts of the back-end options (6 wells equivalent to approx 1 year)
  - Wintershall has invested more than USD ~30m into rig-enhancements in connection with contract preparation

Contract details:



Note (1): Commercial contract is with Seadrill which is also the rig manager. The Company will through management agreements be entitled to receive the full day rate from the Wintershall. For more information about the management agreements, please see www.northerndrillingltd.com

NORTHERN OCEAN

Hybrid Power Battery on the West Mira

Hybrid technology provides

- First modern offshore drilling operating hybrid power plant using Lithium-ion batteries as spinning reserve in dynamic positioning (DP) operations
- Supplies power during peak load times, combining a battery Energy Storage System (ESS) with diesel power generation
- Benefits with respect to reduced fuel consumption and CO_2 and NOx emissions
- Batteries can provide back-up power to prevent unlikely blackout situations

Significant emission savings vs standard configuration

16,000 hrs less p.a.

42% reduction in running hours of diesel engines

8,000 ton less CO2

15% reduction in annual CO_2 emissions

100 ton less NOx

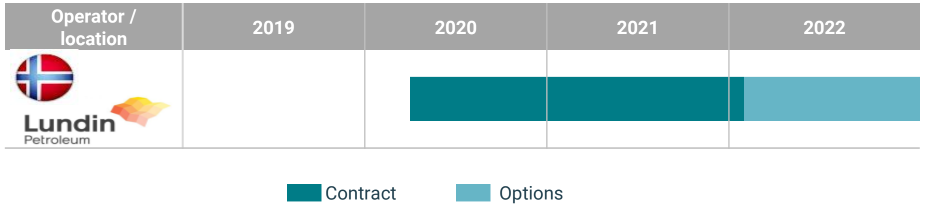
12% reduction in annual NOx emissions

Source: Company, ABB & Siemens

West Bollsta contract with Lundin Petroleum

- 10 well firm contract[1] for Lundin Petroleum for Luno II and other development fields outside Norway announced in February 2019
  - Expected duration of 655 days ~ close to 2 years
  - Additional follow-on options for close to one year at Market Index Linked rates
- Remaining backlog from fixed contract period of USD ~200m
  - Average day rate of USD ~300k/d
  - Bonus potential of up to USD 50k/d
- Rig currently undergoing contract preparation activities
- Contract start-up expected Q2 2020

Contract details:



NORTHERN OCEAN

Note (1): Commercial contract is with Seadrill which is also expected to become the rig manager. It is expected that the Company will enter into management agreements enabling it to be entitled to receive the full day rate from the Lundin Petroleum. For more information about management agreements, please see www.northerndrillingltd.com

Energy Efficient Solutions on the West Bollsta

SCR & CBT technology provides

- 8x diesel engines are use Selective Catalytic Reduction (**SCR**) on the exhaust piping generating cleaner emissions
- High voltage switchboards run in a closed bus-tie (CBT) configuration allows a lower number of engines to generate sufficient power
- Bollsta's power plant operates with a lower number of engines working on the power grid, while generating higher ratings and less engine hours running

Significant emission savings vs standard configuration

16,500 hrs less p.a.

47% reduction in running hours of diesel engines

8,300 ton less CO2

11% reduction in annual CO_2 emissions

15 ton less NOx

9% reduction in annual NOx emissions

Source: Company, ABB & Siemens

Some of the world's most sophisticated high-end semis

	West Mira	West Bollsta
		

Design	Moss Maritime CS-60E (NCS compliant)
Drilling equipment	Single + offline
Static hook load	2.3/2.5MM lbs
Water depth capacity	10,000 feet
Dual BOP equipped	Yes[1]
Drilling depth equipped	40,000 feet
Accommodation	150 / 140 single
Variable deck load (MT)	7,100 / 7,500
Thruster capacity (kW)	8 x 4,200 / 4,800
Dynamic positioning / mooring	DP3/ Posmoor ATA / 8 point mooring
Winterized	Yes

- **Ultra high-end harsh environment semisubmersible rigs**
- **State of the art topside and large deck space/load capacity**
- **Both rigs equipped with 2 BoPs[1]**
- **Equipped with DP3 and 8/12 point mooring enabling work in both shallow and ultra deep waters**
- **Excellent motion characteristics**
- **Increased drilling efficiency**

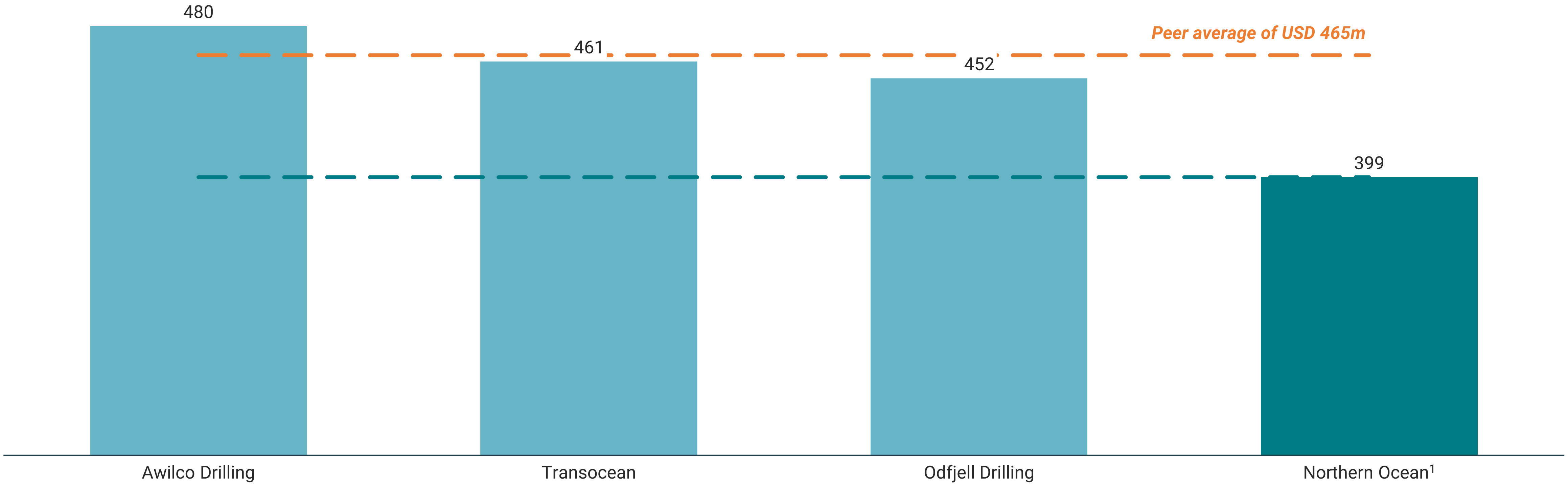
Pure play harsh environment fleet ideally positioned for M&A

NORTHERN OCEAN

Note (1): Both rigs are currently equipped with two BOP's. The Company is discussing a leasing structure with Seadrill for the second BOP on West Mira

Transaction at discount to implied values of peers

Implied rig value per 6G harsh environment semis

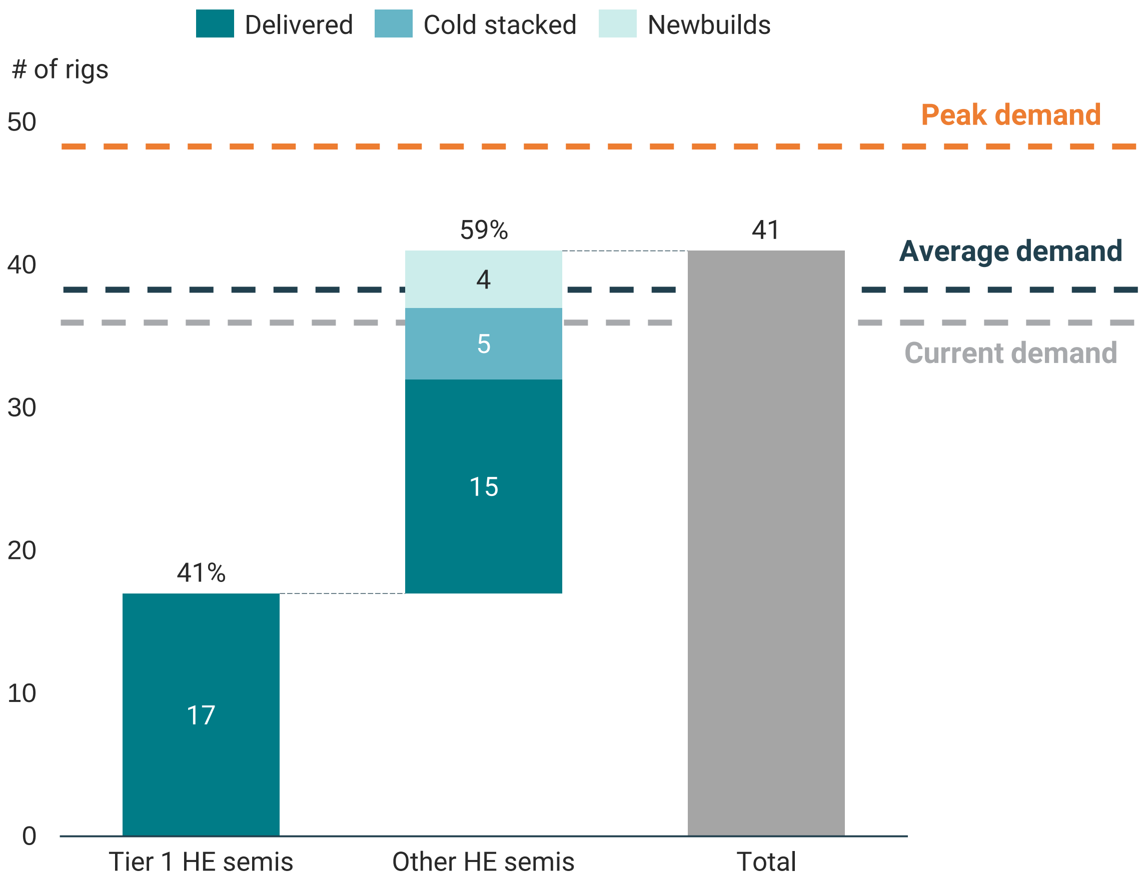


Source: DNB Markets, Bloomberg (3 December 2019), Company filings

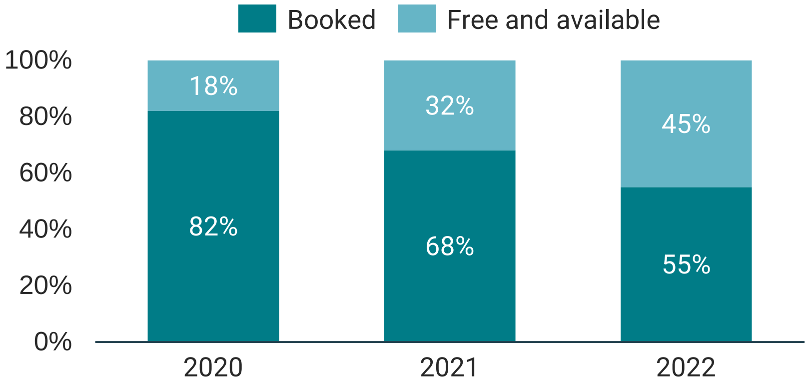
Note (1): Assuming the Private Placement and Reorganization are completed. Based on NODL share price of NOK 20.35 and USDNOK 9.18, USD 100m equity offering of new shares, USD 445 in outstanding bank debt, USD 70m in drawn amount on Sterna RCF, pro forma cash balance of USD 181m and remaining all-in-ready-to-drill capex on Mira and Bollsta of USD 126m

Pricing power already exists for Tier 1 semis

Norway capable semis supply and demand balance[1]

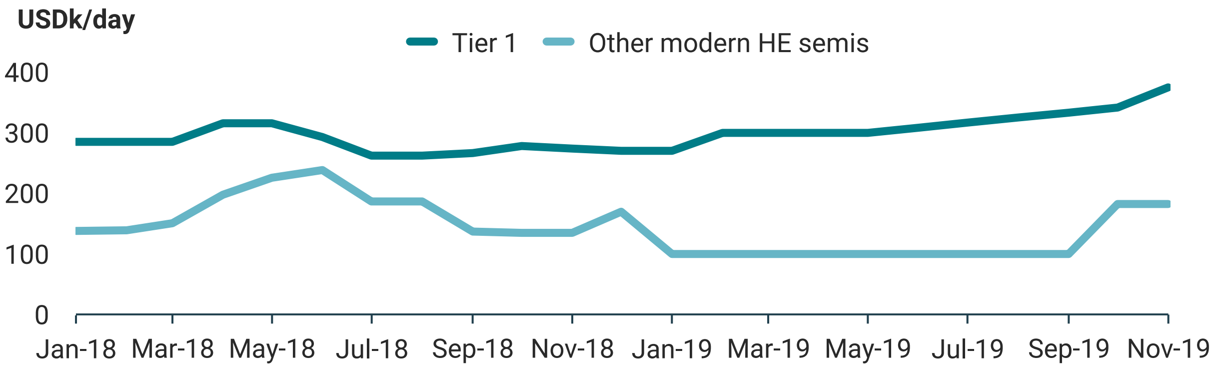


Tier 1 availability next 3 years[2]



Tier 1 market almost sold out when factoring in frame agreements

HE semi contract fixtures 2018-2019 YTD[3]

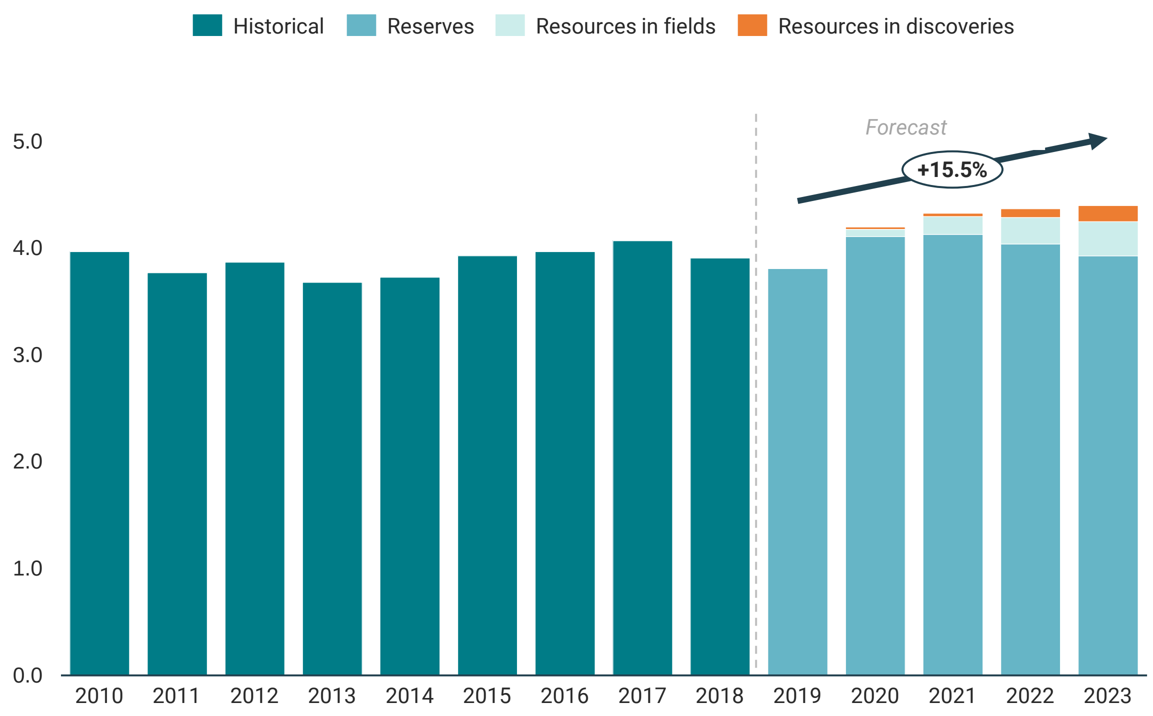


NORTHERN OCEAN

Source: DNB Markets, IHS Petrodata
Note (1): Demand period Oct 2009 – Current
Note (2): Booked consisting of firm contracts and options
Note (3): 3 months rolling average

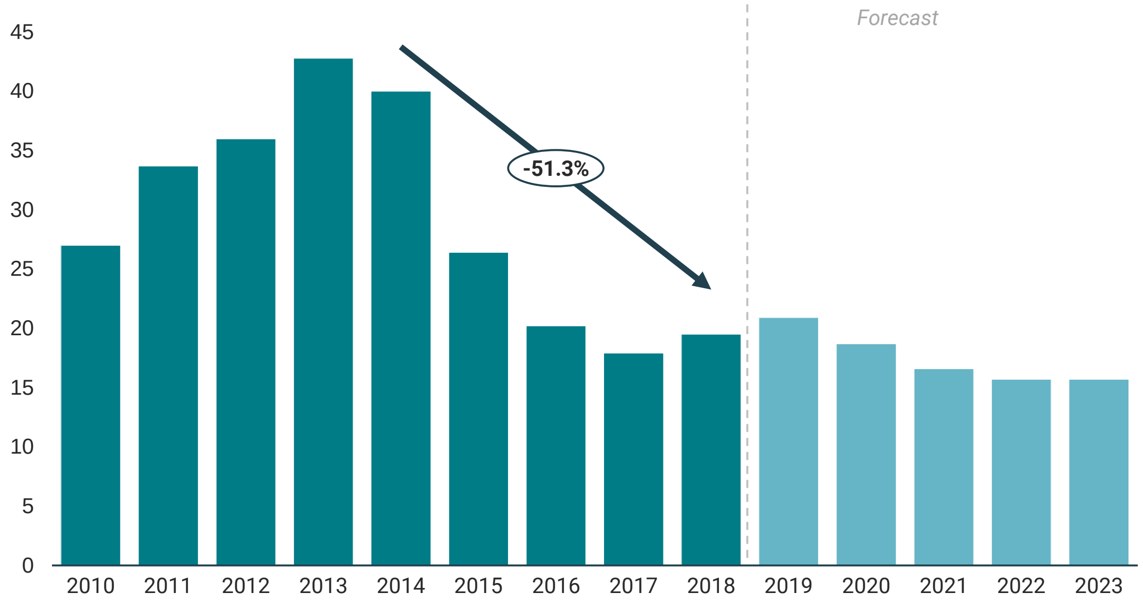
Growing production on the back of significant cost reductions

Annual production volume (mmboe/d)



Production volume expected to grow going forward

Average annual cost (USD per barrel)[1]



Costs reduced significantly amidst a still high level of activity

Source: Norwegian Petroleum Directorate, Norges Bank
Note (1): Converted from NOK to USD using yearly average USDNOK rates

Leadership team

Scott McReaken[1] CEO	Scott McReaken was appointed CEO of Northern Drilling in December 2018. Mr McReaken has over 15 years of experience in the offshore drilling industry. Prior to this appointment Mr McReaken has been a part of the Seadrill group companies since 2012, where he served as Chief Executive Officer and Director of Sevan Drilling Ltd and Chief Financial Officer of North Atlantic Drilling Ltd. Mr McReaken serves as the Treasurer and Secretary of the International Association of Drilling Contractors (IADC) since 2013, which is the worldwide oil and gas drilling contractor's non-profit advocacy association. Mr McReaken began his career at Arthur Andersen LLP and is a Certified Public Accountant and Certified Internal Auditor. He holds a degree in business administration from the University of Texas. Mr McReaken is a US citizen and resides in the US.
Gary W. Casswell[1] Chairman	Gary W. Casswell has more than 35 years industry experience. Most recently Mr.Casswell served as President and CEO of Northern Offshore LTD from 2010 until mid 2017. Prior to this he served as Vice President, Eastern Hemisphere Operations for Pride International responsible for the deep water, shallow water, and land operations in more than 18 countries. Prior to joining Pride, Mr. Casswell worked for Santa Fe International for more than 20 years and held a variety of increasing responsible positions including development of Santa Fe's deep water strategy. Mr. Casswell has 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. He is a US citizen and resides in Houston, Texas.
João Saraiva E Silva Board Member	Mr. Silva is an investment professional with the Seatankers Group. Prior to joining Seatankers, Mr Saraiva e Silva was responsible for energy investments at L1 Energy (2013 to 2018), served as Managing Director of Carlyle's International Energy Partners fund, and was responsible for energy and infrastructure investments at Och-Ziff Capital Management (2008 to 2011). Prior to Och-Ziff, Mr. Saraiva e Silva spent approximately nine years in the investment banking division of Goldman Sachs advising on M&A and capital markets transactions across the broad energy sector. Mr. Saraiva e Silva has an Economics degree from the Nova School of Business and Economics.
Board Member TBA	TBA
Board Member TBA	TBA

Northern Ocean intends to appoint up to two new board members prior to listing

NORTHERN OCEAN

Note (1): Mr. McReaken and Mr. Casswell are both expected to keep their current positions in NODL post the Reorganization

Risk factors (1/8)

Risks Relating to the Reorganisation, Offers and Listing	
Finalisation of Reorganisation	The Reorganisation consists of many aspects, including transfer of subsidiaries and assets and liabilities, conversion of intra-group debt to equity and entering into new agreements for the Group (including for management services purposes). Not all of these aspects are completed, and it is a risk that the Reorganisation will not be completed as expected or at all. Further, the necessary amendments and additions (including increase of the loan amount) to be made in the Group's bank financing arrangements are only agreed in principle, subject to certain conditions including agreed documentation, and thereby not executed. It is a risk that such financing arrangements may be subject to changes (some of which may be material) or not completed at all.
Funding form Private Placement	The Private Placement may not provide the Company with sufficient funds for the use of proceeds as indicated herein or required for the operation of the Group's two rigs.
Debt financing documentation	The necessary amendments and additions (including increase of the loan amount) to be made in the Group's bank financing arrangements are only agreed in principle, subject to certain conditions including agreed documentation, and thereby not executed. It is a risk that such financing arrangements may be subject to changes (some of which may be material) or not completed at all.
Completion of offers	The Exchange Offer and the Subsequent Offering as discussed herein are not decided, including their final terms or that they shall or may be completed at all. It is a risk that such offers will be subject to changes (some of which may be material) or not completed as expected nor at all. Further, any consequences for shareholders and others of such offers, including commercial terms, dilution, majority shareholders and tax effects, are therefore uncertain.
Listing process	There are many terms and conditions to be fulfilled for any listing on Oslo Børs or Oslo Axess, some of which are outside the Company's control. It is therefore a risk that Company may not be listed at Oslo Børs or Oslo Axess within the expected timeframe or at all.

NORTHERN OCEAN

Risk factors (2/8)

Risks Relating to the Reorganisation, Offers and Listing (continued)	
Bermuda approvals	The Company requires certain consents from authorities on Bermuda for, amongst others, for the issue of and transferability of its shares. It is a risk that such consents may not be renewed or not obtained in time, on attractive terms or at all. Further, if the Company has not been listed on a regulated market by 31 May 2020 the Company may not be granted a renewal of necessary approvals by the Bermuda Monetary Authority required for listing on N-OTC. The Company may also require further consents from authorities on Bermuda for the launch and/or completion of the Repair Offering or the Exchange Offer.
Risks Relating to the Group and its Business	
Lack of operating history	The Company has limited operating history which makes it difficult to assess the outlook for future revenues and other operating results. This lack of history is likely to make it more challenging and therefore more precarious for investors to decide whether to invest in the Company.
Few rigs owned and operated	As of the date of this Presentation, the Company owns only two drilling units and is vulnerable in the event of a loss of revenue of any such unit. Only one of the units is operational and the Company is therefore disproportionality more exposed to the below mentioned risk factors compared to similar companies within the same sector that have more rigs in operation.
Delays and cost overruns on West Bollsta	The West Bollsta rig has not yet commenced commercial operations. Although Lundin has entered into agreement for the use of the West Bollsta rig, not all agreements and arrangements are in place to secure the rig for such operations. The costs of preparing the rig may become materially higher than expected and the start of operations may be significantly delayed.

NORTHERN OCEAN

Risk factors (3/8)

Risks Relating to the Group and its Business (continued)	
Liquidity and dependency on divided from subsidiaries	The Company is a pure holding company without operating revenues of its own. The ability of the Company to fulfil its financial obligations thus depends on dividend distributions from its subsidiaries or other contributions from its shareholders. The Company owns two rigs, but only one is operational. The Company`s ability to be compliant with financial covenant requirements pursuant to financing arrangements will therefore to a great extent depend on the market value of the rigs owned and their earning generating ability. This risk factor is particularly prominent until the second rig becomes operational.
Ownership of Hemen/NODL	The Company's main shareholder Northern Drilling Ltd. is expected to maintain a majority ownership in the Company following the Private Placement – and possibly following a Subsequent Offer and/or the Exchange Offer (if made). Additionally, Hemen Holding Ltd., the largest shareholder in Northern Drilling Ltd., is expected to hold a significant ownership in the Company after the Private Placement – and possibly following a Subsequent Offer and/or the Exchange Offer (if made). Such larger shareholders will hence be in a position to exercise considerable influence, or control, over all matters requiring shareholder approval. This concentration of share ownership could delay, postpone or prevent a change of control in the Company, and impact mergers, consolidations, acquisitions or other forms of combinations, as well as distributions of profit, which may or may not be desired by other investors. Further, majority shareholdings may limit the free float of the shares, and consequently the trading in the shares. Any sale, or expectation thereof, of larger amounts of shares may also reduce trading prices.

NORTHERN OCEAN

Risk factors (4/8)

Risks Relating to the Group and its Business (continued)	
Terms of financing agreements	The Group has financing agreements and arrangements with various lenders, including Sterna which is a related party to Hemen. Such agreements and arrangements contain many terms, conditions and covenants that may be challenging to comply with, restrict the Groups’ freedom to obtain new debt or other financing and/or restrict the Group’s freedom to operate. Any non-compliance with such agreements and arrangements may have an adverse effect on the Group. Additionally, the Group's financing agreements contain change of control provisions, which would be triggered if (i) in the period between completion of the Private Placement and until completion of the Listing, the John Fredriksen family, acting through Hemen Holding Ltd. and/or Greenwich Holdings Limited, ceases to retain an equity interest (directly or indirectly) of no less than 25% in the Company, and (ii) following completion of the Listing, (A) Hemen Holding Ltd. and/or other companies owned by the John Fredriksen family cease to hold no less than 25 % of the shares and voting rights of the Company or have the director appointment rights for such percentage of the voting rights and share capital, or (B) any person or group of persons acting in concert (other than the John Fredriksen family) have the right or ability to control the affairs or composition of the majority of the board of directors of the Company or becomes owners of 1/3 of the voting shares in the Company, that give the Group's lenders a right to require prepayment of the Group's external debt financing. However, it is possible that the Group may not have sufficient funds to make the required repayment of the external debt financing.
Risks Relating to the Group and its Business (continued)	
Dependency on third parties and related parties	The Group does not have any employees, but relies materially on services to be provided by third parties – many of which are related parties to Hemen or to Hemen related companies. The commercial drilling contract related to the West Mira rig is held by a Seadrill related company, and hence not with the Group as a contracting party. The Company is therefore dependent on technical, commercial and other services from third parties, including for the access to revenues and handling of commercial contracts. By not having all operational functions carried out in-house, the Company is significantly exposed to counterparty risk. The technical and commercial service from third parties is vital for keeping the rigs operational, and consequently also for the rigs` lucrativeness to potential investors and customers. This counterparty risk is also naturally more prominent to the Company, since the Company has only one operational rig. The Group may also depend on directors who are associated with affiliated companies, which may create conflicts of interest.

Risk factors (5/8)

Risks Relating to the Group and its Business (continued)	
Uncertainty relating to drilling unit acquisitions	Acquisition of drilling units is an important component of the Company's business strategy, and such acquisitions present a number of risks, including risks of delay or cost overruns, failure of assets to meet quality and/or performance standards, un-anticipated actual or purported change orders, un-anticipated cost increases, start-up difficulties following delivery or other unexpected operational problems that could result in delays, uncompensated downtime or termination of contracts.
Lack of commercial contracts	The Group is expected to rely on a small number of customers and commercial partners and may be adversely affected such customers or commercial partners fail to perform or if their financial condition deteriorates. The Group may not be able to obtain favourable contracts (directly or indirectly) for its drilling units if the contracts must be replaced or when they are terminated in the future.
Adequacy of insurance coverage	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.
Dependency on qualified personnel	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.
Service of debt and interest rate fluctuations	The Company has incurred a significant amount of debt, which is secured by the Group's key assets. The Company's lenders will have priority claims over the secured assets ahead of shareholders and may enforce their security depriving the Company of all or part of its entitlement to such assets. Further, interest rate fluctuations could affect the Group's earnings and cash flow.

NORTHERN OCEAN

Risk factors (6/8)

Risks Relating to the Industry in which the Group Operates	
Changes in activity within offshore oil and gas	The success and growth of the Company`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 activity may affect the market value of the Group's drilling units negatively, which is the only material assets in the Group's balance sheet. Since the Company currently only has one operational rig, it is significantly exposed to sudden overall drop of market activity, cyclical changes and increased price competition until the second rig becomes operational.
Operational risks	The Company is exposed to operational risks (including inherent marine risks, piracy, collisions and accidents), and its income is dependent on its customers being able to make timely payments. By only having one rig in operation, this risk factor is particularly prominent until the second rig is operational.
Risks relating to Contractual and Legislative Frameworks	
Failure to maintain permits	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 class certifications of its units
Complex regulatory framework	The offshore drilling industry in which the Company operates is subject to substantial and complex (including tax and environmental) laws and regulations, which may affect the Company`s operations and financial condition. Due to only having one operational rig, such regulatory change could substantially impact the financial impact of the company. 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. Failure to comply with international anti-corruption legislation could result in fines, criminal penalties, damage to the Group's reputation and drilling contract terminations.

Risk factors (7/8)

Risks relating to Contractual and Legislative Frameworks (continued)	
Litigation risk	The Group may from time to time be subject to litigation, arbitration and other proceedings that could have an adverse effect on the Group.
Environmental and climate risk	The Group is subject to complex environmental laws and regulations that can adversely affect the cost, manner or feasibility of doing business. Offshore drilling in certain areas, including arctic areas, has been curtailed and, in certain cases, prohibited because of concerns over protecting of the environment. Furthermore, climate change and the regulation of greenhouse gasses could have a negative impact on the Group's business.
Terms of commercial contracts	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.
Political risk	The international nature of the Group's operations involves additional risks including foreign government intervention in relevant markets. If the Group's drilling units are located in countries that are or becomes 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. 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.
Tax burden may increase	A change in tax laws in any country in which the Group will operate could result in higher tax expense.
Dividend payments	The payment of any future dividends will depend on the Company's financial condition and results of operations, as well as on the Issuer's operating subsidiaries' distributions to the Issuer. The Company may not pay any dividends in the future.

NORTHERN OCEAN

Risk factors (8/8)

Risks Relating to the Shares	
Lack of liquid market and volatile prices	There can be no assurance that an active and liquid market for the Shares will develop and the price of the Shares may be volatile, especially if the Shares do not become listed on a regulated market. Even if the Shares are listed, the price of the Shares may fluctuate significantly.
Only beneficial interests registered in VPS	Shares of the Company are issued on Bermuda according to Bermuda law. To facilitate trading through the VPS in Norway, interest in shares are recorded in the VPS through a registrar agreement with DNB Bank ASA. There are certain risks connected to the fact that only beneficial interest in the Shares will be registered in the VPS.
Voting may be prohibited	Investors may not be able to exercise their voting rights for Shares registered in a nominee account.
Risk of dilution	Future issuance of shares or other securities could dilute the holdings of existing shareholders and could materially affect the price of the Shares.
Enforcement, selling restrictions and future rights relevant to US investors	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. U.S. or other shareholders may not be able to exercise pre-emptive rights to participate in future rights offers in the Company. Investors may have difficulty enforcing any judgment obtained in the United States against the Company or its directors.
Tax	The Company is incorporated on Bermuda. Other Group companies are incorporated in other jurisdictions. The Group and its shareholders are therefore subject to tax rules and consequences thereof related to Bermuda and other jurisdictions where the Group operates.

NORTHERN OCEAN


WEST BOLLSTA
NORTHERN
OCEAN