

Standard Drilling Company Presentation

June 2012



 STANDARD DRILLING

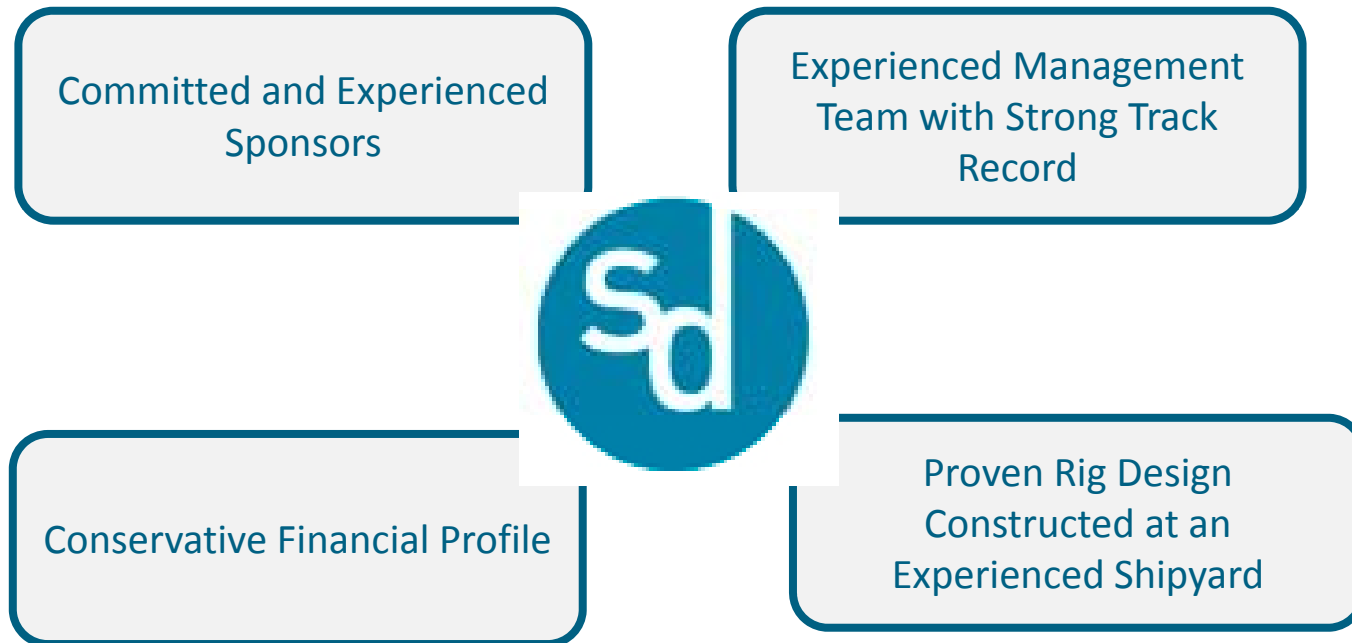
PURPOSE

S.D. Standard Drilling was established for the purpose of creating shareholder value by building a premium oilfield services company through superior assets, systems and people.

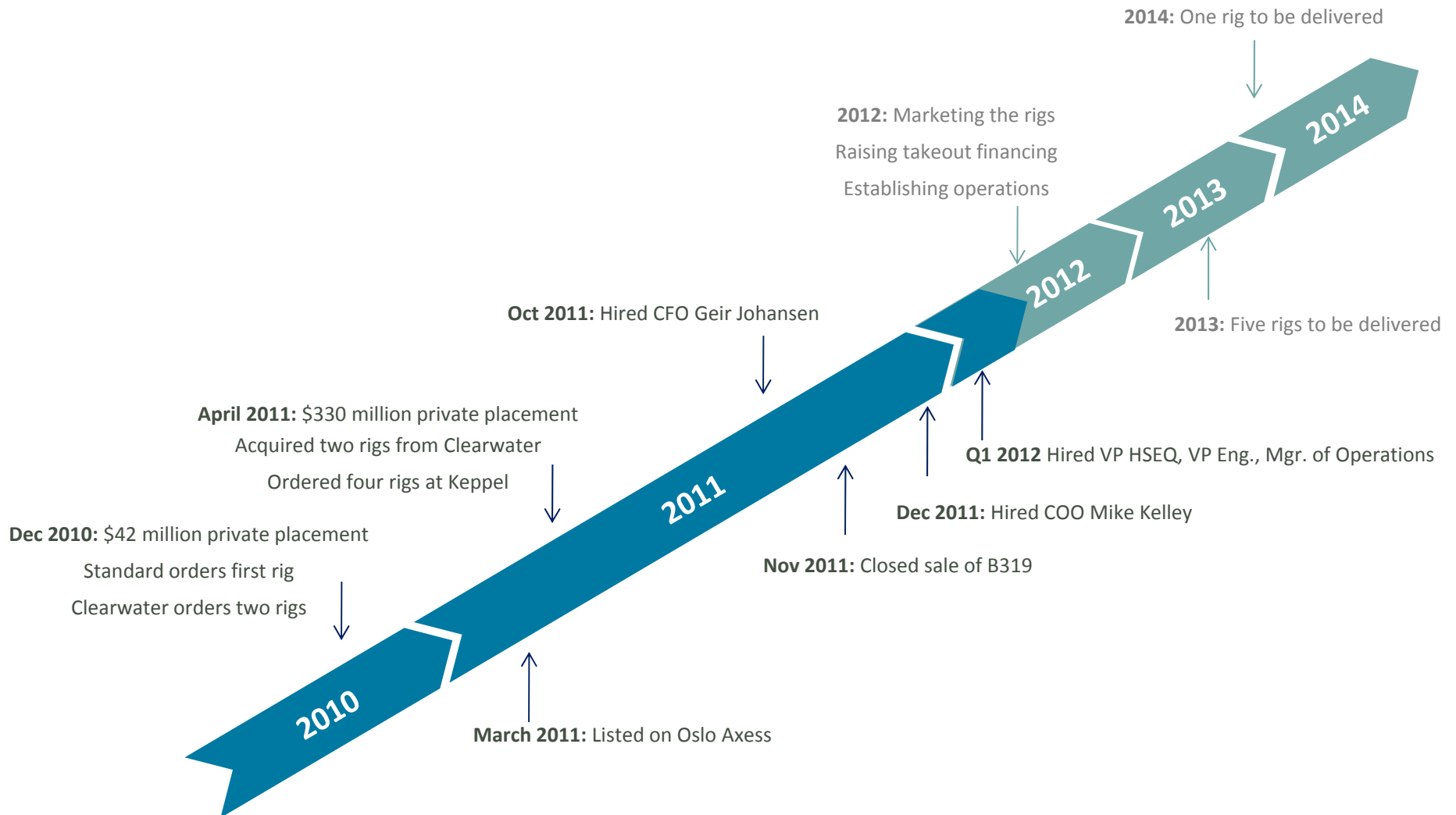
VISION

S.D. Standard Drilling will build a world-class drilling company focused on the safety of its crew, satisfying customers through the delivery of high quality services and creating shareholder value through growth and consolidation globally. The Company will capitalize on the strong market opportunity and demand for premium jack-up rigs due to an ageing worldwide rig fleet that requires replacement and new technologies and environmental features more desirable in the current regulatory environment. The Company is run with a financially conservative profile.

Standard Drilling Strengths



Company Timeline



Proven Rig Design Constructed at an Experienced Shipyard

- **Proven Rig Design Accepted Across the Industry**
 - The KFELS B-Class jackup rig is a first class rig design accepted by all major E&P companies
 - 24 Mod V B Class jackup units built by Keppel in Singapore since 2006
 - State-of-the-art equipment including National Oilwell Varco Drilling Package and Cameron B.O.P.
- **Experienced Shipyard Ensures On-Time and On-Budget Delivery**
 - Established in 1967, Keppel FELS is the global leader in rig design, construction and repair, ship repair and conversion and specialized shipbuilding
 - The world's leading jackup construction yard with an excellent track record, having built over 40% of the world's jackups in the last 10 years

Negligable Newbuild Risk!

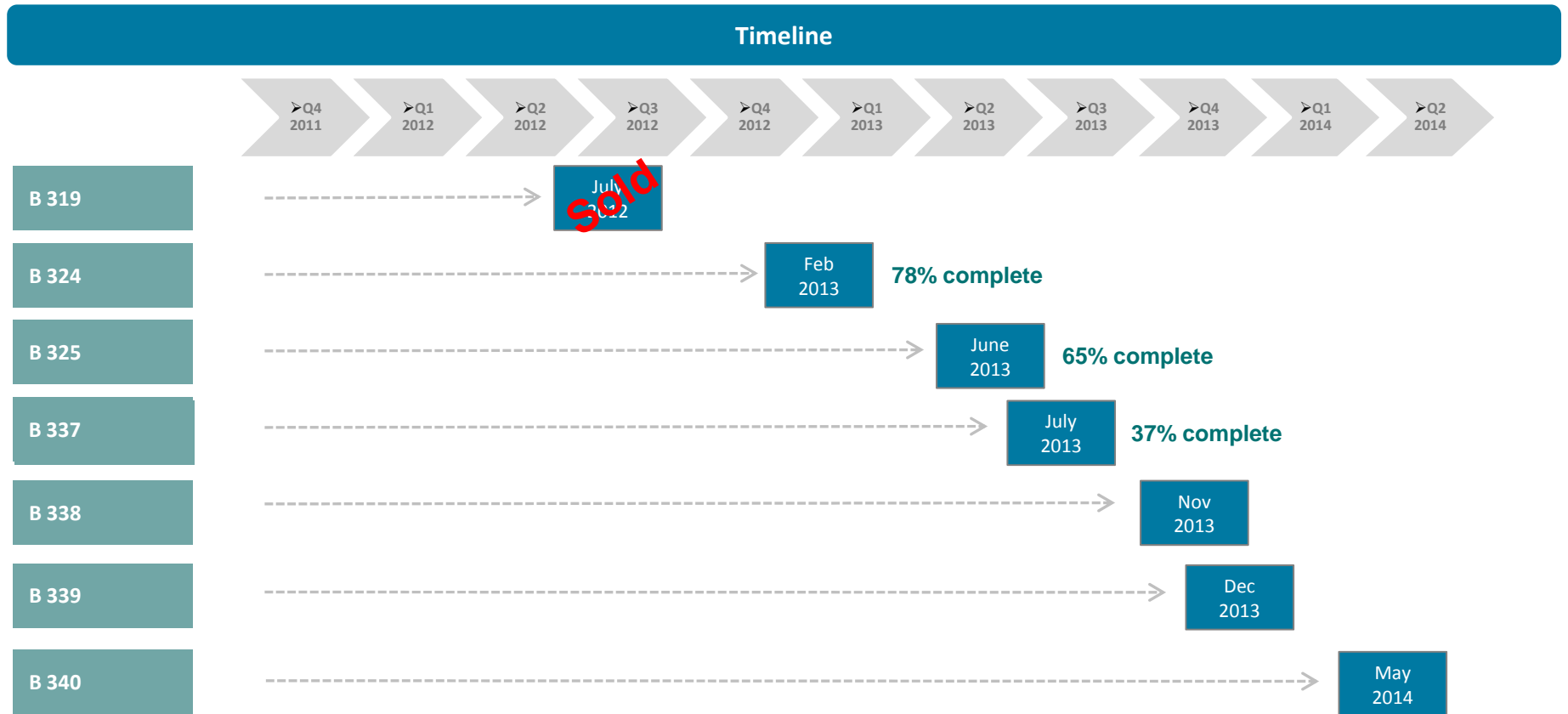
KFELS mod V B-class

	B324 and B325	B337, B338, B339 and B340
Yard	Keppel FELS	Keppel FELS
Design	KFELS Class B	KFELS Class B
Operating water depth	400 ft	400 ft
Drilling depths	30,000 ft	30,000 ft
Hull size (l x b)	234 x 208	234 x 208
Leg length	517	517
Cantilever outreach	70 ft	70 ft
Transverse cantilever reach	15 ft	15 ft
Load capacity at center / 70 ft	1,640 kips	1,640 kips
Load capacity at 15 ft transverse offset / 70 ft extension	670 kips	670 kips
BOP Stack	15,000 psi	15,000 psi
HPHT capabilities	Yes	Yes
Mud Pumps	3 x 2,200 bhp	3 x 2,200 bhp
Liquid mud capacity	4,000 bbls	3,500 bbls
Bulk capacity	11,100 cbft	11,100 cbft
Drawworks	3,000 bhp	3,000 bhp
Top Drive-Rating	1,500 kips (1,150 Hp)	1,500 kips (1,150 Hp)
Mech Pipehall / Offline Standbld	Yes with Offline stand building capability	Yes with Offline stand building capability
Main power	10,750 bhp (5 x 2150 kVA)	10,750 bhp (5 x 2150 kVA)
Accommodation	150	120

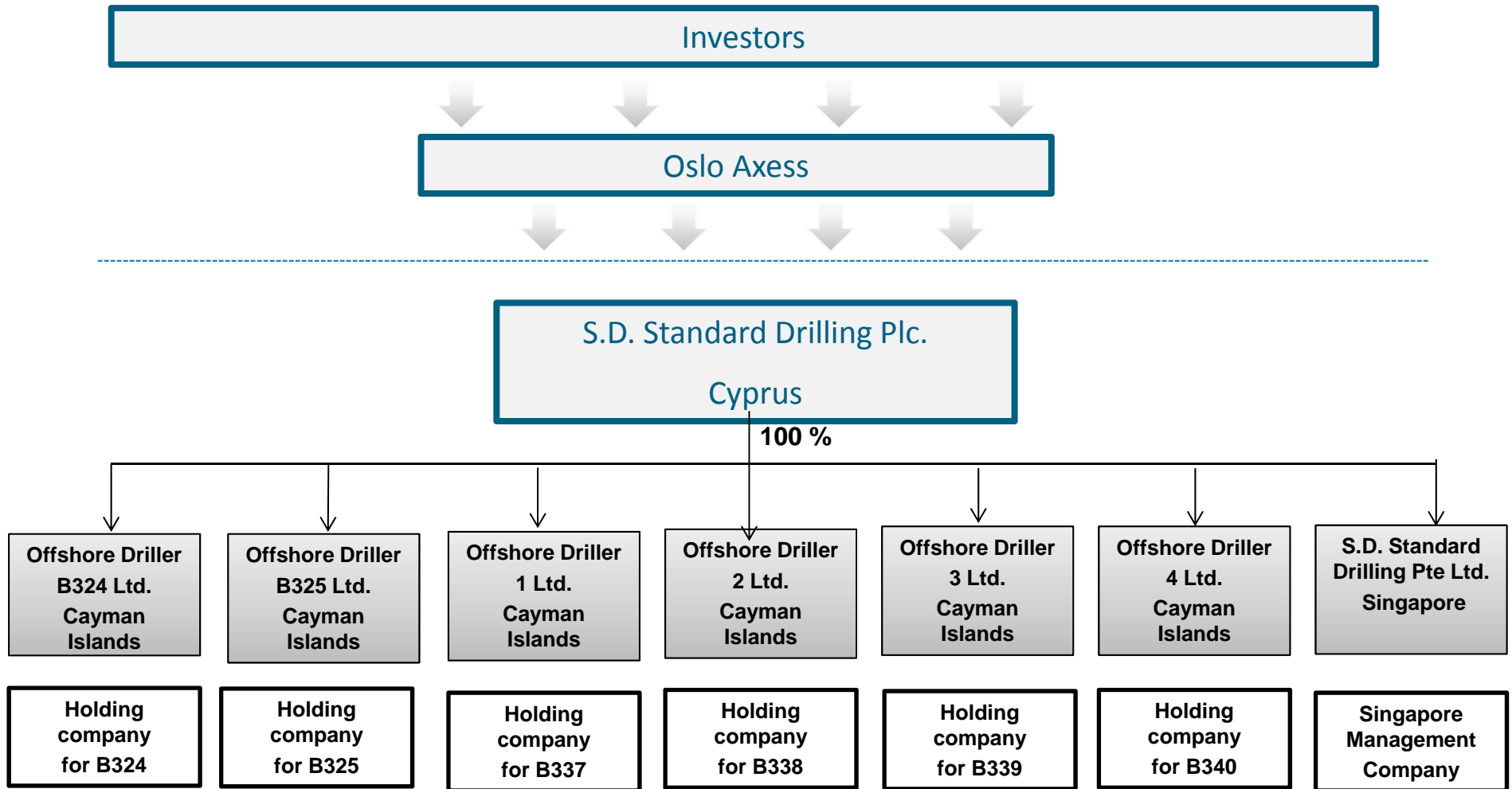
	Water depth 400 ft	Water depth 350 ft	Water depth 300 ft
Variable load (kips)	5,000	5,000	5,000
Leg length (ft)	517	517	517
Max wave height (ft)	39	49	55
Corresponding wave period (sec)	14	14	15
Max wind velocity (knot)	100	100	100
Current (knot)	1	1	10
Air gap (ft)	34	40	52
Penetration (ft)	15	15	15

Superior Delivery Schedule

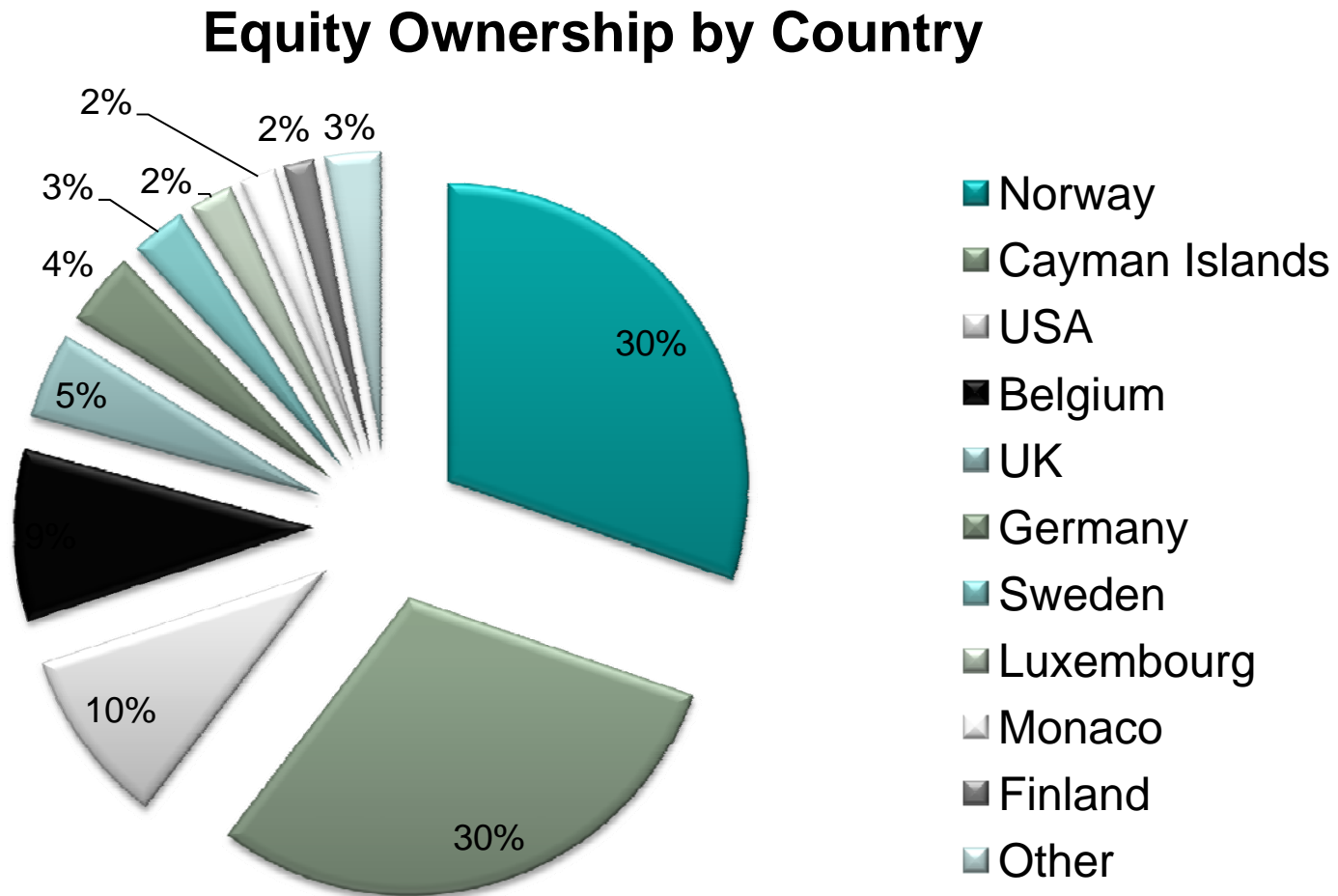
- First remaining rig delivery in February 2013
- Uniform rig design reduces project cost and creates efficiency in post delivery operations



S.D. Standard Drilling PLC. Group – Legal Structure



Equity Ownership by Country



Committed and Experienced Sponsors



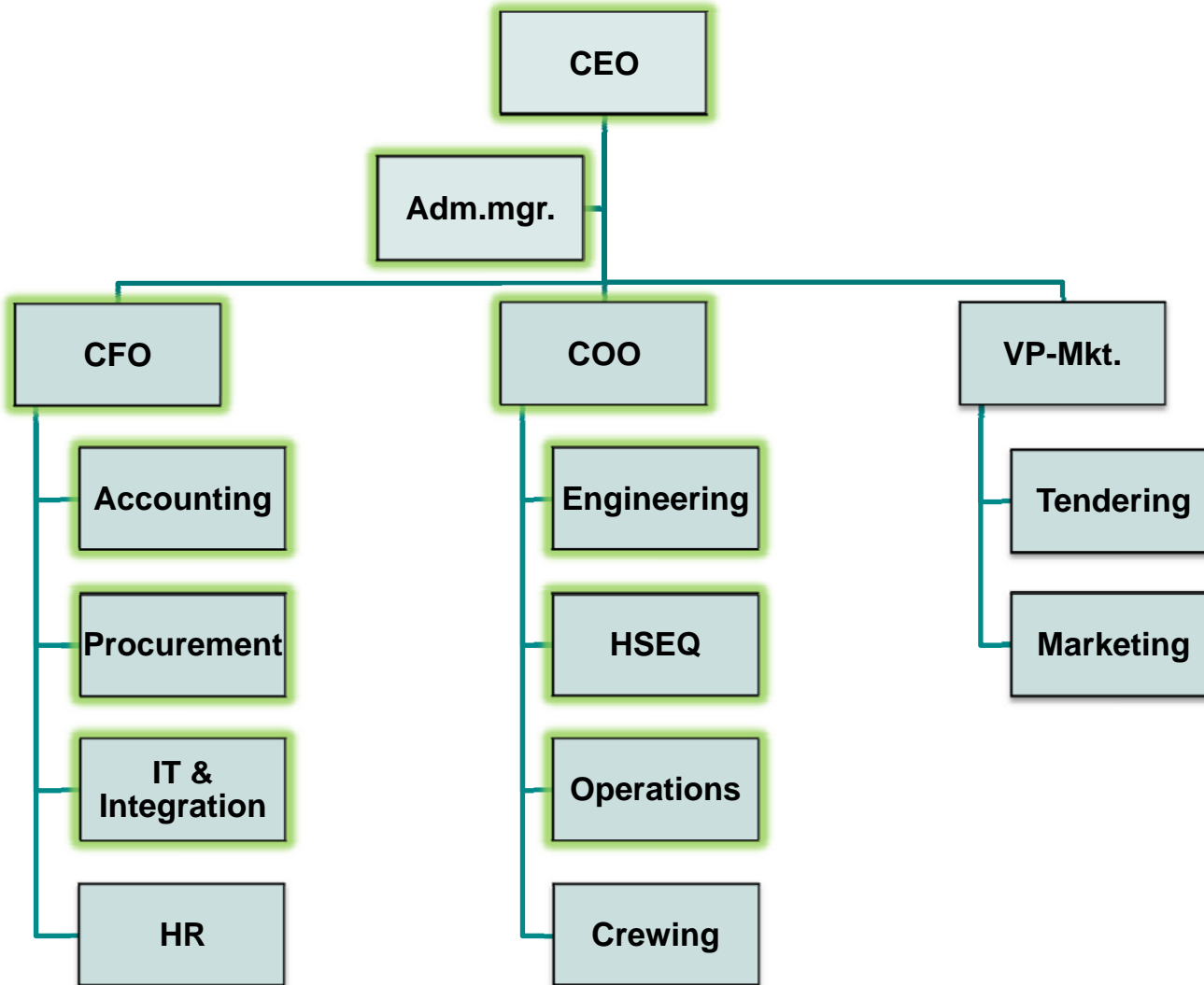
- Asian focused private equity firm with solid track record
- Actively involved in portfolio companies, assisting companies in improving performance, capital structure and corporate governance



- Norwegian investment firm with substantial experience in the offshore drilling sector
- Successfully invested in 16 rig projects including Songa Offshore, Standard Drilling ASA and Offshore Rig Services

Equity Ownership	Percentage
Clearwater	29.9%
QVT	10.5%
Ferncliff	8.5%
Goldman	6.4%
Others	44.7%

Standard Drilling – Corporate Structure



Management Team

CEO
Martin Nes

- Martin Nes has more than 15 years of experience within the maritime and offshore industry. He has a law degree from University of Oslo, Norway and also holds a Master of laws' degree from University of Southampton, England. He started his career as a lawyer with the shipping law firm Evensen & Co and worked several years for the international law firm Wikborg Rein, before joining Ferncliff TIH AS where he has been serving as Chief Executive Officer.

CFO
Geir Johansen

- Geir Johansen has more than 20 years of experience within the maritime and oil and gas industry across Asia, the Americas and Europe. Previously he served as CFO for DOF Subsea Group, a unit of DOF ASA, a company which owns and operates a fleet of offshore/subsea vessels and provides engineering services. Prior to DOF, he was at Det Norske Veritas (DNV) Maritime, last serving as Global Financial Director.

Financial
Controller
Tatiana Dolobko

Tatiana Dolobko brings to the role a broad range of experience in almost every phase of the oil and gas business. Her background includes public accounting (Ernst & Young), oil and gas construction (Metall Co. Ltd) and sub-sea construction works for the oil and gas industry (Acergy Services Limited). Most recently she has worked as project controller and senior accountant for DOF Subsea Pte. Ltd. Ms. Dolobko holds a university degree in accounting and audit from Khabarovsk State Academy of Economics and Law.

Management Team

COO
Mike Kelley

- Prior to joining our Company, Mr Kelley have for the past four years been an **independent consultant** providing expert advice and counsel on proprietary initiatives, large-scale collaborative projects and organizational development for major independent and state-owned oil and gas companies. From 2004 to 2007 he was **Vice President, Operations at TODCO** (NYSE: THE), a leading provider of contract oil and gas drilling services with a fleet of offshore, barge and land rigs. While **overseeing a crew of 3,000 and a fleet of 61 rigs**, TODCO's safety and fleet performance record improved dramatically under Mr. Kelley's stewardship. Mr. Kelley and his team were responsible for bringing 13 rigs out of the shipyard and into operations while doubling the total number of working vessels and employees at the company. TODCO merged with Hercules Offshore, Inc. in 2007. From 1999 to 2004 Mr. Kelley was **Operations Manager with ENSCO International Inc.**, a global offshore contract drilling company. In this role he was responsible for the leadership and safe operation of 12 offshore drilling rigs. Prior to that, Mr. Kelley was with **R&B Falcon Corporation**, a worldwide provider of contract oil and gas drilling services. During the course of his 17 year tenure he held positions of increasing responsibility and completed assignments in India, Brunei, Tunisia, Egypt, Italy, Angola and the U.S. Gulf of Mexico.
- Mr. Kelley holds a bachelor degree in Business Administration from the University of Texas at Austin and a master of business administration degree from the University of Phoenix.

Management Team

VP Engineering

Ron
Cunningham

- Mr. Cunningham has **over 35 years of industry experience** from around the world. Prior to joining Standard Drilling, Mr. Cunningham served as **Vice President Engineering at Hercules Offshore, Inc.**, owner of one of the largest shallow water jackup rig drilling fleets in the world. Mr. Cunningham has significant experience from numerous senior engineering roles and has, through his career, been building and overseeing technical teams while developing technical programs to ensure asset reliability, employee safety and environmental protection. He also has extensive project management skills and a background in the design, construction and maintenance of a variety of marine vessels. As Vice President Engineering at Hercules Offshore, Inc. he served and supported an ambitious push into foreign markets - that required technical rig upgrades stipulated by customers - for international contracts in Malaysia, India, West Africa and the Middle East. In addition to Hercules, Mr. Cunningham has worked at **TODCO**, a leading provider of contract oil and gas drilling services with a fleet of offshore, barge and land rigs, **Diamond Offshore Drilling, Inc.**, **Arethusa Offshore Company** and **Sedco Forex**. Mr. Cunningham began his career as a hull designer in Newport News, Va. and later as an engineer at different shipyards that are now part of Northrop Grumman Shipbuilding.

Mr. Cunningham holds a Bachelor's degree in Ocean Engineering from Florida Atlantic University and numerous technical certifications related to his field of expertise. Mr. Cunningham is a U.S. Army Vietnam veteran.

Management Team

VP HSE&Q

Peter V. Bridle

- Mr. Bridle has almost **25 years of experience** working in the exploration and production industry and brings extensive experience developing safety cultures and achieving world class safety performance by building engaged and motivated workforces. From 2007 to 2012, Mr. Bridle was **HSE Director at Noble Drilling**, an offshore drilling contractor with a fleet of 68 offshore drilling units. From 2005 to 2007 he was **Vice President HSE at TODCO** (The Offshore Drilling Company), a leading provider of contract oil and gas drilling services with a fleet of offshore, barge and land rigs. Prior to that, Mr. Bridle was **HSE Director at ENSCO** International from 1998 to 2004 and **Senior Safety Engineer at Shell** International Exploration and Production from 1994 to 1998. A results-driven executive, Mr. Bridle helped Noble, TODCO and ENSCO collectively win five coveted Safety Awards for Excellence (SAFE) issued by the Bureau of Ocean Energy Management, Regulation and Enforcement (formerly the Mineral Management Service (MMS)) on behalf of U.S. Department of the Interior. The SAFE program recognizes exemplary performance and safe operations of Outer Continental Shelf oil and gas operators and contractors. Mr. Bridle began his career in 1988 as **HSE Adviser and Field Engineer at Halliburton** Geophysical Services and Schlumberger.
- Mr. Bridle holds a bachelor's degree in Engineering Technology from DeMonfort University (United Kingdom) and a Higher National Diploma in Electrical and Electronic Engineering from Leicester Polytechnic, United Kingdom.

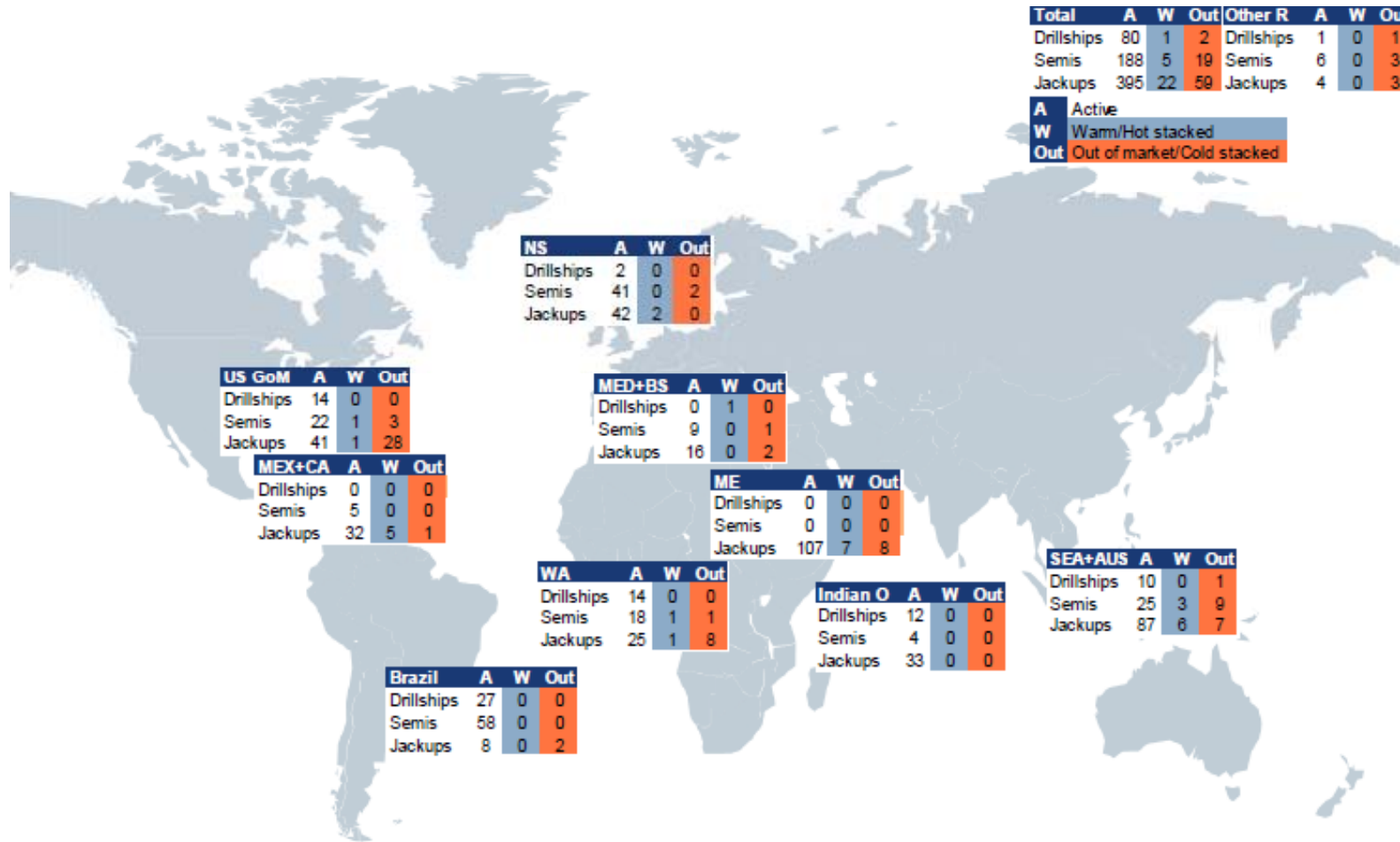
Management Team

Manager
Of
Operations

Johnathan
Roberts

- Mr. Roberts has more than **25 years** of experience working in drilling rig operations, construction and quality assurance and has overseen multinational workforces on projects worldwide. Prior to his appointment at Standard, Mr. Roberts was **Senior Operations Manager with Axon Energy Products**, a startup company that provided new hire and staff supervision of technical and commercial functions, including engineering, technical support, logistics, contract administration and marketing. From 2007 to 2010 Mr. Roberts was Gulf of Mexico **Rig Manager for Hercules Offshore** Company. In this role he measurably improved operations that reduced downtime and increased rig reliability through enhanced maintenance and procurement processes and procedures. From 2006 to 2007 Mr. Roberts was **Senior Project Manager at TODCO** (The Offshore Drilling Company), a leading provider of contract oil and gas drilling services with a fleet of offshore, barge and land rigs. From 2000 to 2006, Mr. Roberts was project coordinator for **ENSCO International**, a global provider of offshore drilling services. Mr. Roberts began his career at Accurate Industries (WasteQuip) as Assistant Plant/Rig Operator and held a number of positions of increasing responsibility including his last assignment as Senior Operations Manager.

The International Jack-up Market

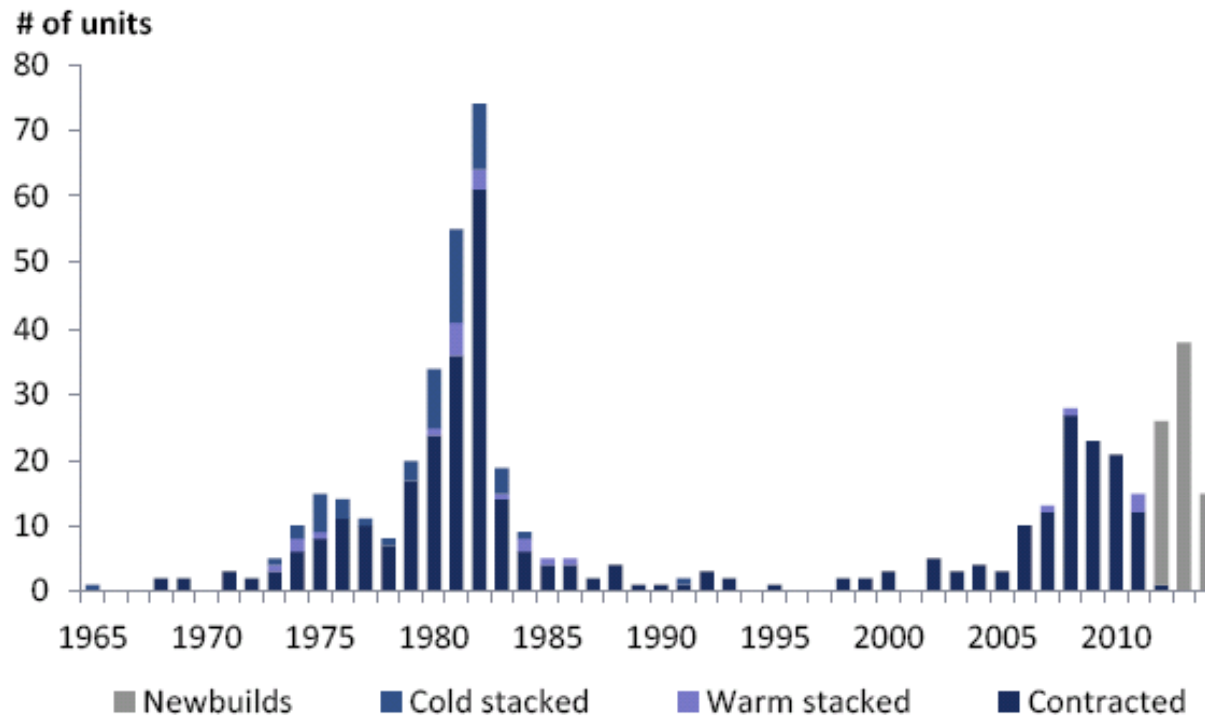


*Excludes rigs under construction

Source: FearnleyFonds , ODS-Petrodata

Age Development Global Jackup Fleet

- 55% of the fleet is above 30 years old and close to the end of the useful life of the equipment
- Near 20 year period where few jackups were constructed
- Increasing pressure post the Macondo accident for new, premium equipment
- Demand for newbuilds expected to remain robust due to fleet renewal pressure

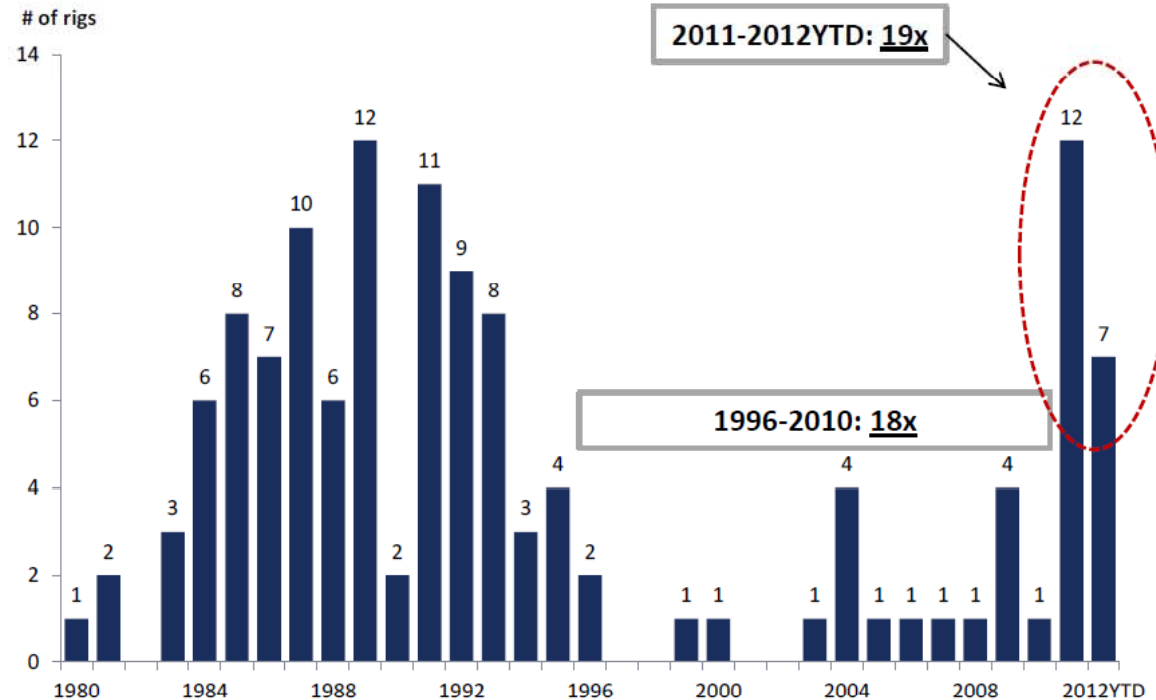


Source; Pareto Research , ODS-Petrodata

Continued removal of jackups from the market

- ▶ This year, 2x Hercules rigs and 1x Arabdrill JU have been sold for scrap
- ▶ Transocean has sold 4 jackups, of which at least 1 is to be converted to a MOPU
- ▶ In May, Diamond followed with another 3x mat rigs, we assume these rigs will not be used as drilling rigs
- ▶ With this, 7 jackups have been removed from the market in 2012
- ▶ **19 rigs have thus been removed in 2011-2012YTD, which is more than over the 15 preceding years...**

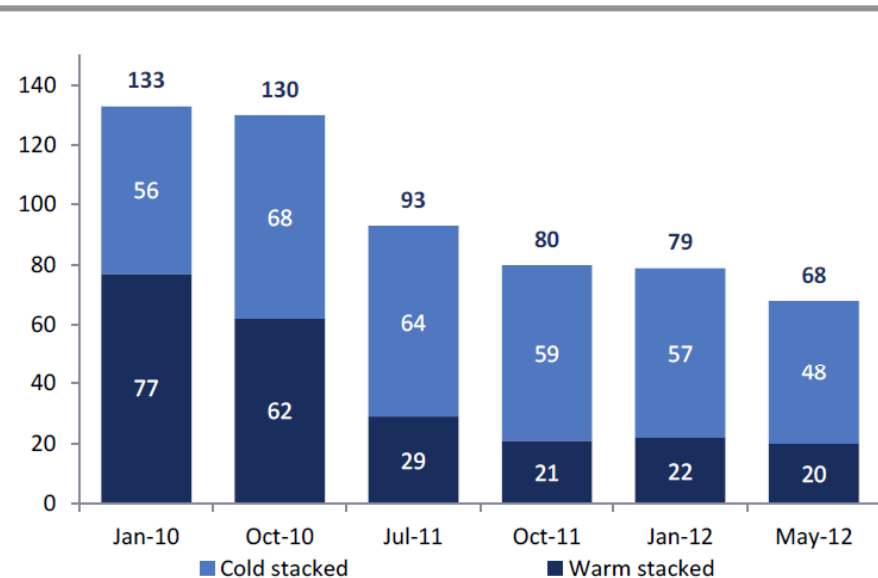
Jackups removed from the market (excl. accidents) per year 1980-2012YTD



Continued removal of jackups from the market

- Over the past 6 months, the number of cold stacked rigs have gone from 59 to 48.
- 11x units have been scrapped/converted
- The number of reactivations has been the same as the number of rigs put into cold stacked mode (2x).
- Meanwhile, the number of warm stacked is stable around 20 units, down from 60-70 in 2010.

Number of stacked jackups rigs



20 less cold stacked units past 18 months

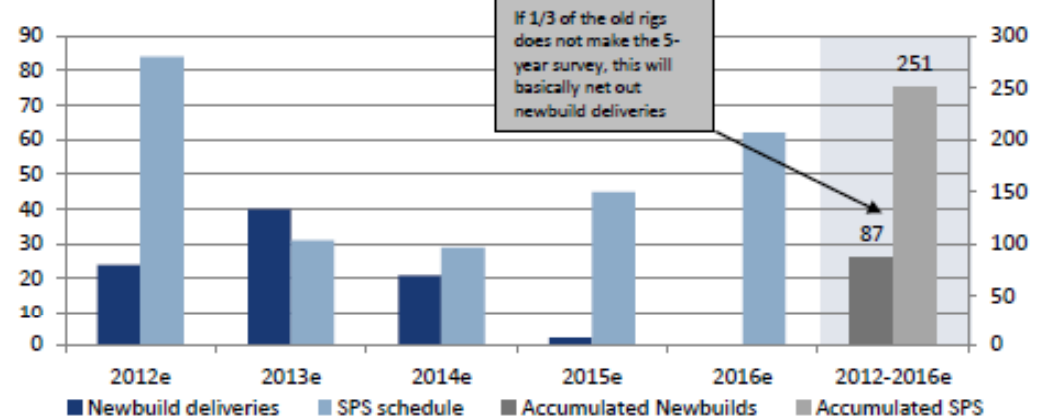
19 of these scrapped/removed meaning that net reactivations is +1!

Cold stacked units don't come back to the market

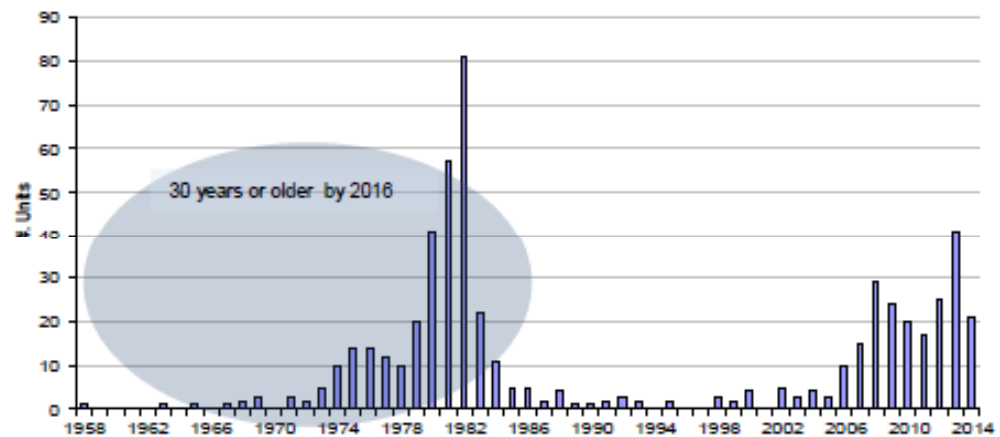
Jack-ups hitting the SPS wall

- Scrapping time, but when?
 - Jackups will be retired due to age and inefficiency, the saying goes
 - True, but not in strengthening/strong markets like today.
 - Crux will rather be the mandatory 5 year survey due to potential significant capex requirement to stay in class for older rigs
- Potential retirements matches newbuilds
 - 251 old units scheduled for SPS the next 5 years including current, based on year-built (*excl. cold stacked units*)
 - 87 newbuilds are scheduled for delivery in same period
 - A lot of the old units have been upgraded. However assuming 1/3 of the old fleet hits the SPS-capex wall, this implies that 84 units will be retired/cold stacked
- We have only included units being 30 years old or older in the SPS overview as we assume 30 years as normal "rig life"

Newbuild deliveries vs. SPS scheduled for old units

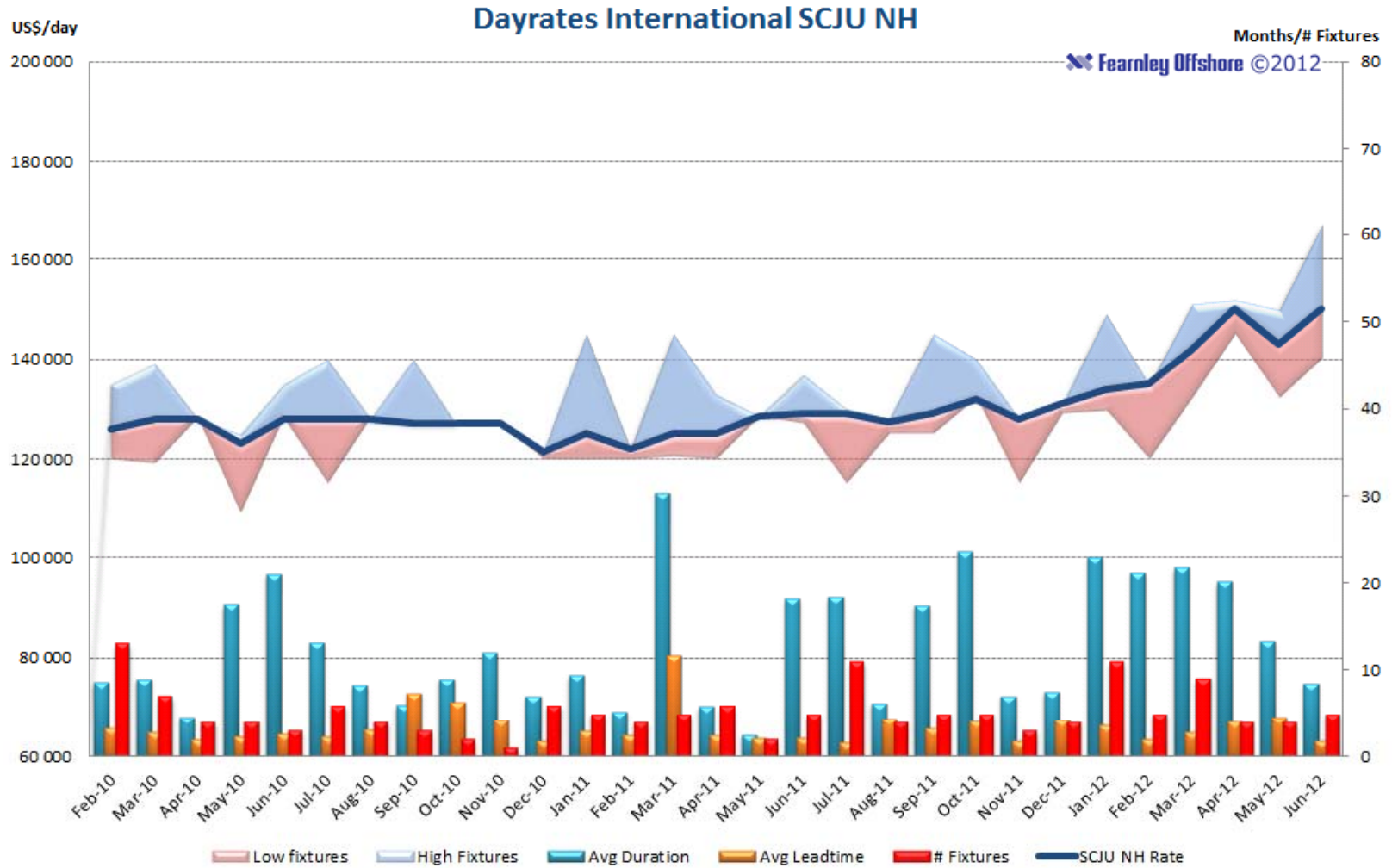


JU newbuilding phase



Source: FF, ODS-Petrodata

Dayrates and Contract Duration is Increasing



Strong Earnings Potential

■ Premium Jackup Dayrates

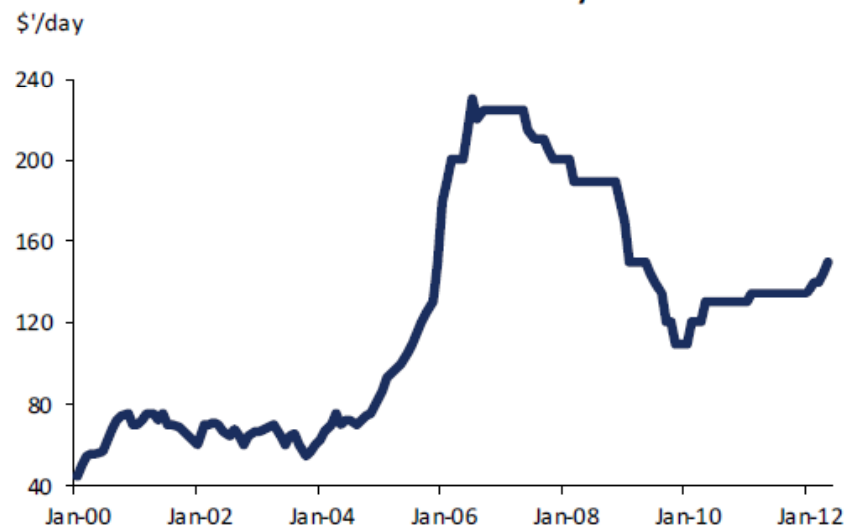
- Rates peaked at \$225k/day in 2006 and stayed above \$200k/day until the fall of 2008
- Contract awards in 2009 were between \$100-130k/day
- Several recent contract awards in the \$150 - \$160k/day range
- Pareto 2012 estimate of \$160k/day

■ Strong Potential Earning Capacity

- Significant earnings potential when company is in full operation
- Market strength extending contract duration

Premium Jackup Dayrates

IC JU's > 300 feet < 10 yrs



Strong Potential Earnings Capacity

Day Rates	120,000	140,000	160,000	180,000	200,000	220,000
6 Rig Potential EBITDA	108.3	149.9	191.4	233.1	274.7	316.3
Implied EV/EBITDA	11.3x	8.2x	6.4x	5.3x	4.5x	3.9x
Implied Net Debt/EBITDA	8.0x	5.8x	4.5x	3.7x	3.2x	2.7x

Assuming total debt equal to total outstanding liabilities including yard payments, spares and crew mobilization. Assuming 6 rigs in operations.

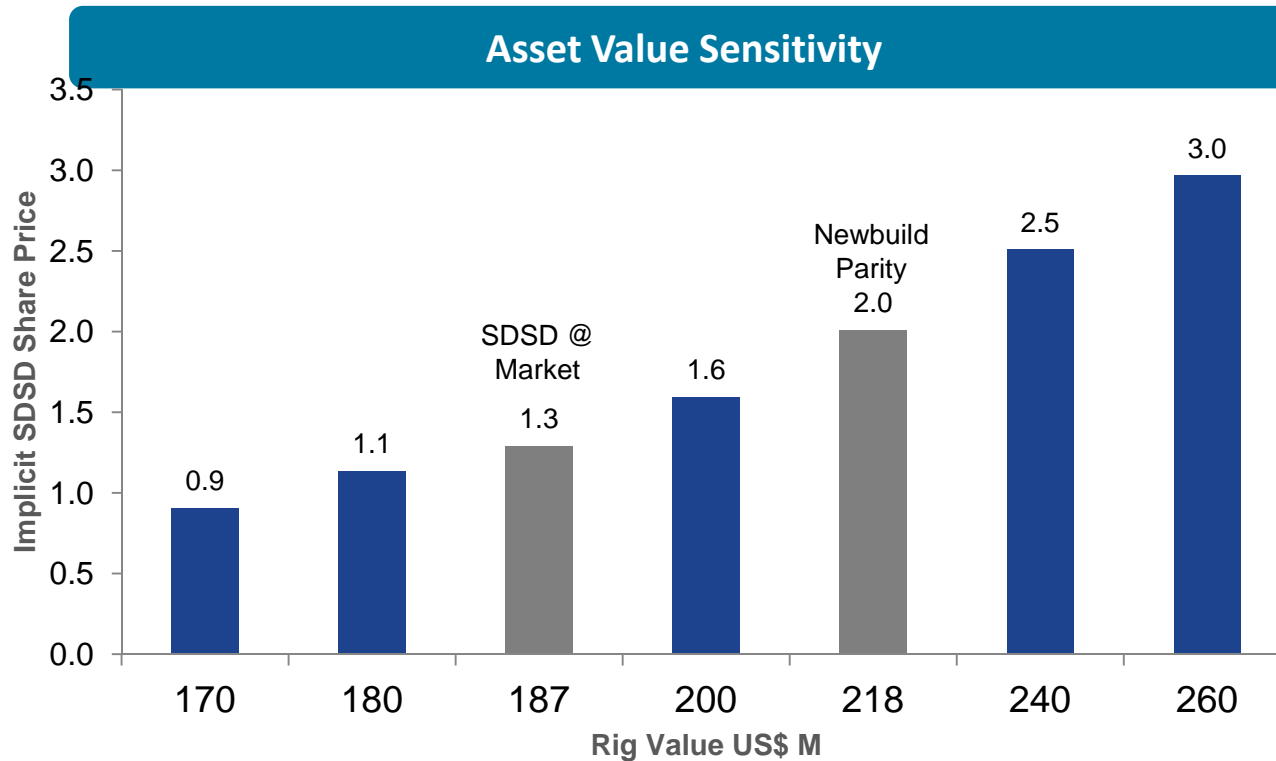
Valuation – Implied Value Per Rig

USD per Share as of 6/11/2012	USD	\$1.29
Market Cap as of 6/11/2012		\$338
Plus: Outstanding Payments to Keppel		\$903
Less: Cash estimates as of end Q1 2012		\$119
EV		\$1,122
EV/Rig		\$187.0
Current Newbuild Price*		\$205.0
Newbuild Parity**		\$218.0

* Broker estimates

** Newbuild parity calculated based on a yard price of \$205mm, \$13 mm for early delivery assuming on average 13 months earlier delivery of SDSD rigs vs 4Q14 on a new quote.

Significant Equity Upside Potential



* Newbuild parity calculated based on a yard price of \$200mm, \$10.3mm for early delivery assuming on average 9.8 months earlier delivery of SDDS rigs vs 2Q14 on a new quote, and \$9.0mm value to 20/80 payment terms vs 20/20/60 assuming a 12% cost of equity

Disclaimer

- This Presentation has been produced by S.D. Standard Drilling Plc (the "Company" or "Standard Drilling") solely for use at the presentation to investors and other stake holders and may not be reproduced or redistributed, in whole or in part, to any other person. This presentation is strictly confidential, has not been reviewed or registered with any public authority or stock exchange, and may not be reproduced or redistributed, in whole or in part, to any other person. To the best of the knowledge of the Company and its board of directors, the information contained in this Presentation is in all material respect in accordance with the facts as of the date hereof, and contains no material omissions likely to affect its importance. However, no representation or warranty (express or implied) is made as to, and no reliance should be placed on, any information, including projections, estimates, targets and opinions, contained herein, and no liability whatsoever is accepted as to any errors, omissions or misstatements contained herein, and, accordingly, neither the Company nor any of its parent or subsidiary companies or any such person's officers or employees accepts any liability whatsoever arising directly or indirectly from the use of this Presentation. This Presentation contains information obtained from third parties. Such information has been accurately reproduced and, as far as the Company is aware and able to ascertain from the information published by that third party, no facts have been omitted that would render the reproduced information to be inaccurate or misleading.
- The managers make no undertaking, representation or warranty, express or implied, to the applicant regarding the accuracy or completeness of the information described herein. The managers expressly disclaim any liability whatsoever towards the applicant in connection with the matters described herein.
- This Presentation contains certain forward-looking statements relating to the business, financial performance and results of the Company and/or the industry in which it operates. 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. None of the Company or any of its parent or subsidiary undertakings or any such person's officers or employees provides any assurance that the assumptions underlying such forward-looking statements are free from errors nor does any of them accept any responsibility for the future accuracy of the opinions expressed in this Presentation or the actual occurrence of the forecasted developments. The Company assumes no obligation, except as required by law, to update any forward-looking statements or to conform these forward-looking statements to our actual results.
- AN INVESTMENT IN THE COMPANY INVOLVES RISK, AND SEVERAL FACTORS COULD CAUSE THE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS OF THE COMPANY TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS THAT MAY BE EXPRESSED OR IMPLIED BY STATEMENTS AND INFORMATION IN THIS PRESENTATION, INCLUDING, AMONG OTHERS, RISKS OR UNCERTAINTIES ASSOCIATED WITH THE COMPANY'S BUSINESS, SEGMENTS, DEVELOPMENT, GROWTH MANAGEMENT, FINANCING, MARKET ACCEPTANCE AND RELATIONS WITH CUSTOMERS, AND, MORE GENERALLY, GENERAL ECONOMIC AND BUSINESS CONDITIONS, CHANGES IN DOMESTIC AND FOREIGN LAWS AND REGULATIONS, TAXES, CHANGES IN COMPETITION AND PRICING ENVIRONMENTS, FLUCTUATIONS IN CURRENCY EXCHANGE RATES AND INTEREST RATES AND OTHER FACTORS.
- SHOULD ONE OR MORE OF THESE RISKS OR UNCERTAINTIES MATERIALISE, OR SHOULD UNDERLYING ASSUMPTIONS PROVE INCORRECT, ACTUAL RESULTS MAY VARY MATERIALLY FROM THOSE DESCRIBED IN THIS PRESENTATION. THE COMPANY DOES NOT INTEND, AND DOES NOT ASSUME ANY OBLIGATION, TO UPDATE OR CORRECT THE INFORMATION INCLUDED IN THIS PRESENTATION.
- By attending or receiving this Presentation you acknowledge that you will be solely responsible for your own assessment of the market and the market position of the Company and that you will conduct your own analysis and be solely responsible for forming your own view of the potential future performance of the Company's business. This Presentation does not constitute an offer to sell or a solicitation of an offer to buy any securities in any jurisdiction to any person to whom it is unlawful to make such an offer or solicitation in such jurisdiction.
- This Presentation is confidential and is being communicated in the United Kingdom to persons who have professional experience, knowledge and expertise in matters relating to investments and are "investment professionals" for the purposes of article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 and only in circumstances where, in accordance with section 86(1) of the Financial and Services Markets Act 2000 ("FSMA") the requirement to provide an approved prospectus in accordance with the requirement under section 85 FSMA does not apply. Consequently, the Investor understands that the Private Placement may be offered only to "qualified investors" for the purposes of sections 86(1) and 86(7) FSMA, or to limited numbers of UK investors, or only where minima are placed on the consideration or denomination of securities that can be made available (all such persons being referred to as "relevant persons"). This presentation is only directed at qualified investors and investment professionals and other persons should not rely on or act upon this presentation or any of its contents. Any investment or investment activity to which this communication relates is only available to and will only be engaged in with investment professionals. This Presentation (or any part of it) is not to be reproduced, distributed, passed on, or the contents otherwise divulged, directly or indirectly, to any other person (excluding an investment professional's advisers) without the prior written consent of the Company.
- IN RELATION TO THE UNITED STATES AND U.S. PERSONS, THIS PRESENTATION IS STRICTLY CONFIDENTIAL AND IS BEING FURNISHED SOLELY IN RELIANCE ON APPLICABLE EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (the "U.S. Securities Act"). THE SHARES HAVE NOT AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OR ANY STATE SECURITIES LAWS, AND MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES, OR TO OR FOR THE ACCOUNT OR BENEFIT OF U.S. PERSONS, UNLESS AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT IS AVAILABLE. ACCORDINGLY, ANY OFFER OR SALE OF 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 QUALIFIED INSTITUTIONAL BUYERS ("QIBs") (as defined in rule 144A under the U.S. Securities Act) IN EQUITY ISSUES 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. ANY PURCHASER OF SHARES IN THE UNITED STATES, OR TO OR FOR THE ACCOUNT OF U.S. PERSONS, WILL BE DEEMED TO HAVE MADE CERTAIN REPRESENTATIONS AND ACKNOWLEDGEMENTS, INCLUDING WITHOUT LIMITATION THAT THE PURCHASER IS A QIB.
- This Presentation speaks as of 03 May 2012. 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 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 district court as exclusive venue.

APPENDIX

Sponsors: Ferncliff

Ferncliff

- Ferncliff was established in 1995 as Tycoon Industrier AS, which was a pure trading company at the start
- Ferncliff has three business areas: Direct Active Investments, Ferncliff Finance and Ferncliff Property

Investor Group

Øystein Stray Spetalen

- Renowned Norwegian investor with extensive successful investment track-record
- Detailed description of relevant track-record of Øystein on the next slide

Glen Ole Rødland

- Co-investor of Øystein Stray Spetalen in several projects/companies and employed at Ferncliff
- He is a director of the board of several companies, including Strata Marine & Offshore AS, Skeie Capital Investment AS and Spectrum ASA (chairman of the board)

Gunnar Hvammen

- Gunnar Hvammen was a rig broker in PF Bassøe/Loosbrock and Normarine Offshore Consultants, which he helped to found. Founder of Offshore Heavy Transport ASA. Senior partner in Fondsfinans ASA. Thereafter founder of several oil services related companies, including Songa Offshore.

A Selection of Ferncliff Case Studies

Standard Drilling ASA

- Founded in 2006 by Spetalen under the name Standard Drilling
- Standard Drilling originally contracted 4 jack-up rigs at Labroy at total contract value of USDm 600
- Rig #2 and #4 were sold to Saipem in 2008 at USDm 200 average
- Rig #1 and #3 were sold to UMW with final settlement in December 2009 at USDm 170 average (UMW acquired a 51 % stake in the two rigs in 2007/2008)

Songa Offshore

- Spetalen was a founder with a 37.5 % stake in the acquisition of 2 semi-submersible rigs (Songa Venus and Songa Mercur) in 2004 from the Mexican company IPC



Ferncliff Drilling

- Founded by Spetalen in 2006
- Ferncliff Drilling ordered a USDm 540 deepwater drillship (+ 1 option) at the Samsung yard in South Korea
- The company was sold to the Ofer Group two months later valuing Ferncliff Drilling at NOKm 800.



Global Geo Services

- Ferncliff participated in the refinancing of GGS in 2007
- GGS acquired 3 tender rigs from Pride International at USDm 215 early 2008
- GGS was split into two listed companies June 2008
 - Spectrum (Seismic)
 - Global Tender Barges (Tender barges + Iran Seismic)
- GTB sold the 3 tender rigs at USDm 245 in 2009

Offshore Rig Services

- Spetalen invested NOKm 67 in the start-up phase of OFFRIG in 2005
- OFFRIG had 2 semi-submersible rigs under order + 2 options at Yantai Raffles Shipyard in China
- Spetalen had an active position in the company board
- OFFRIG was sold to Awilco Offshore in 2006 with a significant return on investment to initial shareholders



Noble Denton

- Acquired in 2006
- Ferncliff had a 42 % stake at time of sale in 2009
- 2007: Indec, PMC and Lowe Offshore acquired
- 2008: SEAS and Brevik Engineering acquired
- Noble Denton was sold to Germanischer Lloyds AG for USDm 178



Sponsors: Clearwater Capital Partners

Clearwater Capital Partners

- Clearwater Capital Partners (“Clearwater”) is an Asia-dedicated credit and special situations firm founded in 2001 and has invested over \$3 billion since inception
- Clearwater comprises a 70-person team of experienced analysts, turnaround and asset management experts located across 6 offices in Hong Kong, Singapore, Beijing, Seoul, Mumbai and New York
- Clearwater invests opportunistically across the capital structure helping to finance businesses in difficulty, build or acquire capacity
- Clearwater possesses extensive industry knowledge across numerous sectors and geographies, has deep expertise in balance sheet recapitalization and financial restructurings, and helps build businesses for the next phase of growth
- A global platform gives Clearwater the ability to execute transactions in local languages, laws and currencies
- Clearwater has invested in over 250 transactions and has been actively involved in more than 50 companies including turnaround positions, board seats, and appointment of management teams to fully-controlled transactions

Founding Partners

Robert Petty, Managing Partner and Co-Founder

- Robert Petty’s principal responsibilities encompass portfolio management, origination and overall management of the firm
- Mr. Petty has focused on investing in Asia-dedicated special situations and credit investments over his nearly 30-year career
- His previous experience includes senior positions at Amroc Investments LLC, Peregrine Fixed Income Ltd. and thirteen years with Lehman Brothers Holdings, Inc.

Amit Gupta, Partner and Co-Founder

- Amit Gupta’s principal responsibilities include research, due diligence, analysis and valuation
- Throughout his nearly 20-year career, Mr. Gupta has been on the forefront of credit analysis and deal execution in Asia
- Prior to Clearwater, Mr. Gupta garnered experience at Goldman Sachs (Asia) LLC, Peregrine Fixed Income Ltd. and ICICI Ltd.

A Selection of Clearwater Case Studies

Griffin Coal

- Griffin Coal is 1 of 2 coal mining companies in Western Australia with 250mm tons reserves, 1.2bn tons resources and ownership of 2 mine mouth power plants
- Clearwater purchased debt at a deep discount in the asset-rich, overleveraged company
- Clearwater, as the largest creditor, led the restructuring and sale and provided "DIP" financing to keep the company operational
- The mining operations were sold to LANCO, an Indian power company, Power Sale closing is in process



Pacnet

- Pacnet is the owner/operator of the largest undersea cable network in Asia Pacific
- Clearwater and two other funds took control of C2C (an undersea cable company) in the largest debt-to-equity swap in Asian telecom
- The business has since strategically grown through the acquisitions of Asia Netcom and Pacific Internet to create Pacnet
- Clearwater has Board representation and is actively involved in the company
- In October 2010, Pacnet raised a \$300mm bond and remains privately held



AERIX

- Korea-based provider of air pollution control equipment for the steel industry
- Positive market dynamics: greater environmental regulations
- Aggressive expansion into an unrelated business plus bad management behavior forced a stable business into bankruptcy
- The default allowed Clearwater to convert its HY secured loan position into equity and lead the rehabilitation
- Clearwater provided working capital, appointed new management and remains engaged in AERIX's growth and expansion plans



DDI Holdings

- Owner of 8 high specification jack-up rigs built at Keppel FELS and PPL; subsidiary of offshore drilling contractor Aban Offshore
- Clearwater purchased first lien debt at low loan to value in 2009
- Underlying thesis of recovery in oil prices and demand for higher specification vessels
- Overall credit profile has improved as company contracted rigs on long-term contracts
- Fully exited position in 2011 through pay-downs and market sales



Jamna Auto

- India's largest commercial truck springs manufacturer with a 60% OEM market share
- Clearwater provided turnaround financing, enabling a recap and infusion of additional working capital
- Clearwater is actively involved with 2 Board seats and negative controls and has enhanced corporate governance and transparency
- Company has consolidated its market leadership with revenues and EBITDA having more than doubled over past 4 years
- Clearwater retains ~29% equity holding in this listed company



Diamond Power

- Leading power transmission and distribution company in India
- Clearwater provided turnaround financing in listed company via senior secured debt, equity and warrants
- Clearwater has a 12.4% equity stake and is actively involved with Board representation
- Company has significantly improved performance with threefold increase in revenues and EBITDA over the past 4 years
- Company is now in growth mode with acquisition of a transformer company and commissioning of new facilities.



Board of Directors

Øystein Stray Spetalen

- Chairman and owner of Ferncliff TIH AS
- Co-Founder and Director of S.D. Standard Drilling
- Successful investment track record
- Founder of multiple rig companies including:
 - Songa Offshore
 - Standard Drilling ASA

Gunnar Hvammen

- Co-Founder and Director of S.D. Standard Drilling
- Founder of multiple offshore oil related companies including:
 - Songa Offshore
 - Offshore Heavy Transport ASA

Stephen J. Marzo

- Previously Group CFO of the Noble Group Limited a commodities trading company with \$57 billion revenue in 2010
- Independent Director of S.D. Standard Drilling
- Solid track record of growing businesses and capital raising

Robert Petty

- Managing Partner and Co-Founder of Clearwater Capital Partners
- Director of S.D. Standard Drilling
- 27-year successful career investing profitably across cycles sectors and geographies with business building experience

Amit Gupta

- Partner and Co-Founder of Clearwater Capital Partners
- Director of S.D. Standard Drilling
- Active board involvement in multiple portfolio companies with 19-years of successful investing in Asia

Demetrios Aletraris

- General Manager in CP Reinsurance Co Ltd
- Director of S.D. Standard Drilling

George Crystallis

- Managing Director of M.G. Crystallis & Co Limited
- Independent Director of S.D. Standard Drilling

Contacts:

S.D. Standard Drilling (S) Pte Ltd
Level 31, Six Battery Road
Singapore 049909

Phone: +65 6550 9712

Website: www.standard-drilling.com