

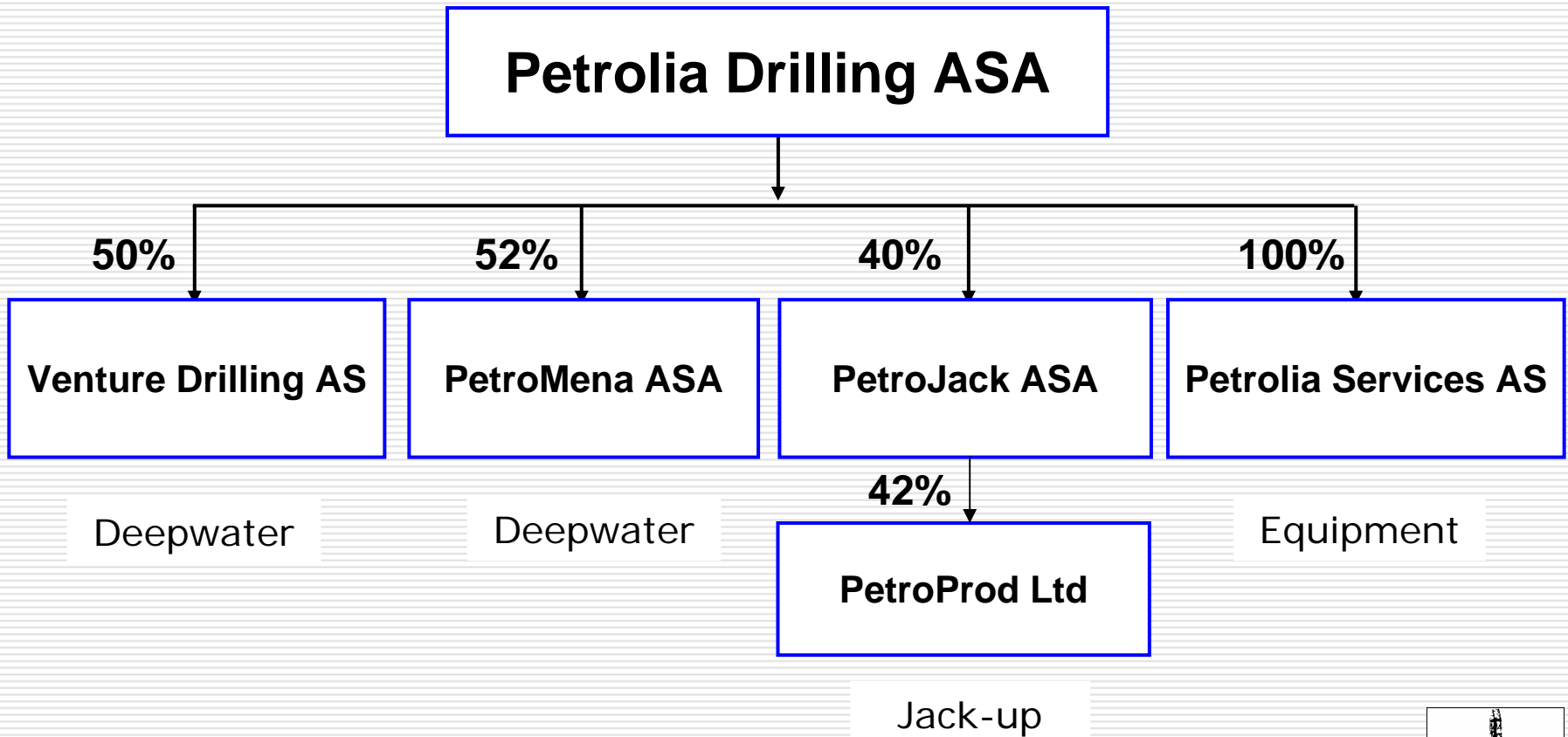
# PETROLIA DRILLING ASA



Pareto Oil & Offshore Conference 2008

Oslo, September 10<sup>th</sup>

# Petrolia Drilling ASA – Company structure



**PETROLIA DRILLING ASA**



# Q2 Summary

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# Building values...

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- Petrolia Drilling continues to strengthen its exposure to the drilling market through the investments in PetroMena (51.5%), Petrojack (39.9 %) and PetroProd (42.3 %, indirectly through Petrojack). The market value of the company's deepwater floaters under construction has increased during the first half year. Construction of similar rigs is more expensive and financing is both more expensive and more difficult to obtain.
- Petrolia Drilling has with effect from 01.01.2008 changed presentation currency from NOK to USD. All comparative figures have been converted and presented in USD for information purposes. As a consequence of this, the company has registered an unrealized disagio of mUSD 23.0 in the first half of 2008. Total net result after tax is mUSD -44.8.

...and change from NOK to USD

**PETROLIA DRILLING ASA**



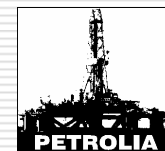
# Construction and operations...

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- The construction programs in PetroMena are running according to schedule and on budget.
- PetroMena's PetroRig I, II and III have an average contract price of mUSD 490 for each unit, excluding financing costs. Contract prices for recent fixtures for similar units are approximately mUSD 680.
- On 3 February 2008, SS Petrolia started operations under the contract with Pemex. Utilization according to budget.
- EBITDA for the subsidiary PetroMena in the first half of 2008 was mUSD 13.6 and net result mUSD -33.3. The negative result was mainly impacted by an unrealized USD/NOK disagio on PetroMena's debt nominated in NOK.

... according to plan

**PETROLIA DRILLING ASA**



# High utilization for Deep Venture...

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- EBITDA from Venture Drilling was mUSD 41.5 in the first half of 2008. Net result after tax was mUSD 26.7.
- In July Venture Drilling AS agreed to a six months extension with ExxonMobile starting from 25 January 2009 at a day rate of USD 425.000 after withholding tax.
- In August an 18 month contract was signed with Maersk Oil Angola starting from the 25th of July 2009 at a dayrate of USD 495.000 after withholding tax.

...and contract awards continue

**PETROLIA DRILLING ASA**



# Steady cashflow...

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- Revenue and EBITDA from Petrolia Services in the first half of 2008 totaled mUSD 35.6 and mUSD 15.9 respectively.
- Drilling equipment is depreciated over five years. In the first half of 2008 depreciation amounts to mUSD 14.7.
- Book value of drilling equipment per 30.06.08 is mUSD 123.7. Market value is expected to be higher.

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...from Petrolia Services

**PETROLIA DRILLING ASA**



# Delivery of PetroJack II...

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- Petrojack took delivery of Petrojack II 28 March 2008 and entered into an agreement with Saipem for hire of the jack-up rig. The hire under the charter is USD 100.000 per day. The agreement includes a put/call option at a price of mUSD 199.1, with expiration 12 months after the beginning of the contract.
- The construction program for the remaining jack-up rig is developing according to schedule. EBITDA for Petrojack in the first half of 2008 was mUSD -0.8 and the net result was mUSD -43.8.
- Larsen Oil & Gas Pte Ltd, as drilling contractor, has on behalf of Petrojack IV Pte Ltd, a wholly owned subsidiary of Petrojack ASA, signed a Letter of Intent (LoI) for a long term drilling contract with an undisclosed client. Length of contract is 5 years at a rate of USD 151.000 per day. Final contract is expected to be signed shortly.

...and new contracts awarded

**PETROLIA DRILLING ASA**





# Cashflow from operations...

- **PetroMena: PRig I-III & SS Petrolia** *figures USD 000s*  
Total dayrates/ Daily OPEX/ PDR share: 1.540/ 400/ 51,5% **588 per day**
- **Venture Drilling: Deep Venture**  
Dayrate/ Daily OPEX/ PDR share: 490/ 150/ 50% **170 per day**
- **PetroJack: PJ II & PJ IV**  
Total dayrates/ Daily OPEX/ PDR share: 250/ 50/ 40% **80 per day**
- **PDR share of total net cashflow from operations:** **838 per day**

PDR net cash from operations<sup>1)</sup> in 2010:

PDR net cashflow from operations today

**mUSD 305 per year**

mUSD 94 per year

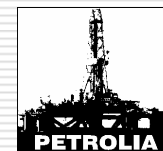
PDR market cap as of Sep-8, 2008:

**mUSD 308**

...and market cap

1) Based on existing contracts/ order backlog

**PETROLIA DRILLING ASA**



# In summary...

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Increasing values....

...and promising outlook

...a value case

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**PETROLIA DRILLING ASA**

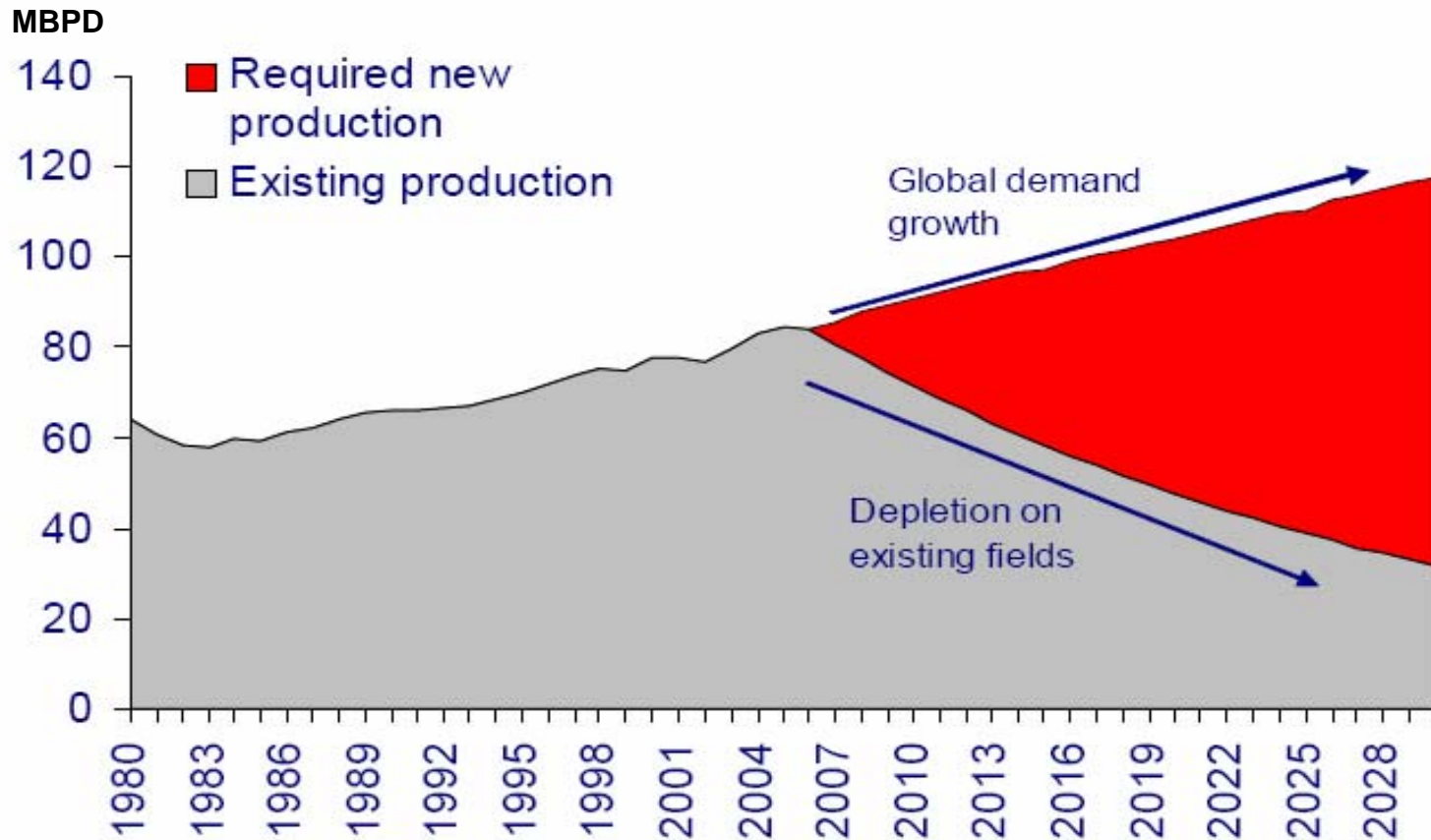


# Market development

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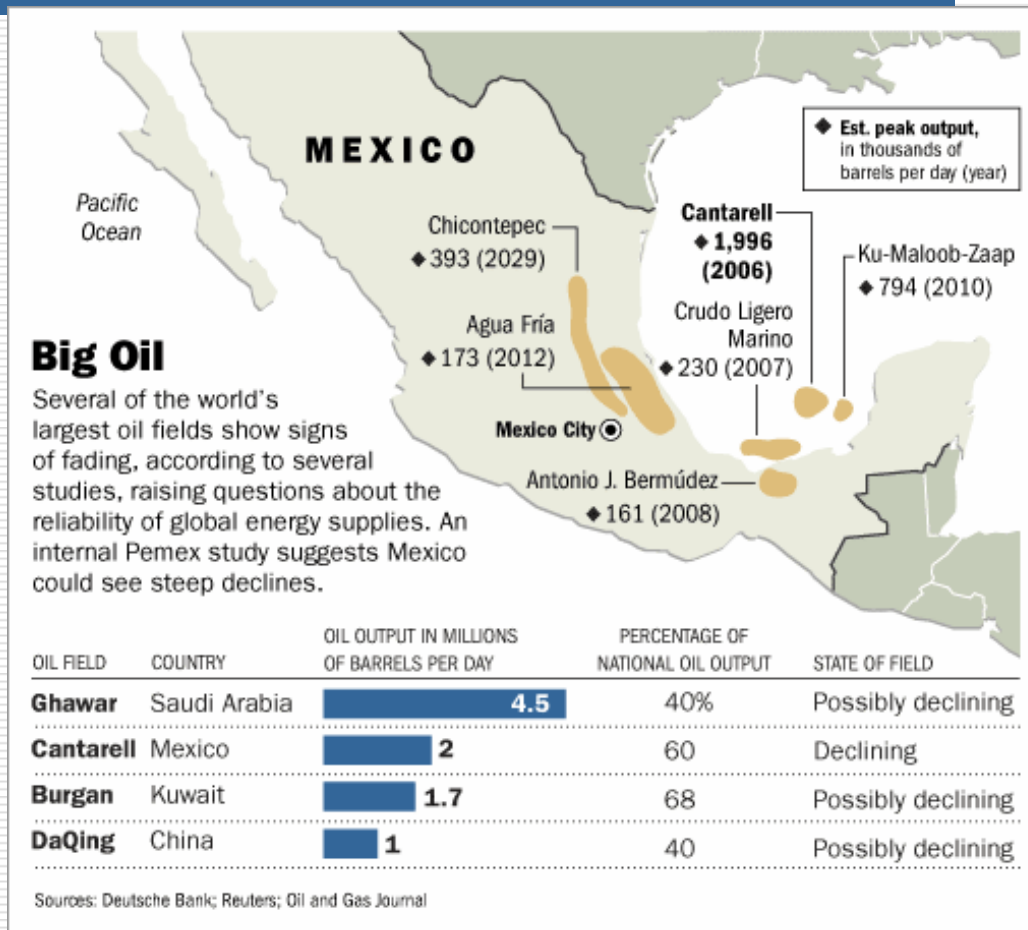
# Replacement of reserves...



...is a challenge



# Replacement of reserves ...



PEMEX' goal for the next 5 years is an average daily production of 3.1 MBO

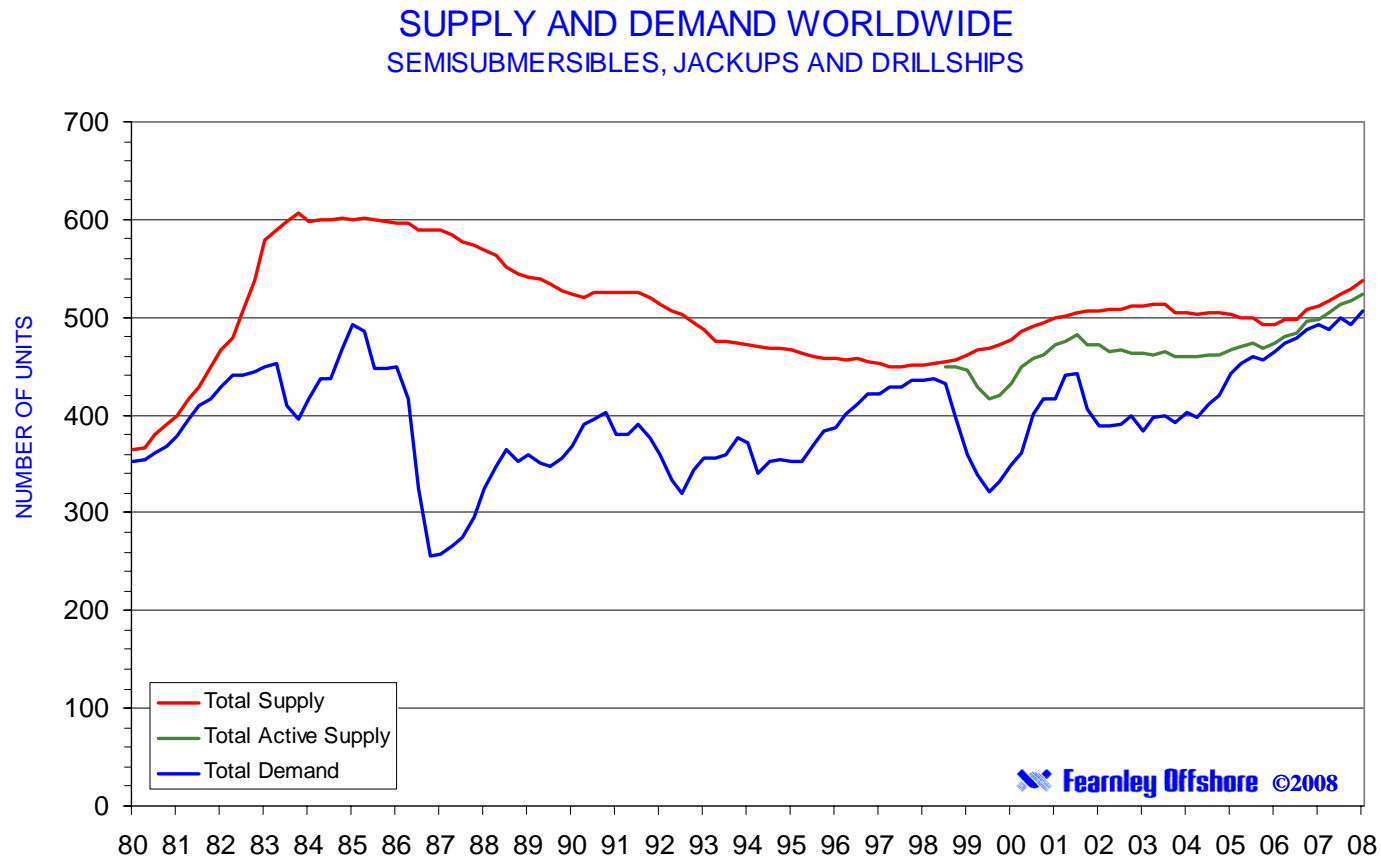
PEMEX today plans to drill in total 159 deep water wells

PEMEX has contracted 4 rigs for the deep waters. First rig available in 2010

...is a challenge



# SUPPLY AND DEMAND



**PETROLIA DRILLING ASA**



# Financials

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2<sup>ND</sup> QUARTER & 1<sup>ST</sup> HALF YEAR 2008

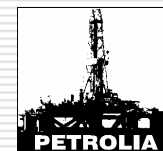


# PETROLIA DRILLING ASA 2nd QUARTER REPORT 2008 – Condensed consolidated accounts

All figures in USD (1000)

|  | Q2 2008        | Q2 2007       | YTD 2008       | YTD 2007      |
|--|----------------|---------------|----------------|---------------|
| Operating income   | 41 959         | 33 282        | 70 818         | 55 316        |
| Operating expenses   | -27 560        | -14 943       | -48 385        | -26 280       |
| <b>Operating profit before depreciation and amortization</b> | <b>14 399</b>  | <b>18 339</b> | <b>22 434</b>  | <b>29 036</b> |
| Depreciation and amortization                                | -8 337         | -6 685        | -16 097        | -11 746       |
| <b>Operating profit (loss-)</b>                              | <b>6 062</b>   | <b>11 654</b> | <b>6 336</b>   | <b>17 290</b> |
| Result from joint venture                                    | 5 299          | 3 554         | 13 468         | 3 706         |
| Result from associated companies                             | -5 545         | -3 390        | -13 069        | -4 878        |
| Net financial items  | -16 490        | -5 909        | -52 040        | -9 624        |
| <b>Profit before tax</b>                                     | <b>-10 674</b> | <b>5 909</b>  | <b>-45 305</b> | <b>6 494</b>  |
| Income tax expense   | -129           | 0             | 476            | 0             |
| <b>Net profit</b>  | <b>-10 803</b> | <b>5 909</b>  | <b>-44 829</b> | <b>6 494</b>  |
| Earnings per share   | -0,01          | 0,01          | -0,04          | 0,01          |
| Diluted earnings per share                                   | -0,01          | 0,01          | -0,04          | 0,01          |

**PETROLIA DRILLING ASA**



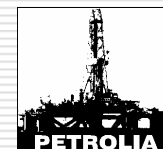


# PETROLIA DRILLING ASA 2nd QUARTER REPORT 2008 - Condensed consolidated accounts (cont.)

All figures in USD (1000)

| Assets                                 | 30.06.2008       | 31.12.2007       |
|--|------------------|------------------|
| Intangible fixed assets                | 8 380            | 5 160            |
| Deferred tax assets                    | 11 139           | 11 223           |
| Goodwill                               | 20 489           | 17 929           |
| Drilling unit                          | 28 976           | 28 615           |
| Drilling Rigs                          | 890 846          | 733 933          |
| Drilling equipment and other equipment | 126 950          | 108 187          |
| Investments in associates              | 93 355           | 100 425          |
| Other financial fixed assets           | 675              | 0                |
| Investments in joint venture           | 75 900           | 62 431           |
| <b>Total non-current assets</b>        | <b>1 256 710</b> | <b>1 067 903</b> |
| Other debtor                           | 83 713           | 53 968           |
| Other financial investments            | 3 483            | 3 483            |
| Other liquid assets                    | 111              | 101              |
| Bank deposits                          | 464 869          | 612 275          |
| <b>Total current assets</b>            | <b>552 175</b>   | <b>669 827</b>   |
| <b>Total assets</b>                    | <b>1 808 885</b> | <b>1 737 730</b> |

**PETROLIA DRILLING ASA**

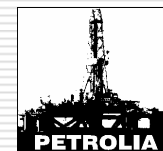


# PETROLIA DRILLING ASA 2nd QUARTER REPORT 2008 - Condensed consolidated accounts (cont.)

All figures in USD (1000)

| <b>Equity and liabilities</b>               | <b>30.06.2008</b> | <b>31.12.2007</b> |
|---|-------------------|-------------------|
| Share capital                               | 93 568            | 93 568            |
| Share premium fund                          | 283 552           | 283 552           |
| Own shares                                  | -486              | -319              |
| Minority interest                           | 188 891           | 202 146           |
| Other equity                                | -33 264           | -24 753           |
| <b>Total equity</b>                         | <b>532 261</b>    | <b>554 194</b>    |
| Retirement benefit obligations              | 686               | 485               |
| Bonds                                       | 1 085 764         | 1 039 463         |
| Other long-term liabilities                 | 24 756            | 10 084            |
| <b>Total non-current liabilities</b>        | <b>1 111 206</b>  | <b>1 050 032</b>  |
| Short term portion of long term liabilities | 78 153            | 32 533            |
| Accounts payable                            | 15 806            | 15 405            |
| Payable tax                                 | -2 317            | 76                |
| Other current liabilities                   | 73 776            | 85 489            |
| <b>Total current liabilities</b>            | <b>165 419</b>    | <b>133 504</b>    |
| <b>Total liabilities</b>                    | <b>1 276 624</b>  | <b>1 183 535</b>  |
| <b>Total equity and liabilities</b>         | <b>1 808 885</b>  | <b>1 737 730</b>  |
| <b>Book equity per share</b>                | <b>0,53</b>       | <b>0,55</b>       |
| <b>Equity ratio</b>                         | <b>29 %</b>       | <b>32 %</b>       |

**PETROLIA DRILLING ASA**



# PETROJACK ASA 2nd QUARTER REPORT 2008 - Condensed consolidated accounts

All figures in USD (1000)

|   | 2Q 2008        | YTD 2008       | 2Q 2007       | YTD 2007      |
|---|----------------|----------------|---------------|---------------|
| Operating revenues                          | 5 986          | 6 170          | 94            | 176           |
| Operating expenses                          | 4 592          | 6 940          | 1 174         | 2 259         |
| <b>Operating profit before depreciation</b> | 1 394          | -770           | -1 080        | -2 083        |
| Depreciation                                | 2 502          | 3 581          | 641           | 1 112         |
| <b>Operating profit (loss-)</b>             | -1 108         | -4 350         | -1 721        | -3 195        |
| Result from associated companies            | -7 863         | -17 189        | 95            | -1 062        |
| Net financial income/expenses(-)            | -6 911         | -22 286        | -160          | -271          |
| <b>Net result before taxes</b>              | -15 883        | -43 825        | -1 786        | -4 528        |
| Tax   | 0              | 0              | -325          | -2 046        |
| <b>Net result</b>                           | <b>-15 883</b> | <b>-43 825</b> | <b>-1 461</b> | <b>-2 482</b> |
| Earnings per share (average shares)         | -0,24          | -0,67          | -0,02         | -0,04         |
| Earnings per share (total shares) (NOK)     | -0,24          | -0,67          | -0,02         | -0,04         |

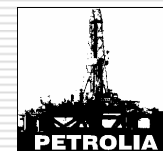
# PETROJACK ASA 2nd QUARTER REPORT 2008

## Condensed consolidated accounts

All figures in USD (1000)

| <b>Assets</b>                                | <b>30.06.2008</b> | <b>31.12.2007</b> |
|--|-------------------|-------------------|
| Construction contract jack-up rigs           | 162 996           | 203 647           |
| Petrojack II                                 | 164 629           | 0                 |
| Drilling equipment                           | 14 437            | 16 218            |
| Investments in associates                    | 193 307           | 200 564           |
| <b>Total non-current assets</b>              | <b>535 369</b>    | <b>420 429</b>    |
| Trade receivables                            | 12 527            | 220               |
| Other current assets                         | 1 070             | 953               |
| Other liquid assets                          | 8 868             | 42 661            |
| Bank deposits                                | 41 364            | 156 709           |
| <b>Total current assets</b>                  | <b>63 829</b>     | <b>200 543</b>    |
| <b>Total assets</b>                          | <b>599 198</b>    | <b>620 972</b>    |
| <b>Equity and liabilities</b>                | <b>30.06.2008</b> | <b>31.12.2007</b> |
| Share capital                                | 60 040            | 60 040            |
| Share premium fund                           | 34 233            | 34 233            |
| Other equity                                 | 42 624            | 86 448            |
| <b>Total equity</b>                          | <b>136 896</b>    | <b>180 721</b>    |
| Deferred tax                                 | 0                 | 0                 |
| Bond loan                                    | 390 112           | 377 342           |
| <b>Total non-current liabilities</b>         | <b>390 112</b>    | <b>377 342</b>    |
| Trade payables                               | 2 411             | 358               |
| Current portion of non-current liabilities   | 4 628             | 4 816             |
| Payable tax                                  | 34 924            | 32 791            |
| Other current liabilities                    | 30 227            | 24 944            |
| <b>Total current liabilities</b>             | <b>72 190</b>     | <b>62 909</b>     |
| <b>Total liabilities</b>                     | <b>462 301</b>    | <b>440 251</b>    |
| <b>Total equity and liabilities</b>          | <b>599 198</b>    | <b>620 972</b>    |
| Book equity per share (end of period shares) | 2,11              | 2,78              |
| Equity ratio                                 | 23 %              | 29 %              |

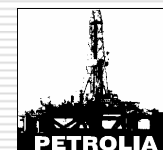
**PETROLIA DRILLING ASA**



# PETROMENA ASA 2nd QUARTER REPORT 2008 - Condensed consolidated accounts

All figures in USD (1000)

|   | 2Q 2008       | YTD 2008       | 2Q 2007       | YTD 2007       |
|---|---------------|----------------|---------------|----------------|
| Operating revenues                          | 24 184        | 38 215         | 0             | 0              |
| Operating expenses                          | 13 839        | 24 594         | 3 136         | 5 245          |
| <b>Operating profit before depreciation</b> | 10 346        | 13 621         | -3 136        | -5 245         |
| Depreciation                                | 3 744         | 6 068          | 0             | 0              |
| <b>Operating profit (loss-)</b>             | 6 602         | 7 553          | -3 136        | -5 245         |
| Net financial income/expenses(-)            | -8 779        | -40 880        | -3 747        | -5 118         |
| <b>Net result before taxes</b>              | -2 177        | -33 327        | -6 883        | -10 362        |
| Tax   | 0             | 0              | 0             | 0              |
| <b>Net result</b>                           | <b>-2 177</b> | <b>-33 327</b> | <b>-6 883</b> | <b>-10 362</b> |
| Earnings per share (average shares)         | -0,02         | -0,25          | -0,05         | -0,08          |
| Earnings per share (total shares) (USD)     | -0,01         | -0,23          | -0,05         | -0,08          |

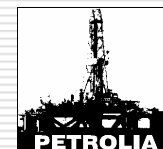


# PETROMENA ASA 2nd QUARTER REPORT 2008

## Condensed consolidated accounts

| All figures in USD (1000)                    |                   |                   |
|--|-------------------|-------------------|
| <b>Assets</b>                                | <b>30.06.2008</b> | <b>31.12.2007</b> |
| Intangible fixed assets                      | 8 380             | 5 160             |
| Construction Contract Semi rigs              | 868 108           | 711 195           |
| Drilling equipment                           | 19 199            | 9 961             |
| SS Petrolia                                  | 219 827           | 223 846           |
| Other equipment                              | 155               | 48                |
| <b>Total non-current assets</b>              | <b>1 115 670</b>  | <b>950 210</b>    |
| Other current assets                         | 32 165            | 33 228            |
| Other liquid assets                          | 27 004            | 87                |
| Bank deposits                                | 249 051           | 383 550           |
| <b>Total current assets</b>                  | <b>308 220</b>    | <b>416 865</b>    |
| <b>Total assets</b>                          | <b>1 423 890</b>  | <b>1 367 076</b>  |
|  |                   |                   |
| <b>Equity and liabilities</b>                | <b>30.06.2008</b> | <b>31.12.2007</b> |
| Share capital                                | 411 195           | 372 418           |
| Share premium fund                           | 6 678             | 9 264             |
| Other reserves                               | 0                 | 0                 |
| Other equity                                 | -24 064           | 0                 |
| <b>Total equity</b>                          | <b>393 810</b>    | <b>381 681</b>    |
| Bond   | 989 793           | 944 027           |
| <b>Total non-current liabilities</b>         | <b>989 793</b>    | <b>944 027</b>    |
| Accounts payable                             | 4 654             | 5 440             |
| Short term portion of long term liabilities  | 20 282            | 19 382            |
| Other current liabilities                    | 15 350            | 16 545            |
| <b>Total current liabilities</b>             | <b>40 287</b>     | <b>41 367</b>     |
| <b>Total liabilities</b>                     | <b>1 030 080</b>  | <b>985 394</b>    |
| <b>Total equity and liabilities</b>          | <b>1 423 890</b>  | <b>1 367 076</b>  |
| Book equity per share (end of period shares) | 2,66              | 2,84              |
| Equity ratio                                 | 28 %              | 28 %              |

**PETROLIA DRILLING ASA**



# Photos from Jurong Shipyard

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- Illustrating the progress in the PetroRig projects:
  - PetroRig I
  - PetroRig II
  - and PetroRig III



**PETROLIA DRILLING ASA**





# PetroRig I (side view)





# PetroRig I

C.M.C



(S) CRANE BOOM



HELI DECK LOADING



BOP



# PetroRig II

PR2 PONTOON



PONTOONS IN DRYDOCK 3



PR2 UPPER HULL (Fwd View)



PR2 UPPER HULL(Aft View)





HC3 BLOCK (03/06/2008)



HC3 @ 06/06/08



HC2 @ 06/06/08



HC3 @ 18/06/2008



# PR I - Derrick





# Thank you!



## Naming Ceremony PetroJack II

**PETROLIA DRILLING ASA**



# Appendix

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## Markets and drilling units



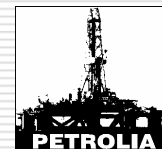
# Drilling units

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**PETROLIA DRILLING ASA**





# PetroMena's existing contracts

## PetroRig I

- Delivery: January 2009
- Contractor: Petrobras
- Area of operations: Brazil and US GoM
- Maximum water depth: 10,000 ft with risers
- Contract value: USDm 700
- Contract length: 5 years
- Implied dayrate: USD 383,000/day
- Estimated daily OPEX: USD 120,000/day
- Annual rig EBITDA: USDm 89

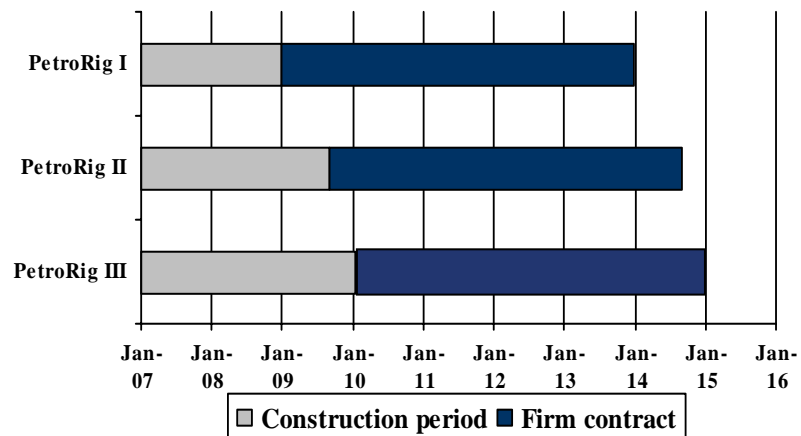
## PetroRig II

- Delivery: September 2009
- Contractor: Petrobras
- Area of operations: Brazil
- Maximum water depth: 7,500 ft of risers
- Contract value: USDm 645
- Contract length: 5 years
- Implied dayrate: USD 353,000/day
- Estimated daily OPEX: USD 100,000/day
- Annual rig EBITDA: USDm 80

## PetroRig III

- Delivery: January 2010
- Contractor: Pemex
- Area of operations: GoM
- Maximum water depth: 10,000 ft with risers
- Contract value: USDm 942
- Contract length: 5 years
- Implied dayrate: USD 515,000/day
- Estimated daily OPEX: USD 100,000/day
- Annual rig EBITDA: USDm 132

### Construction & contract overview



# PetroMena - Key figures

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- Total Cost PetroRig I-III      USD1.725m
- Total Debt PetroRig I-III      USD1.184m
- Total Contract Value      USD2.290m
- Expected Lifetime of rigs      40 years
  
- Market capitalisation      USD 380m



# Sources and uses

| SOURCES AND USES OF FUNDS (MUSD)                     | P.R. I     | P.R. II    | P.R. I+II        | P.R. III        | P.R. I-III  |
|--|------------|------------|------------------|-----------------|-------------|
| <b>Overview project costs and expenses</b>           |            |            |                  |                 |             |
| Yard payments according to contracts                 | 454        | 483        | 937              | 524             | 1461        |
| Estimated management fees construction period        | 12         | 11         | 23               | 9               | 32          |
| Other estimated project costs                        | 24         | 12         | 36               | 12              | 48          |
| <b>Total project costs construction period</b>       | <b>490</b> | <b>506</b> | <b>996</b>       | <b>545</b>      | <b>1541</b> |
| Net estimated interest expenses construction period  |            |            | 92 <sup>a</sup>  | 75 <sup>b</sup> | 167         |
| <b>Total estimated project costs, constr. period</b> |            |            | <b>1088</b>      | <b>620</b>      | <b>1708</b> |
| <b>Overview financing</b>                            |            |            |                  |                 |             |
| Secured equity financing                             |            |            | 276              | 87              | 363         |
| Secured bond loans                                   |            |            | 320              | 250             | 570         |
| Accepted credit facility                             |            |            | 400 <sup>c</sup> | 200             | 600         |
| <b>Total secured capital</b>                         |            |            | <b>996</b>       | <b>537</b>      | <b>1533</b> |
| Additional capital needed (estimate)                 |            |            | 92               | 83              | 175         |
| <b>Total capital sources</b>                         |            |            | <b>1088</b>      | <b>620</b>      | <b>1708</b> |

a) Net interest calculated until commencement of drilling Rig I (May 2009)

b) Net interest calculated until delivery Rig III (January 2009)

c) PetroMena has not started using the credit facility.

# PetroRig I, II & III

- PetroMena has ordered two 6th generation semi submersible drilling rigs from Jurong Shipyard. The rigs are equipped for drilling on ultra deepwater (10,000 feet) with harsh environment capabilities, and they will be the third and forth 6th generation rigs to be constructed at Jurong Shipyard.
- The vessels are scheduled to be delivered from the yard in April and December 2009.
- Turnkey contract with the yard, USDm 447 and USD 480 million for the two rigs.
  - Jurong is responsible for the design, fabrication and functionality of all major rig items, including the drilling package, thrusters, DP and BOP
  - The contract limits risk of cost overruns and includes yard penalties for non-permissible delays beyond the construction period.
- The units' specifications enable them to be suited for operations in areas like West Africa, Gulf of Mexico, offshore Brazil and other ultra deepwater areas.
- The agreements to order the rigs were entered into on 21st October 2005 (LOI was signed in August 2005) for the first rig and 7th March 2006 (option was signed in October 2005) for the second rig.
- The rigs will be outfitted with drilling systems from Aker Kværner, drilling facilities from Maritime Hydraulics, DP & Vessel Management System from Kongsberg Maritime, Power Management System from ABB and thrusters from Rolls Royce in Norway.



Source: Jurong/Petromena

# Jurong Shipyard in Singapore

- PetroMena's turnkey contract with Jurong limits risk of cost overruns and includes yard penalties for non-permissible delays.
- Jurong Shipyard Pte Ltd, Singapore, is the main subsidiary of the major Asian engineering services group SembCorp Marine Ltd, and one of the world's leading offshore and ship building groups. Apart from Jurong, SembCorp has other well known shipyards such as PPL and Sembawang in Singapore.
- Very strong track record of quality products, with history going back to 1963.
- Other major customers like:
  - GlobalSantaFe
  - Transocean
  - Diamond Offshore Drilling
  - SeaDrill



Development Driller II, delivered from Jurong Shipyard to GlobalSantaFe together with Development Driller I in 2005.

## Offshore track record

### Work in Progress

| Year | Name          | Type                         | Owner                                     |
|------|---------------|------------------------------|---|
| 2006 | -             | 6th Gen Semi-submersible Rig | PetroMena AS                              |
| 2005 | -             | 6th Gen Semi-submersible Rig | PetroMena AS                              |
| 2005 | -             | 6th Gen Semi-submersible Rig | SeaDrill (Seatankers Management Co. Ltd ) |
| 2005 | -             | 6th Gen Semi-submersible Rig | SeaDrill (Seatankers Management Co. Ltd ) |
| 2005 | Petrojack III | BMC Pacific 375 Jack-up Rig  | Petrojack AS                              |
| 2005 | Petrojack II  | BMC Pacific 375 Jack-up Rig  | Petrojack AS                              |
| 2005 | Petrojack I   | BMC Pacific 375 Jack-up Rig  | Petrojack AS                              |

### Track record

| Year | Name of Vessel         | Type of Vessel               | Client                             |
|------|------------------------|------------------------------|------------------------------------|
| 2005 | Development Driller I  | 5th Gen Semi-submersible Rig | GlobalSantaFe Corporation          |
| 2005 | Development Driller II | 5th Gen Semi-submersible Rig | GlobalSantaFe Corporation          |
| 2002 | Galveston Key          | Jack Up                      | GlobalSantaFe                      |
| 2001 | Ocean Sovereign        | Jack Up                      | Diamond Offshore Drilling Inc      |
| 2001 | Rig 134                | Jack Up                      | Santa Fe International             |
| 2001 | Trident 9              | Jack Up                      | Transocean Sedco Forex (R&B)       |
| 2000 | Marine 202             | Jack Up                      | Marine Drilling Companies          |
| 2000 | Marine 305             | Jack Up                      | Marine Drilling Companies          |
| 2000 | Ocean Epoch            | Semi-submersible             | Diamond Offshore Drilling Inc      |
| 1999 | Ocean General          | Semi-submersible             | Diamond Offshore Drilling Inc      |
| 1998 | Atwood Falcon          | Semi-submersible             | Atwood Oceanics Inc                |
| 1998 | Kantan III             | Semi-submersible             | Marine Drilling Companies          |
| 1998 | Marine 500             | Semi-submersible             | Marine Drilling Companies          |
| 1998 | W.D. Kent              | Drilling barge               | Transocean Setco Forex             |
| 1997 | Tahara                 | FPU                          | Hitech Drilling Services India Ltd |
| 1997 | Cuu Long               | Jack Up                      | Vietsovetropet (Vietnam)           |
| 1997 | Harvey Ward            | Jack Up                      | Reading & Bates (USA)              |
| 1997 | Atwood Hunter          | Semi-submersible             | Atwood Oceanics Inc                |
| 1997 | Atwood Southern Cross  | Semi-submersible             | Atwood Oceanics Inc                |

# Market opportunities SS Petrolia

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## Upgraded, 2. generation semi-rig

- Build: 1976 / upgraded 1995/2005
- Capacity: 1.200 feet
- DnV class



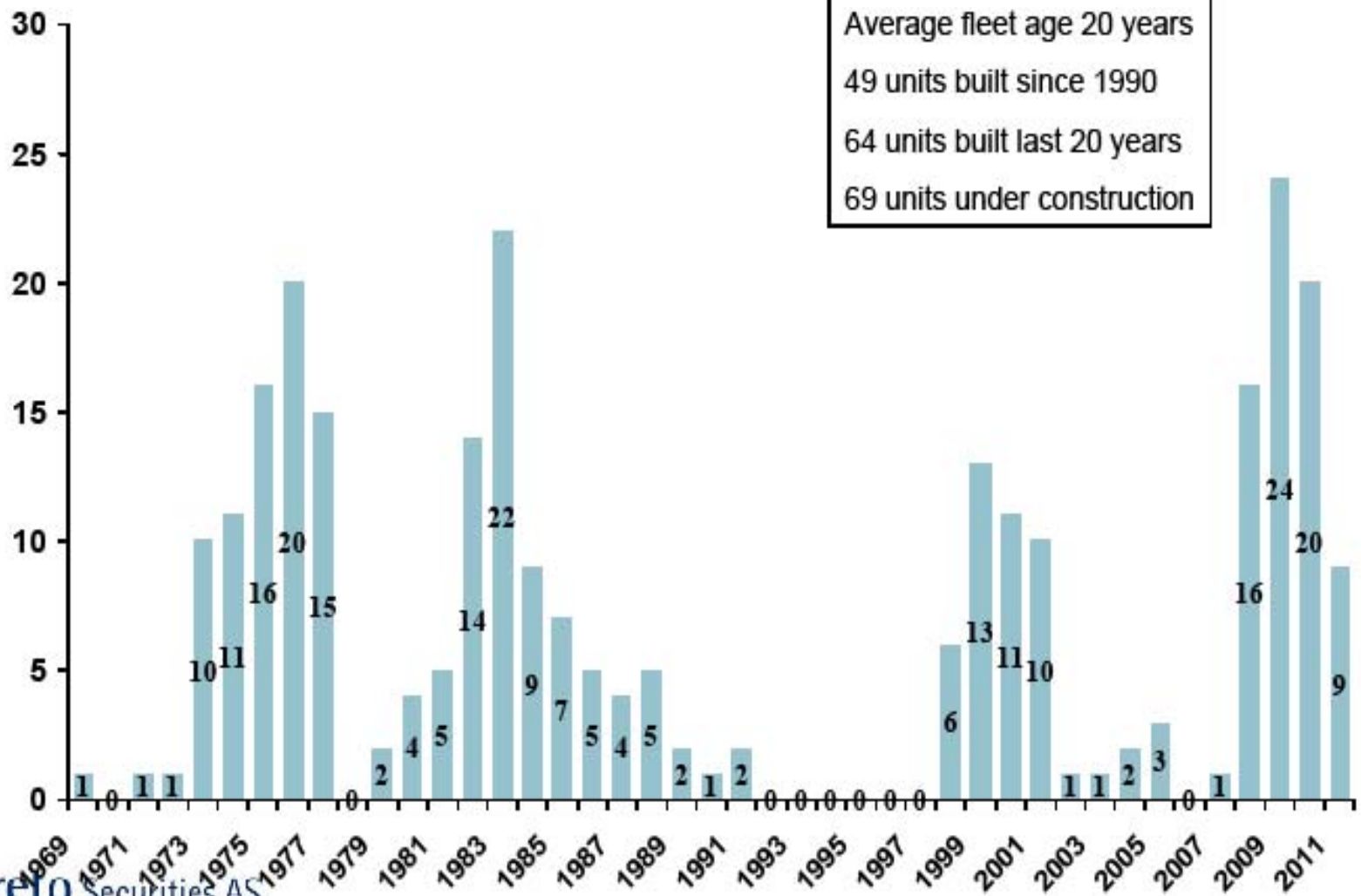
## Value assumptions

- Sold to PetroMena - USD 225m.
- Booked value: MNOK 155 (approx USD 30m).
- Contract with Pemex (2.5 yrs/ USD 269m).

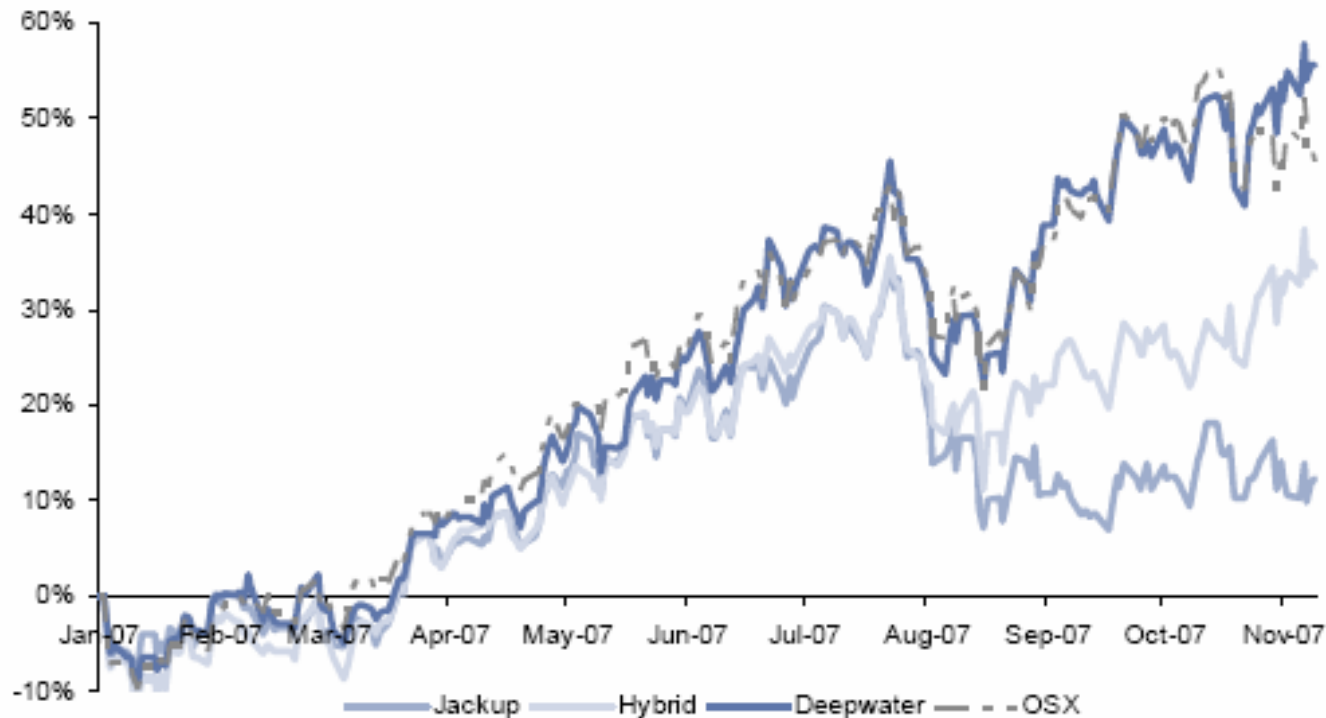


## Floater fleet: 69 units under construction ~ 33% of current fleet)

# of units



# Deepwater levered drillers...



...have outperformed jackups by 34% YTD

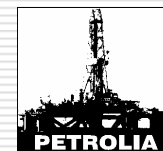
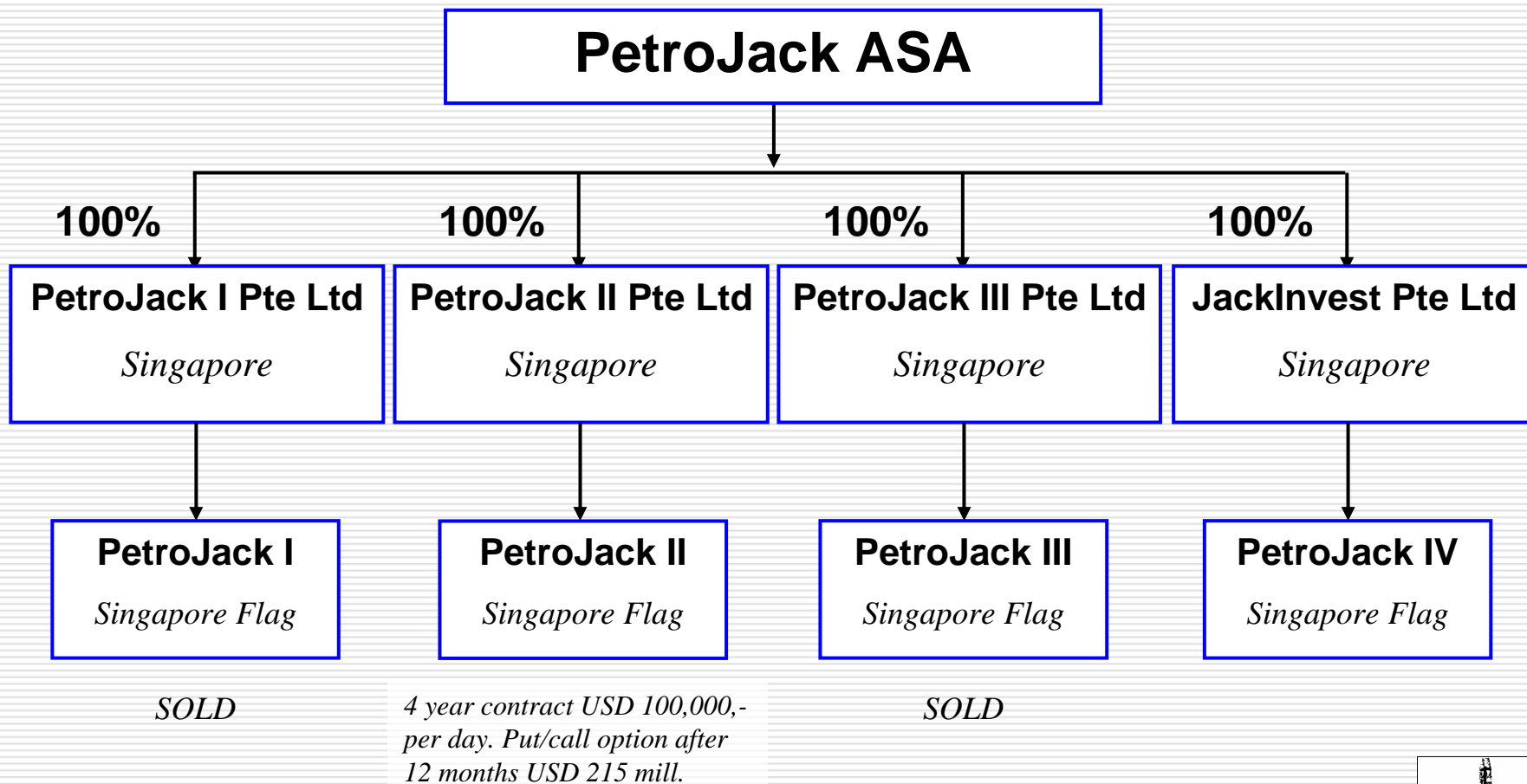
Classification: Jackup- ESV, RDC; Hybrid- GSF, NE, PDE; Deepwater- ATW, DO, RIG  
Source: Goldman Sachs Research estimates, Factset

**PETROLIA DRILLING ASA**





# PetroJack ASA – Company structure



# The Rig Concept

## Design

- Design type: Baker Marine Pacific
  - Same design as the rigs delivered to Sinvest /DDI and Awilco Offshore from PPL Shipyard in Singapore
  - Rig designer Baker Marine is subsidiary of SembCorp Marine's PPL Shipyard
  - Well proven design
- Maximum depth rating: 375 ft
  - The rigs are constructed for worldwide operations
- Maximum drilling depth: 30,000 ft
- Quarters capacity: 120 men
- Drilling package manufacturer: National Oilwell Varco
  - One of only few suppliers of drilling equipment in the world
  - Drilling systems for all rigs delivered at fixed turnkey price contracts with yard
  - All equipment suppliers have Jurong Shipyard as counterpart
- For further specifications, please see company webpage: [www.petrojack.no](http://www.petrojack.no)

Source: Pareto/PetroJack

Pareto

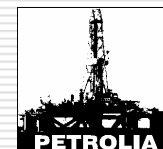
## Construction cost

| Unit   | All-in yard cost (USDm) |
|--|-------------------------|
| ■ PetroJack I  | 136.3                   |
| ■ PetroJack II   | 142.9                   |
| ■ PetroJack III  | 147.2                   |
| ■ PetroJack IV   | 165.5                   |
| – PetroJack IV was originally ordered by JackInvest Pte Ltd. Recently PetroJack ASA bought 100% of the shares in JackInvest for USDm 15. |                         |
| ■ The all-inn costs include contingencies, SG&A, management fee, working capital etc.  |                         |

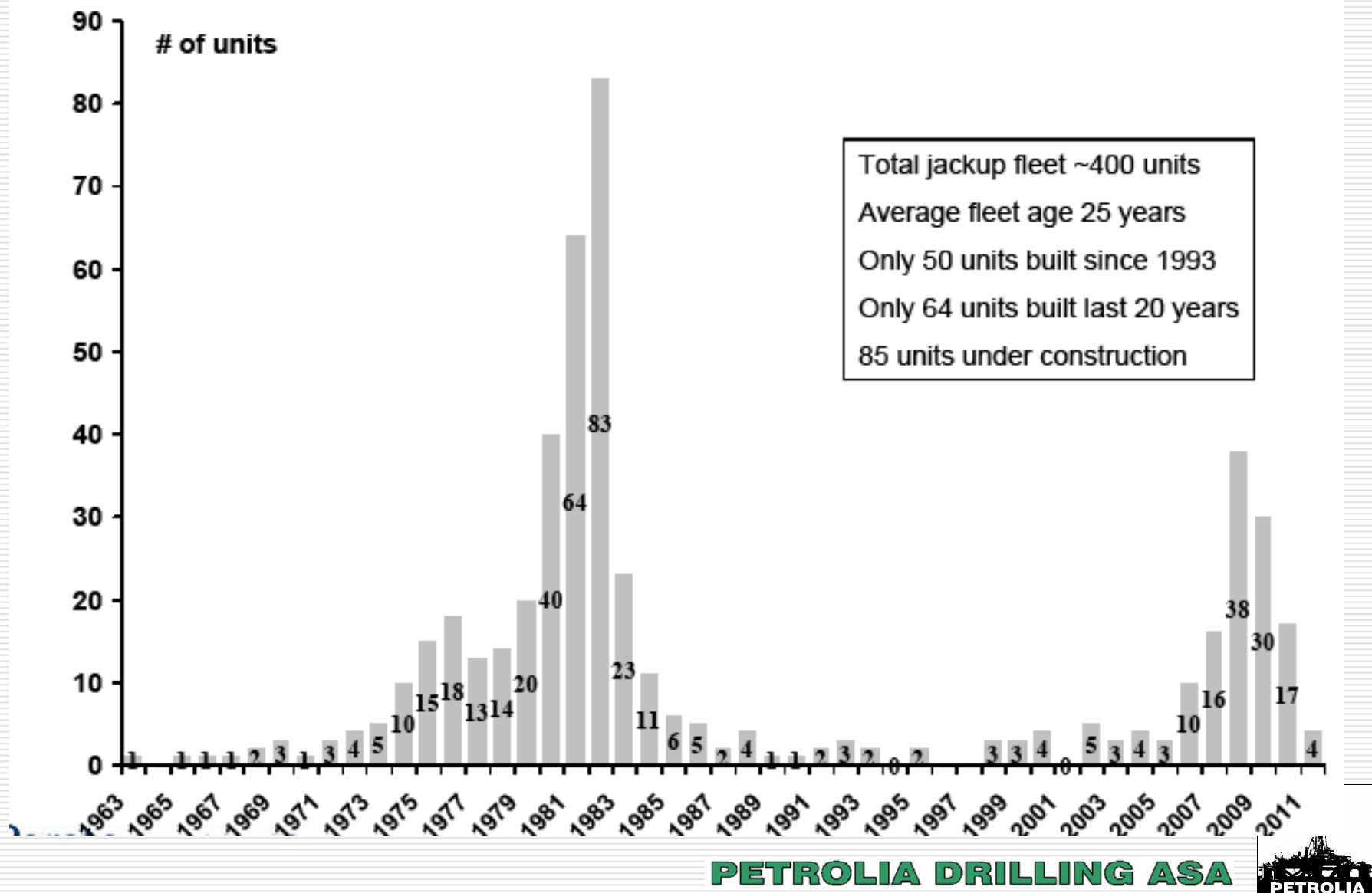


Illustration only: Similar rig as Petrojack I-IV

**PETROLIA DRILLING ASA**

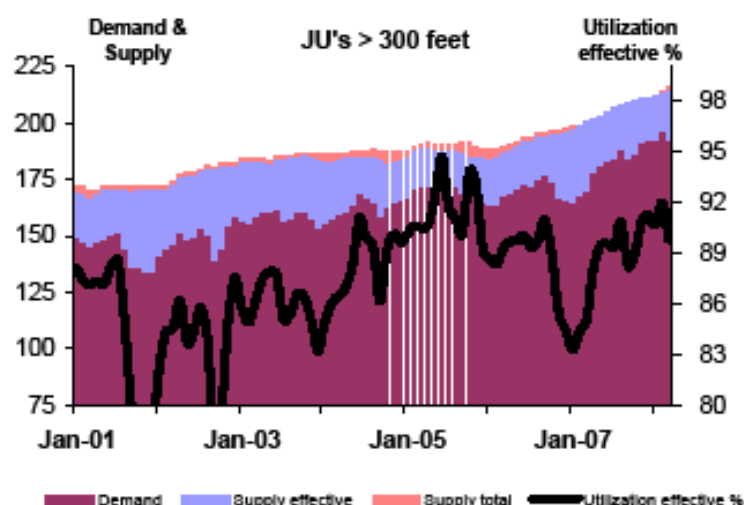


Jackup fleet: 85 units under construction ~ 20% of current fleet  
 ..4 jackups delivered YTD



# International jack-ups

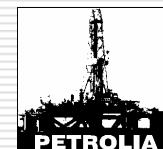
| Date   | Company  | Rig            | Design     | Company    | Region    | Rate \$/day | Old \$/day | Duration | Start-up |
|--------|----------|----------------|------------|------------|-----------|-------------|------------|----------|----------|
| 20-Mar | Maersk   | Maersk BM3     | 375F IC 08 | Shell      | Brunei    | 185         | NA         | 1Y       | Aug-08   |
| 20-Mar | Maersk   | Maersk Compl.  | 375F IC 07 | Shell      | Brunei    | 175         | 210        | 1Y       | Jul-08   |
| 13-Mar | Seadrill | West Ariel     | 400F IC/08 | TBA        | Singapore | 197         | NA         | 1Y       | Jun-08   |
| 15-Feb | JACK     | Petrojack II   | 350F IC 08 | S. Aramco  | S. Arabia | 100*        | NA         | 4Y       | Apr-08   |
| 15-Feb | Sinvest  | Deep Driller 5 | 350F IC 07 | PTTEP      | Myanmar   | 208         | 198        | 3M       | Apr-08   |
| 23-Jan | AWO      | WilForce       | 400F IC 08 | Repsol     | Libya     | 198         | NA         | 150D     | Jul-08   |
| 22-Jan | Rowan    | Bob Keller     | 300F IC 05 | S. Aramco  | S. Arabia | 180         | 170        | 3Y       | May-08   |
| 28-Dec | Sinvest  | Deep Driller 2 | 350F IC 06 | Chevron    | Thailand  | 187         | 187        | 210D     | Dec-07   |
| 10-Dec | Ensco    | Ensco 106      | 350F IC 05 | Apache     | Australia | 265         | 265        | 1Y       | Mar-08   |
| 29-Nov | AWO      | WilCraft       | 400F IC 06 | Peak Group | Australia | 255         | 255        | 3M       | Jul-08   |
| 30-Oct | Score    | Courageous     | 350F IC 07 | RAK Petr.  | Oman      | 190         | 190        | 6M       | Feb-08   |



\* Bareboat contract

Source: ODS Petrodata, Companies, Pareto Securities research

**PETROLIA DRILLING ASA**



# Market opportunities Deep Venture(50%)

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## Upgraded drillship

- Build: 1983 / upgraded 1998 / 2006
- Capacity: 4.500 feet
- DnV class
- Commenced contract with Exxon.
- Demand from oil companies increasing



# *PETROLIA SERVICES AS*

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- Rental and tubular running services to the oil and gas industry world wide. Customers are oil companies, drilling contractors, integrated services companies and smaller service companies.
- Main product is drillpipe and tubing, of which we carry a substantial stock of various sizes and grades.
- A mix of long-term contracts, frame agreements and ad-hoc work.
- Geographically spread with locations in Norway, The Netherlands, Romania, Azerbaijan, South Africa, UAE, Qatar, Singapore, Malaysia, Australia and New Zealand.
- Revenue and EBITDA from Petrolia Services in the first quarter totaled mUSD 18.1 and mUSD 7.7 respectively.

