

4th quarter

2010



Petrolia ASA charters and invests in drilling vessels for offshore oil and gas drilling. It is also involved in worldwide oilfield services related to rental of oilfield equipment, tubular running services and other related services. Through its affiliates, among others PetroResources Ltd on Cyprus, PDR invest in oil & gas and other mineral resources.

PETROLIA ASA (PDR) fourth quarter 2010 preliminary result

Summary of main events

- Total Comprehensive income for 2010 : USD -83.8 million
For the 4th quarter 2010 : USD -91.2 million
- Revenue and operating loss before depreciation in 2010 was USD 75.5 million and USD 37.4 million.
- Operating result before depreciation of Venture Drilling AS (50 per cent owned) in 2010 was USD 73.5 million. Net Result after tax was USD 37.8 million. From end April Deep Venture is stacked in Ghana awaiting outcome of the result of the bareboat termination dispute with the Russian owner.
- Book Equity per 31.12.2010 USD 0.94 per share.
- Receivables impaired with USD 30.0 million due to financial challenges of equipment manager.
- Goodwill regarding Services Division impaired with USD 21.8 million setting book value to zero.
- Investment in Deepwater Driller Ltd was impaired with USD 7.1 million to reflect sales price of USD 34.5 million in Q1 2011.
- Petrolia Services AS received writ of summons ("stevning") from PetroMENA ASA, its bankrupt estate. An accrual of USD 1.7 has been made in this connection.

Financial information

Profit and loss for 2010

Petrolia Services is an International Oilfield Service Company offering rental equipment and related services for the oil and gas industry. Book value of the rental drilling equipment as of 31 December 2010 was USD 86.8 million.

Total revenue in 2010 was USD 75.5 million all of which came from Petrolia Services (100 per cent owned subsidiary). In 2009, total revenues equalled USD 70.7 million.

Operating loss before depreciation in 2010 was USD 37.4 million compared to profit of USD 16.1 million in 2009.

Total operating expenses equalled USD 113.0 million in 2010 compared to USD 54.7 in 2009. The increase is primarily caused by impairment of receivables of USD 30.0 and impairment of Goodwill of USD 21.8 million in Petrolia Services.

Operating loss in 2010 equalled USD 80.9 million including USD 43.5 million in depreciation of equipment mainly related to Petrolia Services. Operating loss in 2009 equalled USD 24.3 million, including USD 40.4 million in depreciations.

PDR is a 50 per cent owner of the joint venture company, Venture Drilling AS. Operating profit before depreciation for Venture Drilling was USD 73.5 million in 2010. Net result after tax was USD 37.8 million. From April 2010 the drillship "Deep Venture" has been stacked in Ghana. Venture Drilling is continuing seeking solutions towards the owner of the Russian bareboat company, ArticMorNefteGasRazvedka, both through negotiations and through arbitration.

The net result after-tax in 2010 was USD -87.3 million. Venture Drilling contributed with a positive result after tax of USD 16.1 million. Result from associated company was USD - 11.0 million including an impairment of USD 7.1 million connected to Deepwater Driller Ltd. Net financial items of USD -11.6 million include USD 0.1 million in positive currency effect and USD - 11.7 million on interest on bond loans and leasing.

The USD/NOK exchange rate has changed from 5.78 as of 31 December 2009 to 5.86 as of 31 December 2010.



Profit and loss for the fourth quarter of 2010

Total revenues were USD 19.5 million for the fourth quarter of 2010.

Operating loss before depreciation was USD 58.2 million for the fourth quarter of 2010 compared to USD 6.6 million in 2009.

Total operating expenses equalled USD 77.7 million for the fourth quarter 2010.

Operating loss equalled USD 72.3 million for the fourth quarter of 2010, including USD 14.1 million in depreciation of equipment mainly related to Petrolia Services. Operating loss equalled USD 17.7 million for the fourth quarter of 2009, including USD 11.2 million of depreciations.

The net result after-tax was USD - 94.8 million for the fourth quarter of 2010. Venture Drilling contributes with a negative result after tax of USD 8.6 million. Result from associated company was USD - 7.0 million. Net financial items was USD -7.1 million. The USD has depreciated from NOK 5.84 as of 30 September 2010 to 5.86 as of 31 December 2010. The net result after-tax for the fourth quarter 2009 was USD - 11.2 million. (USD 207.6 million including discontinued operations).

Cash flow

Cash flow from operations equalled USD 3.3 million in 2010, compared to USD 18.8 million in 2009. Cash flow from investments in 2010 was USD 15.1 million mainly related to investment in drilling equipment in Petrolia Services and capital reduction and dividends from Venture Drilling AS. Cash flow from financing activities in 2010 was USD - 22.3 million, mainly related to payment of interest on bond loan and payment on leasing contracts in Petrolia Services. Cash flow from financing activities in 2009 was USD - 55.0 million.

Cash position as of 31 December 2010 was USD 45.7 million compared to USD 49.6 million in 2009. Of the cash, USD 8.3 million is security for Bond Loan interests and USD 21.2 million is tied to the SS Petrolia performance bond held on behalf of the estate of PetroMENA ASA by Petrolia Rigs AS. The performance bond is expected to be released in favour of the PetroMENA ASA estate in 2011.

Statement of financial position

As of 31 December 2010, total assets amounted to USD 261.7 million. Investment in drilling equipment had a book value of USD 86.8 million and the investment in joint venture had a book value of USD 65.7 million.

As per 31 December 2010, net interest bearing bond loans amounted to USD 85.5 million, whereof USD 68.4 is recognised as a long term liability whilst USD 17.1 million is recognised at short term liability as it is due for payment in June 2011. In addition there is a financial leasing facility for rental equipment in Petrolia Service AS division in the amount of USD 26.4 million, reduced from USD 36.8 million as of 31 December 2009.

Total equity equalled USD 95.2 million as per 31 December 2010, including a minority interest of USD 2.9 million. Year end 2009, the total equity equalled USD 179.0 million. Book value of equity per share equalled USD 0.94 as per 31 December 2010, including minority interest of USD 0.03 per share. Book equity per share equalled USD 1.80 per year end 2009, including a minority interest of USD 0.02 per share.

Share information

As of 31 December 2010, the total number of shares outstanding in PDR equalled 101.259.675, each with a par value of NOK 0.04. On 17 December an Extraordinary General Meeting decided to reduce the par value from NOK 5.00 to NOK 0.04. The creditor notice period expires on 28 February 2011, after which the new Share Capital will be registered. PDR has no outstanding or authorized stock options, warrants or convertible debt. As of 31 December 2010, PDR held 525 003 (0.52 per cent) treasury shares.

The market and outlook

The Board of Directors is somewhat cautious towards the general market outlook as the general uncertainty still remains higher than normal.

In the Gulf of Mexico rigs have been approved for operations under new regulations after the Macondo incident. These are positive signs of improvement in the global market conditions. Still, as we have not seen the effect for the contractors, we see challenges in the pricing and duration of contracts.

Related party transactions

PDR had a Business Administration Agreement with Larsen Oil & Gas AS, controlled by Mr. Berge Gerdt Larsen, the chairman of the Board. The agreement was terminated at the end of July 2010. The Business Administration fee has been NOK 3 million from year 2000. As a part of the limited financial due diligence it has been established that the fee during 2007-2009 has been too low to cover the actual costs Larsen Oil & Gas AS has incurred. The parties have agreed that Petrolia will pay an additional NOK 16.4 million in this connection.

A rental agreement has been signed with Kver AS, controlled by Mr. Berge Gerdt Larsen, the chairman of the Board. Annual office rent is NOK 1.1 million.

An administration agreement has been signed with Larsen Oil & Gas AS, controlled by Mr. Berge Gerdt Larsen, the chairman of the Board. The annual cost coverage is NOK 2.5 million.

About the company

Oilfield Service division:

Petrolia Services AS, a 100 per cent owned subsidiary of PDR provides oilfield services worldwide. Petrolia Services main product categories is rental of tubing, drill pipe, casing and handling equipment, tubular running services as well as other oilfield services.

Drilling and Well division:

Drilling and Well is now providing its services to external clients.

Venture Drilling AS:

The vessel is now being marketed worldwide and is stacked in Ghana. Venture Drilling AS had a Bareboat agreement with the Russian state owned company Arktikmorneftegazrazvedka, for use of the drillship Deep Venture. The agreement is according to Russian courts invalid. An early redelivery against compensation is under discussion with the vessel's Russian owners. The bareboat agreement with the Russian owners is governed by Norwegian law and arbitration in Norway is initiated. The claim is for positive contractual interest for the duration of the bare boat charter. Negotiations are still ongoing between the parties. When the joint venture Venture Drilling AS was created Sinvest provided the bareboat agreement and Petrolia drilling equipment on the rig. Sinvest bareboat agreement is terminated and Petrolia reserve the right to claim damages from Sinvest for providing an invalid bareboat according to Russian law. Petrolia has also claimed USD 20.5 million from Venture Drilling AS connected to the early termination of the latest drilling contract. The claim is disputed and therefore not accounted for.

Deepwater Driller Ltd:

PDR controlled 20.6 per cent of the company per 31 December 2010. These shares have been sold for USD 34.5 million in 2011 and book value 31 December 2010 is impaired with USD 7.1 million to same amount to reflect the sale.



Key risks and uncertainty

Of the company bond loan NOK 100 million is due in June 2011 and NOK 400 million in June 2012. It will be a focus area to be able to address these payments when due.

Oilfield services activity is steadily increasing from 2009, but prices are under pressure and competition is significant. In the service division there is a risk of uncertainty of receivables, as well as uncertainties related to the equipment value due to market fluctuation.

The market outlook for the "Deep Venture" is dependent on a solution with the Russian owner. Venture Drilling is in dialog with the Russian owner. Should an amicable solution not be found, arbitration will continue.

The Estate of PetroMENA ASA (51 % owned by PDR) is continuing the work to resolve settlement with the bondholders and other creditors of the company in the Chapter 11 cases in New York. As a part of the Chapter 11 process, the SS Petrolia has been stacked in Corpus Christie and is available for sale. The Estate is also, through a writ of summons ("stevning"), seeking to invalidate an equipment purchase on 13th November 2008 whereby Petrolia Services AS purchased drilling equipment for USD 34.7 million from PetroMENA ASA. Petrolia dismisses the claim, but has accrued USD 1.7 million.

The Estate of PetroJACK ASA is seeking to invalidate an equipment purchase on 31 July 2009 whereby Petrolia Services AS purchased drilling equipment for USD 5.3 million from PetroJACK ASA. Petrolia dismisses the claim, but has impaired the equipment with USD 3.3 million.

Board of Directors, Petrolia ASA, 24 February 2011



Financial report fourth quarter 2010 – preliminary

| Consolidated Statement of Comprehensive Income | | | | |
|---|----------------|-----------------|----------------|-----------------------------|
| All figures in USD (1000) | | | | |
| | Q4 2010 | YTD 2010 | Q4 2009 | Audited YTD 2009 |
| Operating revenues | 19 536 | 75 541 | 22 460 | 70 746 |
| Operating expenses | 77 723 | 112 971 | 29 042 | 54 682 |
| Operating profit before depreciation | -58 187 | -37 430 | -6 582 | 16 064 |
| Depreciation | 14 088 | 43 481 | 11 167 | 40 371 |
| Operating profit (loss-) | -72 276 | -80 911 | -17 749 | -24 307 |
| Result from joint venture | -8 599 | 16 089 | 4 742 | 30 954 |
| Result from associated companies | -6 954 | -10 946 | 7 632 | 5 060 |
| Net financial income/expenses(-) | -7 126 | -11 568 | -5 241 | -12 870 |
| Profit before income tax | -94 955 | -87 336 | -10 616 | -1 163 |
| Tax | -176 | 0 | 612 | 4 653 |
| Profit for the year from continuing operations | -94 779 | -87 336 | -11 228 | -5 816 |
| Discontinued operations | | | | |
| Profit for the year from discontinued operations | 0 | 0 | 218 792 | 113 657 |
| Profit for the year | -94 779 | -87 336 | 207 564 | 107 841 |
| Other comprehensive income | | | | |
| Other gains/losses charged directly to equity | 0 | 0 | 5 | 0 |
| Currency translation differences | 3 621 | 3 545 | -2 587 | 12 545 |
| Total other comprehensive income | 3 621 | 3 545 | -2 582 | 12 545 |
| Total comprehensive income for the year | -91 158 | -83 791 | 204 982 | 120 386 |

PetroMENA ASA was deconsolidated in 2009 and presented as discontinued operations in the financial statements for 2009. The above figures for 2009 have been changed to reflect the deconsolidation of PetroMENA ASA. Net profit from PetroMENA ASA is presented as discontinued operations.

Petrojack ASA is presented as discontinued operations from 1st quarter 2010. The above figures for 2009 have been changed to reflect PetroJack under discontinued operations.

Condensed Consolidated Statement of Financial Position

All figures in USD (1000)

| Assets | 31.12.2010 | Audited 31.12.2009 |
|---|-------------------|-------------------------------|
| Goodwill | 0 | 20 395 |
| Drilling equipment and other equipment | 86 761 | 121 969 |
| Land and buildings | 2 245 | 2 305 |
| Investments in joint venture | 65 658 | 86 955 |
| Investments in associates | 37 174 | 41 060 |
| Other financial fixed assets | 6 | 450 |
| Total non-current assets | 191 844 | 273 133 |
| Inventory | 1 121 | 1 478 |
| Trade- and other current receivables | 22 949 | 42 288 |
| Financial asset at fair value through p/l | 0 | 620 |
| Other liquid assets | 16 | 15 |
| Bank deposits | 45 749 | 49 616 |
| Total current assets | 69 835 | 94 017 |
| Total assets | 261 679 | 367 150 |
| | | |
| Equity and liabilities | 31.12.2010 | 31.12.2009 |
| Share capital | 749 | 93 568 |
| Own shares | -17 | -2 153 |
| Share premium fund | | 95 352 |
| Other equity | 91 663 | -10 232 |
| | 92 394 | 176 536 |
| Minority interest | 2 854 | 2 504 |
| Total equity | 95 248 | 179 040 |
| Bond loan | 68 391 | 85 143 |
| Retirement benefit obligations | 307 | 562 |
| Other long-term liabilities | 15 582 | 25 992 |
| Total non-current liabilities | 84 280 | 111 697 |
| Short-term portion of non-current liabilities | 27 915 | 11 106 |
| Accounts payable | 16 545 | 11 958 |
| Payable tax | -293 | 120 |
| Other current liabilities | 37 984 | 53 230 |
| Total current liabilities | 82 151 | 76 413 |
| Total liabilities | 166 431 | 188 111 |
| Total equity and liabilities | 261 679 | 367 150 |
| Book equity per share (end of period shares) | 0.94 | 1.80 |
| Equity ratio | 35 % | 49 % |

As of 30 June 2010, a reverse split of the shares in Petrolia Drilling ASA was completed so that 10 shares were combined to 1 share. Booked equity per share as of 31.12.2009 has been changed to be comparable to the 31.12.2010 figures. On 17 December 2010 an extraordinary general meeting resolved to change par value from NOK 5.00 to NOK 0.04 per share. The reduction was used to increase other equity. The creditor notice period expires 28 February 2011 where after the capital reduction will be recorded at Brønnøysundregisterene.

Included in Bank deposits and in Other current liabilities is USD 21.2 million regarding the guarantee to Pemex regarding SS Petrolia. Once the guarantee is terminated, this cash will be release in favour of PetroMena Ltd (Cyprus). Also included in Bank deposits is USD 8.3 million on a Bond Loan interest security account.

Condensed Consolidated Statement of changes in Equity

All figures in USD (1000)

| | YTD 2010 | Audited YTD 2009 |
|--|----------------|---------------------|
| Equity period start 01.01 | 179 040 | 58 654 |
| Total comprehensive income/loss (-) for the period | -83 791 | 120 386 |
| Total gains and losses charged directly to equity | 0 | 0 |
| Total recognised income for the period | -83 791 | 120 386 |
| Purchase of own shares | 0 | 0 |
| Total equity from shareholders in the period | 0 | 0 |
| Total change of equity in the period | -83 791 | 120 386 |
| Equity at period end 31.12 | 95 249 | 179 040 |

Condensed Consolidated Cash Flow Statement

All figures in USD (1000)

| | Q4 2010 | YTD 2010 | Q4 2009 | Audited YTD 2009 |
|---|---------------|---------------|----------------|---------------------|
| Net cash flow from operating activities | -11 826 | 3 343 | -852 | 18 813 |
| Net cash flow from investing activities | 22 255 | 15 089 | -816 | -43 645 |
| Net cash flow from financing activities | -7 412 | -22 299 | -27 201 | -54 993 |
| Net change in cash and cash equivalents | 3 017 | -3 867 | -28 869 | -79 825 |
| Cash and cash equivalents at beginning of period | 43 210 | 49 616 | 78 522 | 127 813 |
| Exchange gain/loss (-) on cash and cash equivalents | -478 | | -37 | 1 628 |
| Cash and cash equivalents at period end | 45 749 | 45 749 | 49 616 | 49 616 |

PetroMENA ASA was deconsolidated in 2009 and presented as discontinued operations in the financial statements for 2009. The cash flow from 2009 has not been recalculated and thus includes PetroMENA's cash flows and cash deposits. The table below shows the cash flows from PetroMENA for 2009.

| Cash flows discontinued operations | Q4 2010 | YTD 2010 | Q4 2009 | Audited YTD 2009 |
|------------------------------------|----------|----------|----------------|---------------------|
| Operating cash flows | 0 | 0 | 1 117 | 955 |
| Investing cash flows | 0 | 0 | 0 | -21 780 |
| Financing cash flows | 0 | 0 | -23 266 | -46 358 |
| Total cash flows | 0 | 0 | -22 149 | -67 183 |

Notes to the unaudited condensed consolidated figures:

Note 1 Applied accounting principles

This fourth quarter report is prepared according to the International Financial Reporting Standards (IFRS as adopted by the EU) and the appurtenant standard for quarterly reporting (IAS 34). The quarterly accounts are based on the current IFRS standards and interpretations and was approved by the Board 24 February 2011 at 18:00 hours.

This fourth quarter report is prepared according to the same principles as the most recent annual financial statements, but does not include all the information and disclosures required in the annual financial statements. Consequently, this report should be read in conjunction with the latest annual report for the Company (2009). Changes in standards and interpretations may result in other figures.

The same accounting principles and methods for calculation which were applied in the latest annual report (2009) have been applied in the preparation of this interim report. The Company's accounting principles are described in detail in its annual report for 2009 available at the Company's homepage www.petrolia.no.

The consolidated accounts are based on historical cost, with the exception of items required to be reported at fair value.

Note 2 Discontinued operations

PetroMENA ASA has been deconsolidated in 2009. Petrojack ASA is deconsolidated from 1st quarter 2010. The result from PetroMENA ASA and Petrojack ASA is presented as profit from discontinued operations. This comprises the total of the post-tax profit (loss) of the discontinued operations.

| Analysis of the result of discontinued operations | Q4 2009 | YTD 2009 |
|---|----------------|----------------|
| Operating revenue | 12 982 | 84 205 |
| Operating expenses | 11 366 | 82 907 |
| Operating profit | 1 616 | 1 298 |
| Result from associated companies | 271 | -4 755 |
| Net financial income/expenses (-) | -21 | -99 812 |
| Profit from discontinued operations | 1 866 | -103 269 |
| Pre-tax gain/(loss) recognised on discontinued operations | 220 620 | 220 620 |
| Tax | 3 694 | 3 694 |
| After tax gain/(loss) recognised on discontinued operations | 216 926 | 216 926 |
| Profit for the year from discontinued operations | 218 792 | 113 657 |

The table below show cash flows from discontinued operations for 2009.

| Cash flows discontinued operations | Q4 2009 | YTD 2009 |
|------------------------------------|----------------|----------------|
| Operating cash flows | 1 117 | 955 |
| Investing cash flows | 0 | -21 780 |
| Financing cash flows | -23 266 | -46 358 |
| Total cash flows | -22 149 | -67 183 |

Note 3 Tangible fixed assets

The table below outlines the development of tangible fixed assets as of 31 December 2010:

| All figures in USD (1000) | Drilling- and other equipment | Land and Buildings | Total |
|---|-------------------------------|--------------------|----------------|
| Balance at 1 Jan 2010 | 121 969 | 2 305 | 124 274 |
| Acquisition cost: | | | |
| Acquisition cost at 1 Jan 2010 | 213 711 | 2 464 | 216 175 |
| Purchased tangibles as of 31.12.2010 | 13 456 | 0 | 13 456 |
| Disposal as of 31.12.2010 | 323 | 0 | 323 |
| Transferred to asset held for sale | 0 | 0 | 0 |
| Discontinued operations | 0 | 0 | 0 |
| Acquisition cost at 31 December 2010 | 227 490 | 2 464 | 229 954 |
| Depreciation/impairment: | | | |
| Balance at 1 January 2010 | 91 742 | 159 | 91 901 |
| Depreciation/impairment as of 31.12.2010 | 46 816 | 61 | 46 877 |
| Discontinued operations | 0 | 0 | 0 |
| Balance at 31 December 2010 | 138 558 | 220 | 138 778 |
| Translation differences | -2 171 | 1 | -2 170 |
| Carrying amount: | | | |
| Balance at 31 December 2010 | 86 761 | 2 245 | 89 006 |
| Residual value | | | |

Note 4 Investments in associates

| All figures in USD (1000) | Petroresources Ltd | Deepwater Driller Ltd | Total |
|------------------------------------|--------------------|-----------------------|---------------|
| Investments in associates | | | |
| Shareholding | 28.57% | 20.6% | |
| Business address | Limassol, Cyprus | Cayman Island | |
| Balance 1 January 2010 | 2 760 | 38 300 | 41 060 |
| Investments | | 7 050 | 7 050 |
| Share of result | -86 | 259 | 173 |
| Dilution loss | | -4 002 | -4 002 |
| Impairment | | -7 107 | -7 107 |
| Balance at 31 December 2010 | 2 674 | 34 500 | 37 174 |

In connection with the USD 50 million equity private placement in Deepwater Driller Ltd in Q2 2010, Petroli Drillings shareholding in the company was reduced from 30% to 20.6%. The dilution effect resulted in a USD 4.0 mill loss recognized in profit and loss. All shares in Deepwater Driller Ltd have been sold for USD 34.5 million to Songa Offshore SE on 24 January 2011.

Note 5 Segment Information

| All figures in USD (1000) Segment information YTD | Drilling | | Oilservices | | Total | |
|--|----------|----------|-------------|----------|----------|----------|
| | YTD 2010 | YTD 2009 | YTD 2010 | YTD 2009 | YTD 2010 | YTD 2009 |
| Operating income | | | 75 541 | 70 746 | 75 541 | 70 746 |
| EBITDA | | | -37 430 | 26 749 | -37 430 | 26 749 |
| EBIT | | | -80 911 | -22 091 | -80 911 | -22 091 |
| Discontinued operations | | 113 657 | | | | 113 657 |
| EBITDA % | | | -50 % | 38 % | -50 % | 38 % |
| EBIT % | | | -107 % | -31 % | -107 % | -31 % |

Reconciliation from segment operational EBIT to Profit before income tax:

| | | | |
|------------------------------------|--|----------------|---------------|
| Segment EBIT | | -80 911 | -22 091 |
| Unallocated operating expenses | | | -2 216 |
| Net financial expenses | | -11 568 | -12 870 |
| Share of result from joint venture | | 16 089 | 30 954 |
| Share of result from associates | | -10 946 | 5 060 |
| Profit before income tax | | -87 339 | -1 163 |

| All figures in USD (1000) Segment information Q4 | Drilling | | Oilservices | | Total | |
|---|----------|---------|-------------|---------|---------|---------|
| | Q4 2010 | Q4 2009 | Q4 2010 | Q4 2009 | Q4 2010 | Q4 2009 |
| Operating income | | | 19 536 | 22 460 | 19 536 | 22 460 |
| EBITDA | | | -58 187 | 4 984 | -58 187 | 4 984 |
| EBIT | | | -72 276 | -14 652 | -72 276 | -14 652 |
| Discontinued operations | | 218 792 | | | | 218 792 |
| EBITDA % | | | -298 % | 22 % | -298 % | 22 % |
| EBIT % | | | -370 % | -65 % | -370 % | -65 % |

Reconciliation from segment operational EBIT to Profit before income tax:

| | | | |
|------------------------------------|--|----------------|----------------|
| Segment EBIT | | -72 276 | -14 652 |
| Unallocated operating expenses | | | -3 098 |
| Net financial expenses | | -7 126 | -5 241 |
| Share of result from joint venture | | -8 599 | 4 742 |
| Share of result from associates | | -6 954 | 7 633 |
| Profit before income tax | | -94 955 | -10 616 |

Note 6 Legal disputes

The legal dispute regarding termination costs with the previous CEO Bernt Skeie is pending arbitration.

The legal dispute with Tollefsen Energy AS for office rent in Oslo is pending court proceedings.

Note 7 Events after the balance sheet date

All shares in Deepwater Driller Ltd have been sold to Songa Offshore SE for USD 34.5 million.

