

December 7, 2015

BSE Ltd Phiroze Jeejeebhoy Towers 21 st Floor, Dalal Street Mumbai 400 001. Through :: BSE Listing Centre	National Stock Exchange of India Ltd Exchange Plaza, 5 th Floor Plot No :: C/1 G Block Bandra – Kurla Complex Bandra (E), Mumbai 400 051 Through : NEAPS
---	--


Dear Sir,

We refer to the Stock Exchange announcements dt 7th October 2015 and 23rd October 2015 regarding possible amendments to the bond agreement dated 20th December 2011 entered into by Deep Drilling 1 Pte. Ltd ("DD1PL"), a wholly owned stepdown subsidiary of our Company. Accordingly, please find attached a copy of the summons for bondholders' meeting on 15th December 2015 with the proposed amendments to the bond agreement.

Kindly take the information on record.

Thanking you

Yours truly
For Aban Offshore Limited


S N Balaji
Senior Manager (Legal) & Secretary

Denne meldingen til obligasjonseierne er kun utarbeidet på engelsk. For informasjon vennligst kontakt Nordic Trustee ASA.

To the bondholders in:

ISIN: NO 001 063322.5 - 12 per cent Deep Drilling 1 Pte. Ltd. Senior Secured Callable Bond Issue 2011/2015

Oslo 1 December 2015

Summons to Bondholders' Meeting

Nordic Trustee ASA acts as Bond Trustee for the above mentioned Bond issue.

All capitalised terms used and not otherwise defined herein shall have the same meaning assigned to them in the bond agreement dated 21 December 2011 for the 12 per cent Deep Drilling 1 Pte. Ltd. Senior Secured Callable Bond Issue 2011/2015 with ISIN NO 001 063322.5 (the "Bond Agreement") between Deep Drilling 1 Pte. Ltd. (the "Issuer") and Nordic Trustee ASA (previously Norsk Tillitsmann ASA) (the "Bond Trustee").

The information in this summons regarding the Issuer and market conditions are provided by the Issuer, and the Bond Trustee expressly disclaims all liability whatsoever related to such information.

1. Background

The Issuer is part of the Aban Offshore Ltd. group (the "Aban Group"), which is in the business of owning, operating and chartering jack-up rigs. The Issuer issued the Bonds in an aggregate amount of USD 125,000,000 on 21 December 2011, and has partially redeemed the Bonds in an aggregate amount of USD 37,500,000 in compliance with the repayment schedule. The outstanding principal amount of USD 87,500,000 matures on the Final Maturity Date 21 December 2015. The Bonds are listed on Nordic ABM. Neither the Issuer nor any other company in the Aban Group or its main sponsor Mr. Reji Abraham and family, holds any of the Bonds.

Reference is made to the notices published¹ on 7 October 2015 and 23 October 2015, including the investor presentation of 23 October 2015 (the "Investor Presentation"). In light of the challenging market conditions and other circumstances discussed in the Investor Presentation, the Issuer is proposing certain amendments to the Bond Agreement as further described in section 3 (*Summary of proposed amendments*) and Schedule 1 (*Form of Amendment Agreement*) below (the "Proposal").

The Issuer requests Bondholders to take into consideration that payments from Pemex (the end user of the Rig) are increasingly delayed. The last payment for the Rig was made in October 2015 (for July drilling) with no further payments expected in 2015 as Pemex has yet to permit invoicing. By year-end 2015, a total of 5 months' hire (approximately USD 21.5 million at 95% efficiency) is expected to be outstanding for the Rig. The terms of the contract (including day rate and duration) remain unchanged, and the outstanding amount is not disputed. The delay in payments combined

¹ <http://www.newsweb.no/newsweb/search.do>

with early termination of Deep Driller 7 and a lack of new drilling contracts for the Aban Group's other rigs, has negatively impacted the ability to set aside funds to redeem the Bonds.

The Issuer's cash is USD 5000 and the Guarantor's cash is USD 434,418, calculated on 30 November 2015. The Issuer asserts that it, and the Aban Group, have made all reasonable efforts to raise additional funds to redeem the bonds as originally scheduled, so far without any success.

2. Further Information

More information on the current status of the Issuer and the Guarantor Deep Drilling Invest Pte. Ltd., including financial position and contract backlog, can be found in the Investor Presentation. Unaudited financials of the Issuer and the Guarantor for half year ending 30th September 2015 has also been published.

The Issuer has engaged Pareto Securities AS as its financial advisor with respect to the Proposal. Accordingly, Bondholders may contact Pareto Securities AS Fixed Income Sales at + 47 22 87 87 70 for further information.

The Issuer will also host a conference call at 7 December 2015 at 11:00 hours (Oslo time) to provide further information. Bondholders interested in participating in the conference call may contact Pareto Securities AS Fixed Income Sales at + 47 22 87 87 70 for further details.

3. Summary of proposed amendments

The proposed amendments to the Bond Agreement are set out in Schedule 1 (*Form of Amendment Agreement*). The main changes are:

- (a) Repay USD 22.5 million principal plus accrued interest on 21 December 2015 (the original Final Maturity Date), with principal amount of USD 65 million remaining.
- (b) Final Maturity Date postponed until 21 December 2017.
- (c) Quarterly principal repayments of USD 8.125 million each and introduction of cash sweep.
- (d) Interest rate increased to 15% per annum from 21 December 2015 and paid quarterly.
- (e) Call provision and call premium extended to the new Final Maturity Date.
- (f) All net earnings from operating the Rig shall be paid to the Earnings Account and applied towards payment of accrued interest and redemption of outstanding Bonds by fixed amortizations and cash sweep.
- (g) Earnings Account will be blocked.
- (h) Additional guarantee, security and covenants from any intra-group bareboat charterer of the Rig.
- (i) No dividend payments from or debt service to any Aban Group company by the Issuer.
- (j) No requirement for Retention Account or Minimum Cash Requirement.

4. Evaluation of the Proposal

The Proposal is put forward to the Bondholders without further evaluation or recommendation from the Bond Trustee, and the Bond Trustee emphasises that each Bondholder should cast its vote in the Bondholders' Meeting based on its own evaluation of the Proposal. Nothing herein shall constitute a recommendation to the Bondholders by the Bond Trustee. The Bondholders must independently evaluate whether the Proposal is acceptable and vote accordingly. The Bond Trustee urges each Bondholder to seek advice in order to evaluate the Proposal.

5. Summons for Bondholders' Meeting

The Bondholders are hereby summoned to a Bondholders' Meeting:

Time: 15 December 2015 at 13:00 hours (Oslo time)

Place: The premises of Nordic Trustee ASA

Haakon VII's gt 1, 0161 Oslo - 6th floor

Agenda:

1. Approval of the Summons
2. Approval of the agenda
3. Election of two persons to co-sign the minutes together with the chairman
4. Request for adoption of the Proposal

It is proposed that the Bondholders' Meeting resolve the following:

"The Bondholders Meeting approves the Proposal as described in section 3 (Summary of proposed amendments) and Schedule 1 (Form of Amendment Agreement) of the summons to this Bondholders' Meeting.

The Bond Trustee is hereby authorized to prepare, negotiate, finalize and enter into the necessary agreements in connection with documenting the decisions made at the Bondholders' Meeting as well as carry out necessary completion work, including agreeing on necessary amendments to the Bond Agreement and any other Finance Document".

* * * *

To approve the Proposal, Bondholders representing more than two-thirds of the Voting Bonds represented (in person or by proxy) at each of the Bondholders' Meetings (for each of the Bonds) must vote in favour of the Proposal. In order to have a quorum at least ½ of the Voting Bonds must be represented at the relevant Bondholders' Meeting.

If the above resolutions are not adopted by all Bonds as proposed herein, the Bond Agreements will remain unchanged.

Please find attached a Bondholder's Form from the Securities Depository (VPS) as Schedule 2 hereto, indicating your bondholding at the printing date. The Bondholder's Form will serve as proof of ownership of the Bonds and of the voting rights at the Bondholders' Meeting. (If the bonds are held in custody - i.e. the owner is not registered directly in the VPS - the custodian must confirm;

(i) the owner of the bonds, (ii) the aggregate nominal amount of the bonds and (iii) the account number in VPS on which the bonds are registered.)

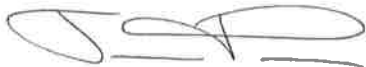
The individual Bondholder may authorise the Nordic Trustee to vote on its behalf, in which case the Bondholder's Form also serves as a proxy. A duly signed Bondholder's Form, authorising Nordic Trustee to vote, must then be returned to Nordic Trustee in due time before the meeting is scheduled (by scanned e-mail, telefax or post to mail@nordictrustee.com, +47 22 87 94 10, or Nordic Trustee ASA, PO Box 1470 Vika, 0116 Oslo, Norway).

In the event that Bonds have been transferred to a new owner after the Bondholder's Form was made, the new Bondholder must bring to the Bondholders' Meeting or enclose with the proxy, as the case may be, evidence which the Bond Trustee accepts as sufficient proof of the ownership of the Bonds.

For practical purposes, we request those who intend to attend the Bondholders' Meeting, either in person or by proxy other than to Nordic Trustee, to notify Nordic Trustee by telephone or by e-mail (as set out at the first page of this letter) within 16:00 hours (4 pm) (Oslo time) the Business Day before the meeting takes place.

Yours sincerely

Nordic Trustee ASA



Vivian Trøsch

Enclosed:

Schedule 1 - Form of Amendment Agreement

Schedule 2 - Bondholder's Form

Schedule 1 Form of Amendment Agreement

[On the following page]

AMENDMENT AGREEMENT

to

the Bond Agreement

between

Deep Drilling 1 Pte. Ltd.
("Issuer")

and

Nordic Trustee ASA
("Bond Trustee")

on behalf of

the bondholders
("Bondholders")

in the bond issue

12 per cent Deep Drilling 1 Pte. Ltd. Senior Secured Callable Bond Issue 2011/2015

www.bahr.no

This agreement (the "Amendment Agreement") is dated on [date] between Deep Drilling 1 Pte. Ltd. (the "Issuer") and Nordic Trustee ASA (the "Bond Trustee").

1. THE SCOPE OF THE AMENDMENT AGREEMENT

The Amendment Agreement comprises amendments of the agreement Bond Agreement "12 per cent Deep Drilling 1 Pte. Ltd. Senior Secured Callable Bond Issue 2011/2015" - ISIN 001 063322.5, based on resolution adopted at the Bondholders' meeting held 15 December 2015.

2. AMENDMENT TO THE BOND AGREEMENT

The Bond Agreement is hereby amended as follows:

- (a) A new definition of Bareboat Charter shall be added:

“**Bareboat Charter**” means any bareboat charter between the Bareboat Charterer and the Issuer in respect of the Rig.”

- (b) A new definition of Bareboat Charterer shall be added:

“**Bareboat Charterer**” means at any time the bareboat charterer of the Rig provided it is a member of the Aban Group, currently being Deep Driller Mexico S de RL de CV, incorporated in Mexico.”

- (c) The definition of Earnings Account shall be amended as follows:

“**Earnings Account**” means an account established in the name of the Issuer with State Bank of India (Singapore Branch), ICICI Bank Ltd (Singapore Branch) or in the Singapore main office or branch of a reputable international bank selected by the Issuer with at least A- rating from Standard & Poor's Rating Services or Fitch Ratings Ltd or A3 rating from Moody's Investors Services Limited, into which (i) all earnings of the Issuer, including payments from the Bareboat Charterer in accordance with Clause 13.10 (c), shall be paid into, and (ii) all other net earnings related to the Rig and the Drilling Contract shall be paid directly from the relevant contracting party under the Drilling Contract (if entered into directly with the Issuer). The Earnings Account shall be pledged and blocked in favour of the Bond Trustee (on behalf of the Bondholders), ~~but not blocked unless there is an Event of Default.~~

- (d) The definition of Final Maturity Date shall read as follows:

“**Final Maturity Date**” means 21 December 2017.”

- (e) The definition of Interest Payment Date shall read as follows:

“**Interest Payment Date**” means 21 March, 21 June, 21 September and 21 December each year, and the Final Maturity Date.”

- (f) The definition of Material Adverse Effect shall read as follows:

“**Material Adverse Effect**” means a material adverse effect on: (a) the financial condition or operations of the Issuer, the Bareboat Charterer, the Guarantor and/or the Guarantor Group, (b) the Issuer's, the Bareboat Charterer's or the Guarantor's ability to perform and

comply with its obligations under the Finance Documents; or (c) the validity or enforceability of any Finance Document.

(g) The definition of Obligor shall read as follows:

““Obligor” means the Issuer, the Bareboat Charterer and the Guarantor.

(h) The following paragraphs shall be added at the end of Clause 8.2:

“Additional Security Interests:

(viii) unconditional and irrevocable corporate guarantee (Nw. *selvskyldnergaranti*) under Norwegian law from the Bareboat Charterer, securing all amounts outstanding under the Finance Documents, including but not limited to principal, interest and expenses; and

(ix) a first priority assignment by the Issuer of the current and any future Bareboat Charter(s), and the Issuer shall give notices of and obtain consents (if required thereunder) and acknowledgements of such assignment from the applicable Bareboat Charterer.

The Security Documents for the Security Interest in paragraph (viii)-(ix) above shall be entered into within 8 January 2016 at the latest.”

(i) Clause 9.1 shall read as follows:

“The Issuer shall pay interest on the face value of the Bonds (i) from, and including, the Issue Date to, but excluding, the Interest Payment Date in December 2015 at a fixed rate of 12 per cent per annum and (ii) from, and including, the Interest Payment Date in December 2015 at a fixed rate of 15.0 per cent per annum.”

(j) Clause 9.2 shall read as follows:

“Interest payments shall be made quarterly in arrears on the Interest Payment Dates.”

(k) Clause 10.1 (*Maturity*) shall be amended as follows:

“The Bonds shall be repaid by the Issuer in instalments as follows:

- USD 12.5 million to be repaid on the Interest Payment Date in December 2012;
- USD 12.5 million to be repaid on the Interest Payment Date in December 2013;
- USD 12.5 million to be repaid on the Interest Payment Date in December 2014;
- USD 22.5 million to be repaid on the Interest Payment Date in December 2015;
- USD 8.125 million to be repaid on the Interest Payment Date in March 2016;

- USD 8.125 million to be repaid on the Interest Payment Date in June 2016;
- USD 8.125 million to be repaid on the Interest Payment Date in September 2016;
- USD 8.125 million to be repaid on the Interest Payment Date in December 2016;
- USD 8.125 million to be repaid on the Interest Payment Date in March 2017;
- USD 8.125 million to be repaid on the Interest Payment Date in June 2017;
- USD 8.125 million to be repaid on the Interest Payment Date in September 2017;

and

- the remaining Outstanding Bonds to be repaid at the Final Maturity Date.

Payment shall be made on the subsequent Business Day if the relevant Interest Payment date is not a Business Day.

All repayments shall be made at 100% of par value plus accrued interest on redeemed amount. Instalments must be carried out pro rata between the Bonds (according to the procedures of the Security Depository).”

(l) Clause 10.2.1 shall read as follows:

“The Issuer may redeem the Bonds (all or nothing) at any time from, and including:

- (i) The Interest Payment Date in December 2015 to, but not including, the Interest Payment Date in June 2016 at a price equal to the sum of:
 - (1) the present value on the relevant record date of 102% of par value as if such payment originally should have been taken place on the Interest Payment Date in June 2016; and
 - (2) the present value on the relevant record date of the remaining interest payment (less any accrued but unpaid interest) through and including the Interest Payment Date in June 2016,

both calculated by using a discount rate of 50 basis points over the comparable U.S. Treasury Rate (i.e. comparable to the remaining duration of the Bonds until the mentioned Interest Payment Date in June 2016) (plus accrued interest on redeemed amount) and where “relevant record date” shall mean a date agreed upon between the Bond Trustee, the Paying Agent, VPS and the Issuer in connection with the such repayment;

- (ii) the Interest Payment Date in June 2016 to, but not including, the Interest Payment Date in June 2017 at a price equal to 102% of par value (plus accrued interest on the redeemed amount); and

(iii) the Interest Payment Date in June 2017 to, but not including, the Final Maturity Date at a price equal to 100% of par value (plus accrued interest on the redeemed amount).”

(m) New paragraphs (iv)-(vi) of Clause 10.4.1 shall read as follows:

“(iv) if occurring anytime from the Interest Payment Date in December 2015 to, but not including, the Interest Payment Date in June 2016, at a price equivalent to the sum of:

- (1) the present value on the relevant record date of 102% of the par value discounted from the Interest Payment Date in June 2016; and
- (2) the present value on the relevant record date of the remaining coupon payments (less any accrued but unpaid interest, as such interest shall be paid in full) through and including the Interest Payment Date in June 2016,

both calculated by using a discount rate of 50 basis points over the comparable U.S. Treasury Rate (i.e. comparable to the remaining duration of the Bonds until the mentioned Interest Payment Date in June 2016) (plus accrued interest on redeemed amount) and where “relevant record date” shall mean a date agreed upon between the Bond Trustee, the Paying Agent, VPS and the Issuer in connection with the such repayment; and

- (v) if occurring anytime from and including the Interest Payment Date in June 2016 to, but not including, the Interest Payment Date in June 2017, at a price equal to 102% of par value (plus accrued interest on redeemed amount); and
- (vi) if occurring anytime from and including the Interest Payment Date in June 2017 to, but not including, the Final Maturity Date, at a price equal to 100% of par value (plus accrued interest on redeemed amount).”

(n) A new clause 10.5 (*Cash Sweep*) shall be added:

“As of the Interest Payment Date in June 2016 and on any subsequent Interest Payment Date thereafter, any cash in the Earnings Account on an Interest Payment Date in excess of the sum of (i) interest and instalments due on such Interest Payment Date and (ii) interest and instalments due on the next Interest Payment Date, shall be applied towards redemption in part of the Outstanding Bonds at 100% of par value. Instalments must be carried out pro rata between the Bonds (according to the procedures of the Securities Register). Any amount of cash sweep will be applied against scheduled instalments and the balloon payment in inverse order of maturity (i.e. first reducing the payment to be made on the Final Maturity Date).”

(o) The following new paragraphs shall be added at the end of Clause 13.4.1:

“(m) other than the debt service (interest and amortization) to be paid to the Bondholders under the Bond Agreement, the Issuer may not service any debt held by companies in the Aban Group; and

- (n) declare or make any dividend payment, repurchase of shares, make any other distribution to its shareholder or any other company in the Aban Group or the Ultimate Parent's shareholders".
- (p) Clause 13.6.1 (c) (*Minimum Cash Requirements*) shall be deleted in its entirety.
- (q) A new clause 13.8.4 shall be added:

"The Earnings Account shall be blocked in favour of the Bond Trustee, and any proceeds deposited on the Earnings Account may only be applied for payment of the Bond Trustee's fees and expenses, interest and principal on the Bonds."
- (r) A new clause 13.10 (*The Bareboat Charterer Covenants*) shall be added after Clause 13.9 (*The Guarantor's Covenants*):
 - "(a) Clause 13.5 and Clause 13.9.1 (a), (b), (d), (f), (g) and (h) applicable to the Guarantor or Guarantor Group (as the case may be) shall apply mutatis mutandis to the Bareboat Charterer.
 - (b) The Bareboat Charterer shall not, and shall procure that its shareholder shall not, create or permit to subsist any Encumbrances over any of the Bareboat Charterer's assets or its revenues or the shares in the Bareboat Charterer or enter into arrangements having similar effect, except for any Encumbrances arising by operation of law or in the ordinary course of business customary (including collateral in connection with credit purchases of goods and services).
 - (c) The Bareboat Charterer undertakes that all earnings made from operating the Rig (regardless of being received prior to or after termination of the relevant Bareboat Charter), shall upon receipt by the Bareboat Charterer immediately be paid to the Issuer's Earnings Account in full, less actual opex incurred, however limited to USD 38,000 per day, and any withholding tax or local service tax, (i) so as to cover first the bareboat rate as per the Bareboat Charter and, if in excess of bareboat rate due, (ii) any such excess cash to be transferred by way of subordinated loans from the Bareboat Charterer to the Issuer.
 - (d) The Bareboat Charterer undertakes that the current and any future Bareboat Charter(s) may not be amended or terminated without the Bond Trustee's prior written consent, except for (i) reduction of the Bareboat Charter rate in an amount equal to the reduction (if any) of the rate under the relevant Drilling Contract as of the effective date of the reduced Drilling Contract rate and (ii) termination of the Bareboat Charter upon termination of the relevant Drilling Contract.
 - (e) Any future Bareboat Charter(s) to be entered into at arm's length basis at a bareboat rate equal to the relevant Drilling Contract less actual opex incurred, however limited to USD 38,000 per day, and any withholding tax or local service tax."
- (s) Clause 15.1 sub-paragraphs (b) (*Breach of other obligations*), (c) (*Cross default*), (e) (*Insolvency*), (f) (*Creditors' process*), (g) (*Dissolution, appointment of liquidator or analogous proceedings*) and (i) (*Litigation*) shall be amended to include the Bareboat Charterer.

- (t) All references to Escrow Account, Retention Account and Retention Account Pledge shall be deleted.

3. CONFIRMATION OF THE BOND AGREEMENT

All other provisions of the Bond Agreement remain in full force.

The Issuer represents and warrants that:

- (a) No circumstances have occurred, including any litigation pending or threatening, which would have a Material Adverse Effect;
- (b) the representations and warranties in Clause 7 (*Representations and Warranties*) in the Bond Agreement are true and correct;
- (c) no Event of Default exists or will arise as a consequence of this Amendment Agreement; and
- (d) the documents and information provided by the Issuer to the Bondholders in connection with this Amendment Agreement represent the latest available information concerning the Guarantor Group and the Aban Group.

4. GOVERNING LAW

Disputes arising out of or in connection with this Amendment Agreement which are not resolved amicably shall be resolved in accordance with Norwegian law in the Oslo City Court.

5. COMMENCEMENT

The amendments to the Bond Agreement will commence at the 21 December 2015, subject to compliance with the following conditions precedent:

- (a) necessary corporate resolutions from the Issuer to execute the Amendment Agreement;
- (b) a power of attorney from the Issuer to the relevant individuals for their execution of the Amendment Agreement or similar documentation evidencing the individuals' authorisation to sign on behalf of the Issuer;
- (c) copies of (i) certificate of incorporation or other similar official document and (ii) articles of association of the Issuer;
- (d) the Amendment Agreement being in acceptable form and executed; and
- (e) payment of all accrued interest and the Instalment scheduled (as if the Amendment Agreement is effective) for the Interest Payment Date in December 2015.

The Bond Trustee may, in its reasonable opinion, waive the deadline or requirements for documentation as set forth in this Clause 5.

Deep Drilling 1 Pte. Ltd.

Nordic Trustee ASA

.....
Issuer

.....
Bond Trustee

This Amendment Agreement has been executed in - 2 - two - copies (originals), of which the Issuer and the Bond Trustee keep one each.