



## PRESS RELEASE

### **Northern Offshore Announces Extension of Term Loan Agreement**

HOUSTON, TEXAS -- March 15, 2010 -- Northern Offshore, Ltd. (Oslo Børs: NOF.OL) announced today that the company and its lenders had executed an amendment to their US\$300 million Secured Term Loan Facility Agreement. The amendment calls for a payment of US\$67.5 million, rather than US\$ 97.5 million, on the original maturity date and extends the payment of up to US\$30 million plus accrued interest until no later than May 14, 2010. The rate on the extended outstanding balance of the Term Loan is LIBOR plus 3.5%.

This extension provides the company additional time to continue its work on refinancing its remaining outstanding debt now due on May 14, 2010 (US\$30 million) and on June 14, 2010 (US\$100 million). The company expects to enter into a new revolving credit facility in the coming weeks to fund a portion of these obligations.

Northern Offshore, Ltd. is a Bermuda holding company which operates offshore oil and gas production and drilling vessels deployed around the world. The company's fleet consists of one floating production facility and five drilling units (a drillship, a semisubmersible and three jackup drilling rigs). The Northern Offshore fleet operates in various markets including the North Sea, the Indian Ocean, offshore Russia, the Mediterranean Sea and Southeast Asia. The company also provides rig management services, and is currently operating in this capacity on two semisubmersibles in the Caspian Sea. More information on Northern Offshore, Ltd. may be found by visiting the company's website at <http://www.northernoffshorelimited.com>.

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