



PRESS RELEASE

Northern Offshore Announces US\$120 Million Secured Revolving Credit Facility

HOUSTON, TEXAS -- April 25, 2010 -- Northern Offshore, Ltd. (Oslo Børs: NOF.OL) today announced that the company has entered into a US\$120 million Secured Revolving Credit Facility maturing in September 2011 ("the Facility") with The Royal Bank of Scotland plc, Nordea Bank Norge ASA and NIBC Bank N.V, subject to customary closing conditions. Upon satisfying the closing conditions, which is expected to occur during the week of April 26th, the outstanding US\$30 million balance of the company's US\$300 million Secured Term Loan will be repaid. The available portion of the Facility is initially limited to a maximum of US\$30 million until the company's US\$100 million Bond Loan, due June 14, 2010, is repaid in full. Concurrent with repayment of the Bond Loan and pledging of additional collateral currently restricted by the Bond Loan Agreement, the limitation on the Facility will be lifted and the full balance of the Facility will be available to the company.

The utilized portion of the Facility bears interest at a rate of 3.00% over Libor with a non-utilization fee of 1.5% paid quarterly in arrears on the unutilized portion. The Facility is reduced by US\$24 million at the end of each calendar quarter, commencing September 30, 2010, with the final reduction to zero at maturity on September 30, 2011. The Facility is secured primarily by guarantees of the company's asset-owning subsidiaries. Prepayments are required under certain circumstances outlined in the Facility Agreement, and the Facility will be cancelled and required to be repaid in full under certain circumstances, including change of control, the failure of Geveran Trading Limited and its affiliates ("Geveran") to own, directly or indirectly, approximately 25% or more of the company's common stock, sale by the company of all or substantially all of its assets or the assets of its subsidiaries and non-approved delisting of the company's stock, among other events.

The Facility contains certain indemnity, reimbursement and break cost provisions, representations and warranties, affirmative and negative covenants including: maintaining minimum cash and cash equivalent availability of not less than US\$20 million through September 30, 2010 and US\$25 million thereafter, minimum fleet value of 2.5x the total commitments under the Facility, minimum net tangible assets of US\$400 million at year-end 2010, and maximum total debt to trailing four quarters Earnings before Interest, Taxes and Depreciation & Amortization (EBITDA), less capital expenditures, declining quarterly from March 31, 2010 at 0.90x, to June 30, 2011 at 0.25x.

The Facility identifies certain events or circumstances that would result in events of default including non-payment on the due date, failure to comply with financial covenants, material adverse change, insolvency, insolvency proceedings, breach of other

obligations, misrepresentations, and cross defaults. The Facility is governed by English law.

On April 22, 2010, the company had a cash and cash equivalent balance of approximately US\$68 million, including about US\$15 million which is restricted to secure third-party standby letters of credit and performance bonds.

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>.

For further information, please contact:

Brian Hefty at

1-713-739-7686,

or via email at brian.hefty@northernoffshoreltd.com