



PRESS RELEASE

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Board of Directors propose to submit bondholder proposal to Extraordinary General Meeting

17 November 2009 – Remedial (Cyprus) PCL (“Remedial”) announce an update on discussions with bondholders. Reference is made to the announcement by Remedial at 10 November 2009 regarding the discussions with the advisors (the “Advisors”) appointed by the bondholders in FRN Remedial (Cyprus) Public Company Limited Secured Callable Bond Issue 2007/2012 (the “Loan”).

On 12 November 2009 the board of directors of Remedial received an updated proposal from the Advisors with the following principal terms:

- All indebtedness under the Loan other than \$56.5 million shall be exchanged on a pro rata basis for new ordinary listed shares representing 95% of the pro forma post-restructuring share capital of Remedial.
- All current shareholders shall retain their current shareholdings which collectively will represent 5% of the post-restructuring share capital of Remedial.
- Within 45 days of completion of the restructuring, Remedial shall carry out a rights offering of shares for an aggregate gross subscription price of \$20 million at a pre-money equity valuation of USD \$161.3 million, corresponding to USD 0.27 per new share. Current (pre-restructuring) shareholders shall be entitled to subscribe for the new rights issue shares. To the extent the shares offered are not subscribed by the shareholders entitled to the rights, no one else shall be entitled to take up such shares by oversubscription.
- The monies in the escrow account shall be released to Remedial for working capital purposes and for payment of instalments to the shipyards.
- Each construction contract shall be transferred to separate vessel-owning companies.
- An incentive package will be put in place for the management.

The Advisors inform that a restructuring on the terms of the updated proposal is realistically capable of being approved by the requisite two-thirds majority of bondholders voting at a bondholders meeting.

(more)

On 16 November 2009, the Board of Directors of Remedial resolved to call for an Extraordinary General Meeting of Remedial shareholders to pass resolution on the matters which are required to effect the proposal from the Advisors. The calling notice will be published separately. It is expected the meeting will be held on or about 11 December 2009.

This notice shall not be seen as an offer to purchase or subscribe for securities.

Founded in 2006, Remedial Offshore (Remedial Cyprus PCL) is based in Limassol, Cyprus, and



employs engineering & procurement personnel in Houston, as well as operations personnel in the Bahamas and Thailand. Shares in Remedial Offshore are traded on the Oslo Axess exchange under the ticker code "ROFF".

For more information, visit www.remedialoffshore.com

This information is subject of the disclosure requirements acc. to §5-12 vphl (Norwegian Securities Trading Act)

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