

JASPER INVESTMENTS LIMITED
(Company Registration No. 198700983H)

CONTRACT WITH KEPPEL TO BUILD 2ND JACK-UP RIG

The Company is pleased to announce that it had on 1 April 2011, signed a contract with Keppel FELS Limited (“**KFELS**”) to build another KFELS B Class jack-up rig for approximately US\$180 million. The construction of the second KFELS B Class jack up rig is pursuant to the exercise of an option granted by KFELS in 21 December 2010 when the Company signed a contract with KFELS to build its first KFELS B Class jack up rig.

Based on the delivery schedule provided in the contracts, the first rig is expected to be delivered in November 2012 and the second rig in May 2013. The building of the jack-up rigs is an expansion of the Company’s core business.

Upon the completion of the two KFELS B Class jack-up rigs, the Company will have a fleet of four rigs, comprising (i) the “Jasper Explorer”, a drill ship that has been fully rebuilt with 5th generation drilling equipment capable of drilling up to 5,000 feet of water depth, (ii) the two new KFELS B Class jack-up rigs and (iii) the “Neptune Finder”, a semi-submersible hull which is pending upgrade.

The Company has recently strengthened its capital structure via the capitalisation of an approximately US\$194 million loan from its controlling shareholder, Morton Bay (Holdings) Pte Ltd and the placement of new shares to Hygrove Investments Limited (“**Hygrove**”) for a consideration of approximately US\$8.9 million on 16 March 2011.

The Company continues to seek opportunities to expand its fleet in the medium term. It intends to either acquire more offshore rigs or commission the construction of new offshore rigs, in line with the Company’s strategy to have a range of offshore rigs that can cater to clients’ needs across a wider drilling spectrum.

In conjunction with the construction of the new jack-up rig, the Company intends to issue a further 122,069,322 new shares in the capital of the Company (“**Placement Shares**”) to Hygrove at an issue price of S\$0.096 per Placement Share. The proceeds from the placement will be used to partially finance the construction of the new rig. The balance of the purchase price will be funded by internal sources of funds.

In addition, the Company wishes to announce that it has incorporated two wholly owned subsidiaries in Singapore, Jasper JU1 Pte Ltd and Jasper JU2 Pte Ltd, each with an initial issued and paid-up capital of US\$1. The principal business of these subsidiaries would be to own the two jack-up rigs.

BY ORDER OF THE BOARD

3 April 2011