

HOUSTON, July 24, 2015 /PRNewswire/ -- Paragon Offshore plc ("Paragon") (NYSE: PGN) today announced that certain wholly owned subsidiaries of the company, which were part of the company's acquisition of Prospector Offshore Drilling S.A. ("Prospector"), have closed the combined \$300 million sale-leaseback financing facility that was announced on June 4, 2015. Net of fees and expenses, Prospector received net proceeds of approximately \$292 million.

The company also disclosed that a wholly-owned subsidiary has signed an agreement with Shanghai Waigaoqiao Shipbuilding Co., LTD., to extend the delivery date of the high specification Friede and Goldman JU-2000E jackup Prospector 6 to April 15, 2016. Under the terms of the agreement, no payments are due to the shipyard until the delivery date and upon completion of the delivery protocol.

"The successful completion of these two milestones is a fulfillment of the plans we laid out earlier this year," said Randall D. Stilley, President and Chief Executive Officer of Paragon. "The financing proceeds have substantially increased the company's liquidity. We are continuing to evaluate potential options for using the proceeds to strengthen our balance sheet and enhance shareholder value. In the meantime, our business continues to generate cash flow through our safe, reliable, and efficient operations and we are actively reducing our operating expenses both in the office and the field. Moreover, our recent announcement of the addition of a combined total of six years of backlog on three of our jackup units illustrates the ongoing desirability of our standard specification assets while many newbuild rigs continue to sit idle."

Forward-Looking Disclosure Statement

This release contains forward-looking statements. Statements regarding sale-leaseback proceeds, drilling and shipyard contracts, market conditions, liquidity and operating expenses, as well as any other statements that are not historical facts in this release, are forward-looking statements that involve certain risks, uncertainties and assumptions. These include but are not limited to risks associated with the general nature of the oil and gas industry, risks associated with the operation of Paragon as a separate, publicly traded company, actions by regulatory authorities, customers and other third parties, and other factors detailed in the "Risk Factors" section of Paragon's annual report on Form 10-K for the fiscal year ended December 31, 2014, and in Paragon's other filings with the SEC, which are available free of charge on the SEC's website at www.sec.gov. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those indicated.

About Paragon Offshore

Paragon is a global provider of offshore drilling rigs. Paragon's operated fleet includes 34 jackups, including two high specification heavy duty/harsh environment jackups, and six floaters (four drillships and two semisubmersibles). Paragon's primary business is contracting its rigs, related equipment and work crews to conduct oil and gas drilling and workover operations for its exploration and production customers on a dayrate basis around the world. Paragon's principal executive offices are located in Houston, Texas. Paragon is a public limited company registered in England and Wales with company number 08814042 and registered office at 20-22 Bedford Row, London, WC1R 4JS, England. Additional information is available at www.paragonoffshore.com.

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