

SEABREEZE

THE SEABROKERS MONTHLY MARKET REPORT

AUGUST 2018

EQUINOR TO POWER OIL & GAS PLATFORMS FROM WIND FARM



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OSV MARKET ROUND-UP

TOO MANY VESSELS REACTIVATED?

PSV owners have experienced marginally better trading conditions on the North Sea spot market during the summer, with average fixture rates for large vessels (900m²+) remaining north of GBP 7,500 for five consecutive months. There is no disguising the fact, however, that the market has not been as strong as owners had hoped this year, with too many vessels taken out of layup or relocated from other regions in advance of the improvements that had been expected in trading conditions. The increases on the active supply side have kept a lid on spot rates this year, with competition for work remaining intense.

The big problem for PSV owners now is the long list of vessels which may be released from summer season contracts over the next couple of months. If all of these units flood the regional spot market, then we may revert back to a considerable oversupply situation again and it may be another long winter for owners. There had been a general acceptance that the worst of the market downturn had been left behind North Sea owners, however more than 20 PSVs have been reactivated from layup this year, and on reflection those owners may look back and think that it may have been too many too soon.

WIND POWER FOR OIL & GAS PLATFORMS

Equinor and its partners at the Gullfaks and Snorre fields offshore Norway are exploring a potential solution to supply power to the fields from a nearby floating wind farm. This could be the first time an offshore wind farm is directly connected to oil and gas platforms. The project forecast suggests a potential reduction of CO₂ emissions by more than 200,000 tonnes per year, equivalent to the emissions from 100,000 cars.

The solution that is under consideration, named Hywind Tampen, would be a wind farm consisting of 11 turbines that is based on Equinor's floating

offshore wind concept, Hywind. The 8 MW turbines would have a combined capacity of 88 MW, and are estimated to be sufficient to meet around 35% of the annual power demand from five platforms (Gullfaks A, B and C, and Snorre A and B). In periods of higher wind speed, this supply percentage will be significantly higher.

The preliminary capital and development expenditures of the project total NOK 5 billion (USD 600 million). The industry's NOx fund has confirmed that it will provide up to NOK 566 million (USD 67 million) in investment support for the project.

HARVEY PROPOSES TO GULFMARK

Just three weeks after the Boards of Tidewater and GulfMark Offshore had approved an agreement to combine the two companies, Harvey Gulf International Marine attempted to put a spanner in the works by launching its own unsolicited proposal to merge Harvey with GulfMark instead.

The proposed 'reverse merger' would entail GulfMark acquiring Harvey Gulf, with the combined company remaining publicly listed. GulfMark stockholders would own 41.2% of the new combined entity. This would represent an enterprise value of USD 900 million for Harvey

Gulf, implying a total equity value of USD 595 million based on the company's reported outstanding debt of USD 305 million. The proposal would imply a combined company equity value of USD 932 million.

Since the proposal was received, the GulfMark Board of Directors has confirmed that the Harvey proposal could reasonably be expected to result in a "Superior Offer" as defined in the earlier agreement with Tidewater. However, the GulfMark Board "continues to believe that the business combination with Tidewater is in the best interests of GulfMark stockholders."

OSV MARKET ROUND-UP

EQUINOR “TRANSFORMING NORWEGIAN CONTINENTAL SHELF”

Equinor has presented its plans for transforming the Norwegian continental shelf (NCS) for continued high value creation and lower emissions for the coming decades.

Equinor remains on track to maintain profitable production from the NCS at current levels towards 2030. However, after 2030, the region will enter a more mature phase, and new measures must be introduced to tackle the future challenges of declining production from the larger fields, ageing installations, and the necessity to reduce CO2 emissions.

The specific activities identified in the plans include the drilling



of up to 3000 wells during the coming decades (including 20-30 exploration wells on an annual basis); extending the lifetime of more than 20 installations; exploring the possibilities for floating offshore wind and electrification to reduce green-

house gas emissions; increasing the pace of digitalisation and the use of new technology; and strengthening the competence of the company's incumbent workforce in tandem with targeted recruitment to ensure new competence.

CONTRACT EXTENSIONS IN NORWAY



In terms of near-term activity, Remøy Shipping, Golden Energy and Eidesvik have all recently received contract extensions for vessels in Norway. Equinor has extended its charter with PSV Rem Eir (pictured) for six more months; this will keep the vessel

occupied until at least May 2019 with further options available. Elsewhere, PSV Energy Swan will now continue working for Wintershall until the end of 2018, and ERRV Esvagt Corona has been extended with Repsol until the end of August 2019.

POMOR AND SYMPHONY FOR MOL WELL

MOL has awarded PSV contracts to GulfMark and Siem Offshore ahead of its forthcoming drilling campaign with jacked-up Rowan Viking offshore Norway. The North Pomor (pictured c/o O. Halland) and Siem Symphony have been chartered on one-well

firm contracts to support MOL's operations while an exploration well is drilled at the Oppdal/Driva prospect in the northern North Sea. Drilling is scheduled to begin later in September, with an estimated duration of between 66 and 71 days.



OSV MARKET ROUND-UP

NAO VESSELS IN DEMAND FOR TERM JOBS

Until recently, Nordic American Offshore's vessels were working almost exclusively on the North Sea spot market. However, the NAO vessels have proven to be quite popular in recent weeks for well-by-well or multi-month term contracts.

MLS/Total have chartered the NAO Storm (pictured c/o O. Halland) on a one-well contract to support drilling operations with Saipem semi Scarabeo 8 offshore Norway. The campaign started in August, with Eidesvik PSV Viking Prince also chartered for this programme. Also in Norway, the NAO Guardian is working away on a two-month firm contract with Conoco-Phillips Skandinavia.



In the UK, Nexen has awarded a one-well contract (estimated at 150 days) to PSV NAO Viking to support jacking Prospector 5, while Azinor Catalyst chartered

the NAO Prosper for a one-well campaign with semi Transocean Leader. NAO also recently picked up a three-month contract for an unnamed PSV in West Africa.

TERM FIXTURES FOR SIEM PSVs



Siem Offshore has picked up new contracts for two of its PSVs that are working offshore Brazil. The Siem Atlas and Siem Giant (pictured) have been chartered on one-year firm contracts with two further six-month option periods. The commencement

dates for the new terms are in December 2018, in continuation of the vessels' current contracts with Total Brasil. The Siem Atlas and Giant are sister vessels, delivered in 2013 and 2014, that were built to the STX (VARD) PSV 4700 design.

MAERSK SUPPORTING OCEAN CLEANUP

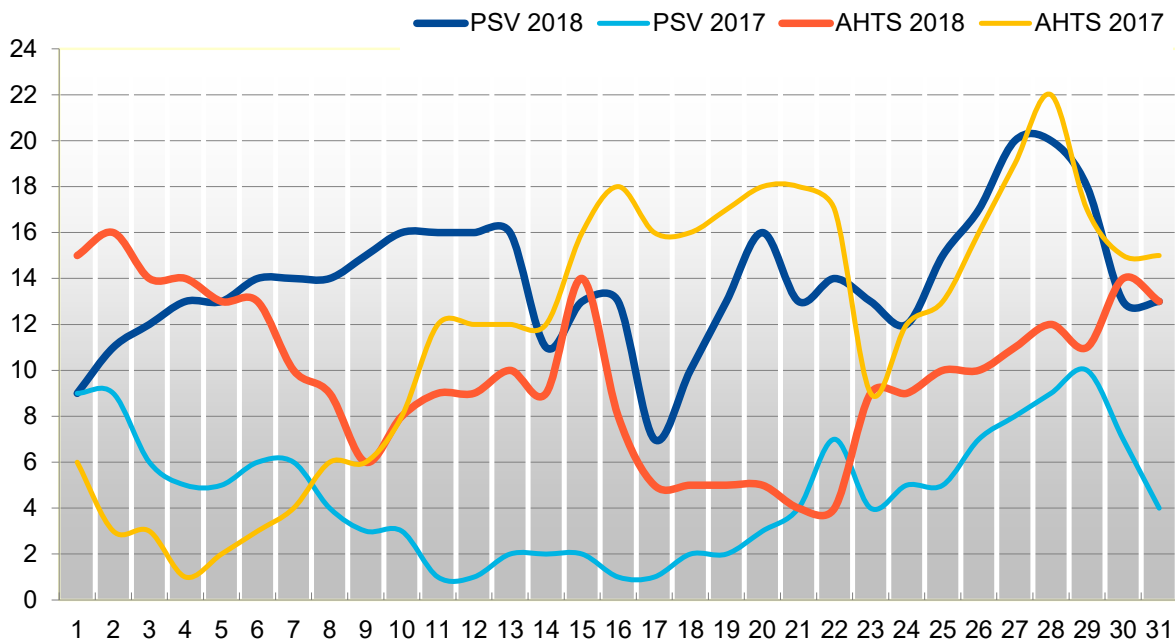
Maersk Supply Service is to provide support to The Ocean Cleanup, a Dutch non-profit organisation that is developing advanced technologies to help rid the world's oceans of plastic. Their first cleanup system is to be installed in the Great Pacific

Garbage Patch (GPGP), some 1200 nautical miles off the coast of San Francisco, USA. The system will be deployed in September and towed to the GPGP by AHTS vessel Maersk Launcher (pictured c/o D. Dodds), with an estimated campaign duration of 60 days.



OSV RATES & UTILISATION

AUGUST 2018 - DAILY NORTH SEA OSV AVAILABILITY



RATES & UTILISATION

NORTH SEA SPOT AVERAGE UTILISATION AUGUST 2018

TYPE	AUG 2018	JUL 2018	JUN 2018	MAY 2018	APR 2018	MAR 2018
MED PSV	60%	58%	72%	64%	57%	58%
LARGE PSV	75%	80%	82%	75%	83%	74%
MED AHTS	59%	58%	44%	46%	63%	55%
LARGE AHTS	77%	59%	58%	56%	61%	60%

NORTH SEA AVERAGE RATES AUGUST 2018

CATEGORY	AVERAGE RATE AUG 2018	AVERAGE RATE AUG 2017	% CHANGE	MINIMUM	MAXIMUM
SUPPLY DUTIES PSVs < 900M ²	£5,692	£10,271	-44.58%	£3,000	£9,500
SUPPLY DUTIES PSVs > 900M ²	£8,550	£9,709	-11.94%	£5,000	£16,363
AHTS DUTIES AHTS < 22,000 BHP	£17,593	£38,293	-54.06%	£4,950	£45,000
AHTS DUTIES AHTS > 22,000 BHP	£24,324	£29,457	-17.43%	£10,454	£45,454

SPOT MARKET ARRIVALS & DEPARTURES AUGUST 2018

ARRIVALS - NORTH SEA SPOT

A.H. LIGURIA	EX WEST AFRICA
BRAGE VIKING	EX RUSSIA
MAERSK LIFTER	EX SOUTHEAST ASIA
MAERSK TOPPER	EX SOUTHEAST ASIA

ARRIVALS - CONTINUED

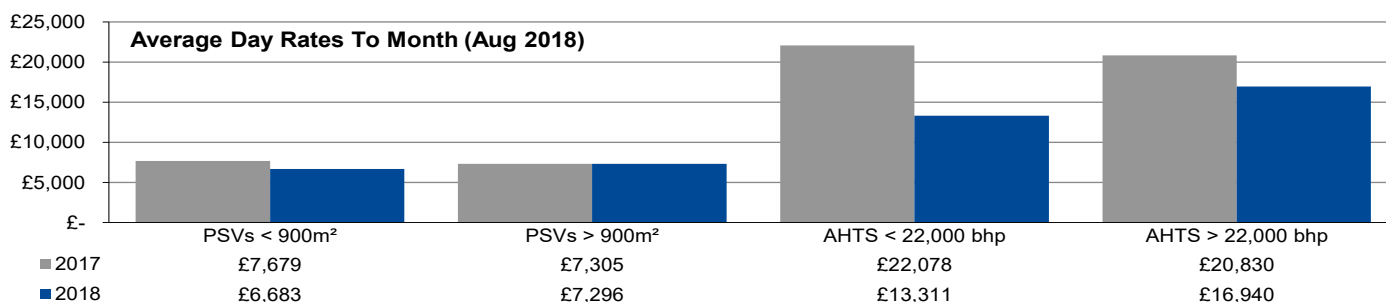
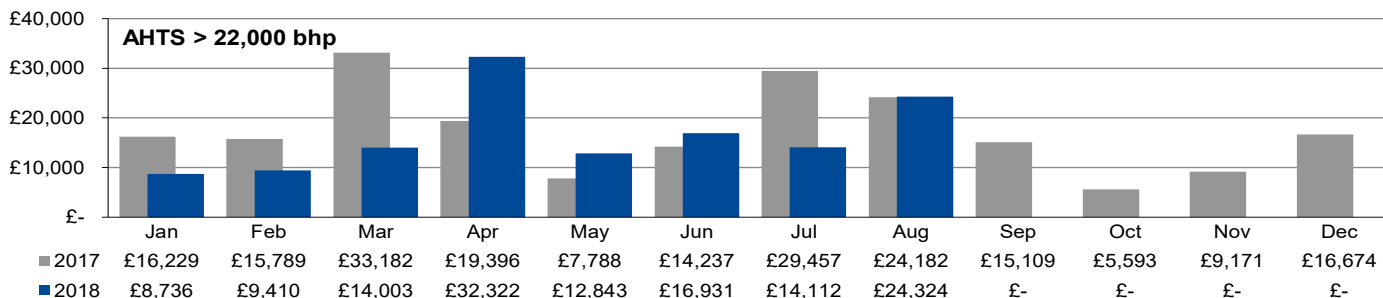
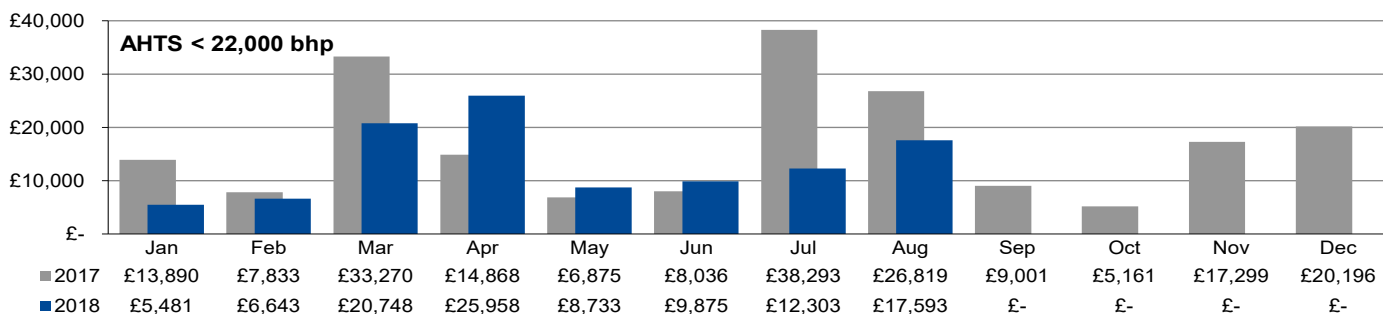
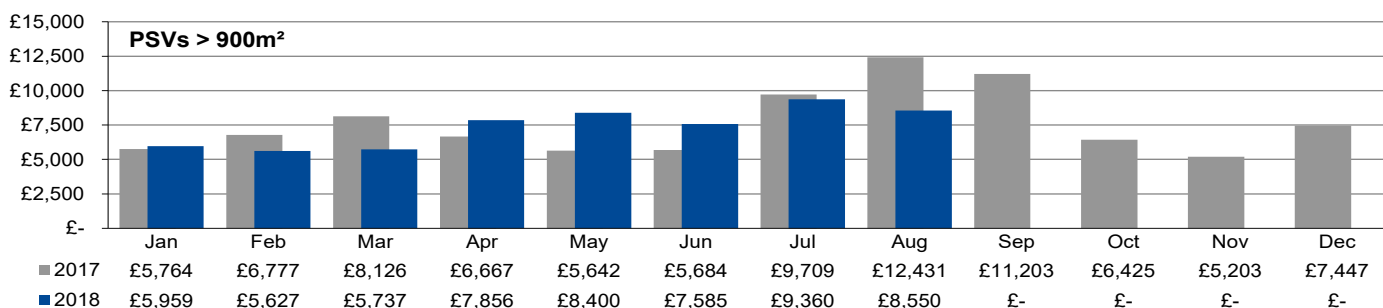
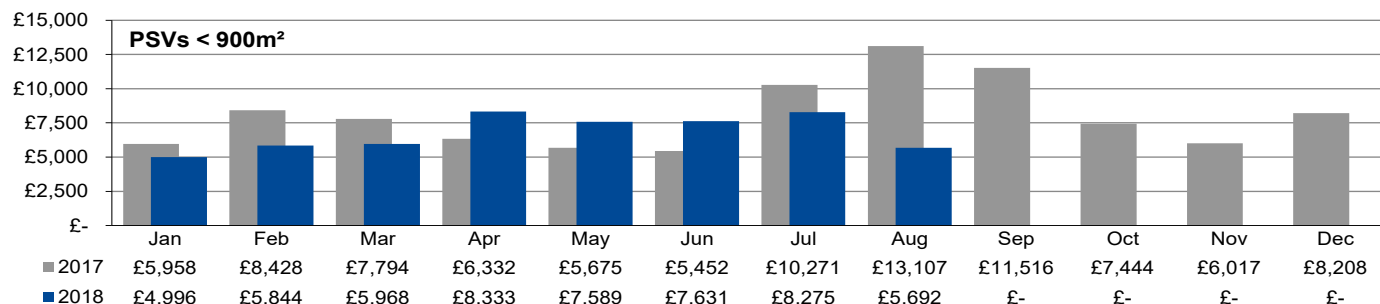
SIEM CHALLENGER	EX CENTRAL AMERICA
SIEM COMMANDER	EX CENTRAL AMERICA
VOS PARTNER	EX MEDITERRANEAN

DEPARTURES - NORTH SEA SPOT

GH NAVIGATOR	ADRIATIC SEA
GH VOYAGER	ADRIATIC SEA
HAVILA CRUSADER	BALTIC SEA
MAERSK TRADER	ADRIATIC SEA
SOLVIK SUPPLIER	BALTIC SEA

* Vessels arriving in or departing from the North Sea term/layup market are not included here.

NORTH SEA AVERAGE SPOT RATES



FEATURE VESSEL

KMAR 808 ICEBREAKING AHTS



Viking Supply Ships has confirmed the sale of three icebreakers (the Balder Viking, Tor Viking and Vidar Viking) to Her Majesty the Queen in Right of Canada.

The vessels have already been mobilised to Quebec in eastern Canada, where they will be modified to operate as medium icebreakers for the Canadian Coast Guard.

This comes in the wake of a USD 610 million contract award that Davie Shipbuilding in Quebec received from the Canadian Coast Guard, via Public Services and Procurement Canada, for the acquisition and conversion of three icebreakers.

The first vessel is expected to be ready to begin operations for the upcoming icebreaking season, starting in December 2018, while the second and third vessels will be converted in order to support Coast Guard programmes by the summer of 2019 and the winter of 2019-2020 respectively.

The 84m vessels, originally built to the KMAR 808 design, were constructed at Havyard Leirvik in Norway and delivered in 2000-2001.



ICEBREAKER SPECS:

Build Yard: Havyard Leirvik

Delivered: 2000-2001

Original Design: KMAR 808

LOA: 83.7m

Breadth: 18.0m

Bollard Pull: 200t+

Deadweight: 2,528t

Ice Class: Polar Class 4

Crane: 25t SWL (to be installed)

OSV NEWBUILDINGS, S&P

CBO CABRÁLIA DELIVERED IN BRAZIL

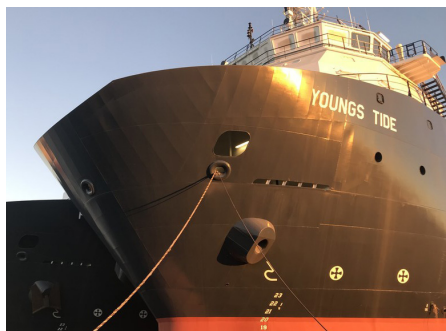
Grupo CBO has added another newbuild AHTS vessel to its fleet following her delivery from the company's Estaleiro Oceana Shipyard in Itajaí, Brazil.

Built to the Havyard 843 design, the CBO Cabrália (pictured c/o T Prado) was constructed to fulfil an eight-year contract that

Grupo CBO was awarded in the seventh round of Petrobras' Prorefam (fleet renewal) process. The Cabrália is the fifth of six AHTS vessels that Grupo CBO has been building in recent years, all to the Havyard 843 design, following newbuild contract awards from Petrobras.



NEWBUILD PSV FOR TIDEWATER



Newbuild PSV Youngs Tide has entered service for Tidewater following her delivery from Gulf Island Shipyards in Louisiana, USA.

Built to the LDS 300 DE design, the DP2 vessel has a length of 91.4m (300ft) and a breadth of 18.9m (62ft).

She has a deadweight of 5,490mt, a clear deck area of 980m² (10,600ft²) and a deck strength of 5t/m².

The Youngs Tide is outfitted with FiFi-1 equipment and she has an accommodation capacity for 52 persons in a combination of 1 and 2-berth cabins.

BAILEY SENTINEL REACHES NORTH SEA

Sentinel Marine has mobilised its latest ERRV, the Bailey Sentinel, to the North Sea. This follows her recent delivery from the Cosco Dalian Shipyard in China.

This is the eighth newbuild vessel to join Sentinel Marine's fleet since 2015, with one more

unit (the Malin Sentinel) due for delivery in 2019.

The Bailey Sentinel was built to the FOCAL 531 design, giving her a length of 62m and a breadth of 15.5m. She is equipped with one 15-man daughter craft and one 15-man fast rescue craft.



HALUL NEWBUILD ARRIVES IN QATAR



Newbuild PSV Halul 49 has arrived in Qatar following her transit from China.

The vessel, built by POET Shipbuilding, was originally launched by the yard under the name PJS Ganesha, but she has since been renamed and reflagged to Qatar.

The Halul 49 was constructed to the FOCAL 501 design, with a length of 70m and a breadth of 17m. The DP2 vessel was built with a deck area of 600m², a deadweight of 3,000t and an accommodation capacity for 60 persons.

OSV NEWBUILDINGS, S&P

REM OFFSHORE ACQUIRES EMAS PSV



Rem Offshore has acquired the 2012-built PSV Lewek Aquarius from EMAS Offshore. The vessel is currently in Singapore, where she is being prepared for a three-year charter with a major seismic contractor.

The Lewek Aquarius was built to the MMC 887 CP design and delivered by the Remontowa Shipyard in Poland in 2012. She has a length of 87.9m, breadth of 18.8m, deadweight of 5,200t and a deck area of 945m².

MALAVIYA 20 TO BE AUCTIONED

The 2004-built PSV Malaviya 20 is to be auctioned for sale on September 11th, after her owners GOL Offshore were declared bankrupt. The vessel, constructed to the UT 755 design by Aker Brattvaag in Norway,

is currently berthed in Great Yarmouth, UK. The Malaviya 20 has a length of 72m, breadth of 16m, deck area of 690m² and a deadweight of more than 3,000t. She has been idle in Great Yarmouth since 2016.



HAVILA FORTRESS SOLD



Havila Shipping has sold its 1996-built PSV Havila Fortress to undisclosed buyers. This follows the sale of the Fortress' two sister vessels (Havila Faith and Favour) to Allseas in March 2018.

The Fortress had been laid up in Norway for two years prior to her sale; she has since been mobilised to Denmark. The VS 483 vessel has a length of 82.85m, breadth of 19.0m and a deck area of 902m².

BHAGWAN MARINE EXPANDING FLEET

Bhagwan Marine has expanded its fleet with the acquisition of two additional vessels. The CMV Athos (pictured) is a 65m multi-purpose AHTS vessel, while the SeaMaster is a 40m

catamaran ideal for in-field maintenance and repair duties including ROV, dive, safety standby and accommodation work. Both vessels are based in western Australia.



RECENT DELIVERIES OF NEWBUILD OSVs

NAME	TYPE/DESIGN	OWNER/ MANAGER	COMMITMENT
BAILEY SENTINEL	FOCAL 531 ERRV	SENTINEL MARINE	NORTHWEST EUROPE
CBO CABRALIA	HAVYARD 843 AHTS	GRUPO CBO	SOUTH AMERICA
HALUL 49	FOCAL 501 PSV	HALUL OFFSHORE	TBC
YOUNGS TIDE	LDS 300 DE PSV	TIDEWATER	TBC

SUBSEA MARKET ROUND-UP

This month we have seen a multi-year contract awarded that will likely see an IMR vessel taken out of the North Sea market, while another North Sea-based IMR vessel has been sold to the New Zealand Navy.

The contract award relates to a one-year firm plus two one-year options charter that Fairfield Industries Incorporated awarded to SolstadFarstad unit Normand Tonjer. The contract will commence in the third quarter of 2018 and Fairfield will utilise

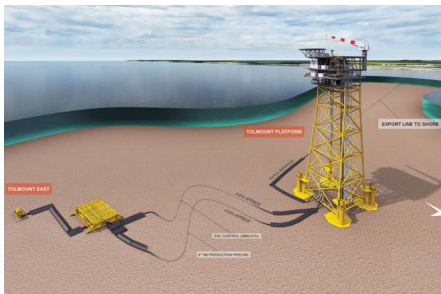
the IMR vessel to support their innovative worldwide ocean bottom seismic survey using node-based technology. The 93m vessel will be taken out of layup for the campaign.

Meanwhile, Ostensjø Rederi has agreed to sell its ST-253-design IMR support vessel Edda Fonn to the Royal New Zealand Navy (HMNZ). Ostensjø will outfit the vessel with dive, ROV and hydrographic systems before she is mobilised for delivery to the Devonport Naval Base in May

2019. The vessel is expected to be ready for tasking by the Navy in November 2019.

The New Zealand Ministry of Defence has set aside a budget of NZD 103 million (USD 69 million) for the purchase and modifications of the Edda Fonn. The vessel is currently on a long-term charter with Reach Subsea that is due to end in January 2019. The Fonn is being purchased to replace the HMNZ Ships Resolution and Manawanui.

PREMIER SANCTIONS TOLMOUNT MAIN PROJECT



Premier Oil and its joint venture and industry partners have approved the development of the Tolmount Main gas field.

Premier holds a 50 per cent stake in the development with Dana Petroleum holding the other 50 per cent. The project will include a minimal facilities platform exporting gas to shore via a new gas pipeline.

Premier is expected to award a contract for the drilling of four development wells in the near future, with a letter of intent already issued to Ensco, while

Saipem has been awarded the EPCI contract.

The Tolmount Main project now moves into the execution phase, with construction work starting later this year. First Gas is targeted for the fourth quarter of 2020. The Tolmount Main gas field is expected to produce around 500 Bcf of gas (96 mmmboe) with peak production of up to 300 mmscfd (58 kboepd).

ULTRA-DEEP TO ORDER SIXTH DSCV

Ultra Deep Solutions will begin the design, engineering and construction of its sixth diving support and construction vessel (DSCV), with a yard contract expected to be announced by September 15th. Delivery would be scheduled for 2021.

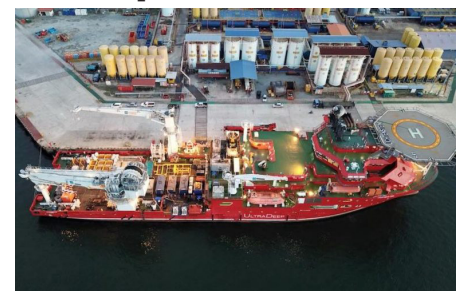
The vessel, to be named Wassily Kandinsky, will be built to a hybrid design, measuring 125m

in length and 25m in width, with three megawatts of battery storage power to offset fuel.

Ultra Deep's target is to reduce the use of fuel by 4-5 tonnes per day while working in dynamic positioning mode.

The newbuild will join Ultra Deep Solutions' current fleet of DSCVs that are operational or under construction, including

the Lichtenstein, Picasso, Andy Warhol, Van Gogh and UltraDeep Matisse.



FIRST CONTRACT FOR OCEAN INSTALLER IN CHINA

Ocean Installer has received its first contract award in China. This will see the company provide third-party verification and engineering support work for the Liuhua 29-1 gas field development in the South China Sea. The 18-month contract has

already started and will entail Ocean Installer conducting the work as a subcontractor to COOEC Subsea Technology Co. Ltd, which is responsible for the deep water SURF EPCI scope for end-client Husky Oil China Ltd. The Liuhua 29-1 field is in the development phase. Husky Oil

China Ltd (75%) is the operator, with CNOOC (25%) a minority partner. Ocean Installer's project management team will be based in Shenzhen, China, supported by the company's main office in Norway.



OCEANGATE SELECTS ISLAND OFFSHORE

OceanGate Expeditions has selected Island Offshore as its preferred partner for deep sea exploration. The five-year agreement means Island Offshore will be offered first right of refusal to use one of its vessels where OceanGate requires a commercial grade vessel for deep sea expeditions.

In relation to this, an Island Offshore support vessel will depart from St. John's, Canada, in June 2019 for six weeks of topside support work for the first manned submersible mission to the RMS Titanic since 2005. Beyond the multi-year Titanic Survey Expedition, the two companies are already discuss-

ing projects in the Caribbean Sea, the Coral Sea, the Adriatic Sea, and the Gulf of Mexico.



MAMTA TO WORK WITH ENI



Eni DICS, Eni DIME, Enimed and Floaters, all part of the Eni group, have awarded contracts for IMR saturation diving activities offshore Italy to Rana Diving. The contract is for a firm period of three years with two yearly options. Diving activities will

be carried out from Micoperi's MT-6012-designed IMR support vessel Mamta, utilising the Rana saturation diving system AF1. The 93.6m long Mamta is equipped with a 75t offshore crane with an accommodation capacity for 66 persons.

SAFE BOREAS TO REMAIN ON MARINER

Prosafe's accommodation semi Safe Boreas will remain at Equinor's Mariner field for at least one more month after the operator exercised the second of six one-month options on its charter of the vessel. The total value of the exercised

option period is USD 6 million. The Safe Boreas started working at the Mariner field in August 2017 under a 13-month firm contract. This latest extension prolongs the contracted period through to early November 2018. The GVA 3000E-designed Safe

Boreas has an accommodation capacity for 450 persons, and she is supporting the hook-up and commissioning work at the Mariner field. Production from Mariner is expected to commence late in 2018.

WELLSERVER APPROVED FOR MARIA

Norway's Petroleum Safety Authority has granted consent for Wintershall to use Island Offshore's well intervention vessel Island Wellserver at the Maria field.

The 2008-built vessel has a length of 116m, a maximum lift

of 150t and accommodation for 97 persons. She will provide light well intervention at the field, which is located in the southern Norwegian Sea in water depths of 300m. The field has been producing since December 2017, one-year ahead of schedule.



SUBSEA 7 TO SUPPLY PIPELINE BUNDLE TO BUZZARD

subsea 7

Nexen has awarded Subsea 7 a pipeline bundle contract for the Buzzard Phase 2 field development in the North Sea. Subsea 7 will build and install a 5km pipeline bundle, along with associated

well and platform tie-ins and the provision of a heavy lift vessel for the transport and installation of a new topside module in 2020. Nexen is working to further develop the Buzzard field via the Buzzard Phase II (BPII) Project, which includes the drilling of up to eight production and four

water injection wells as a subsea tie-back, around 5km from the existing complex.

Separately, Subsea 7 has also secured an offshore conventional contract for an undisclosed client, understood to be in the Middle East. Offshore execution is planned for 2019 and 2020.

MCDERMOTT TO TIE-BACK AYATSIL

McDermott has been awarded a subsea pipeline flowline installation contract for work at Pemex's Ayatsil field offshore Mexico.

The work scope covers the design and detailed engineering,

procurement, construction and installation of two subsea pipelines, which will consist of a 24 inch, 3.2km natural gas pipeline and an 8 inch, 1.5km oil pipeline.

The offshore installation work

is scheduled for completion in early 2019.

MCDERMOTT

WINTERSHALL REACHES FOR THREE-YEAR FRAME AGREEMENT

Wintershall Norge AS has awarded Reach Subsea a three-year frame agreement for marine subsea services. In addition to the firm period,

Wintershall also has four yearly options that could extend the contract until 2025. The call-off frame agreement commences this year and allows

the operator to call on Reach Subsea for services in the North Sea when required.

SBM TO RETAIN NORMAND INSTALLER

SBM Offshore has renewed its frame agreement with SolstadFarstad for the next two years for the VS 4204-designed

OCV Normand Installer. Under the terms of the deal, SBM will charter the vessel for at least 114 days in 2019 and 105 days in

2020. The Normand Installer is owned by NISA, which is equally owned between SBM Offshore and SolstadFarstad.

RENEWABLES

NEW INVESTORS IN TRITON KNOLL



Two Japanese companies have agreed to purchase a combined 41 per cent stake in Innogy's 860MW Triton Knoll wind

farm offshore the UK. J-Power will purchase a 25 per cent stake in the wind farm, while Kansai Electric Power will acquire 16 per cent. Innogy will retain a majority equity stake of 59 per cent. The deal is expected to close during the third quarter of this year, and once approved this will be the first time a Japanese electric power utility has entered into an overseas

offshore wind power project. The planned investment in Triton Knoll, which will comprise of 90 MHI Vestas' V164-9.5 MW wind turbines, amounts to around GBP 2 billion. Offshore construction work is expected to begin in late 2019 and the commissioning of the wind farm is scheduled to start in 2021.

CONNECTOR REMAINS ON HORNSEA

Ocean Yield's STX OSV-06L pipelay vessel Connector has had her contract extended. She will now continue to perform cable laying duties at Ørsted's Hornsea Project One offshore wind farm site in the UK until September 30th, with an option to further extend this period until November 19th. The 2011-built vessel is equipped

with a 400-tonne crane and a 100-tonne subsea crane, with accommodation for 140 persons and a 6,000-tonne above deck carousel, as well as a 3,000-tonne below deck carousel. The 1.2GW Hornsea wind farm will become operational in 2020 with 174 turbines. It will be the first wind farm in the world

with a capacity over 1GW, capable of providing clean electricity to well over one million homes.



UPTIME SELECTED FOR NEWBUILD SOV



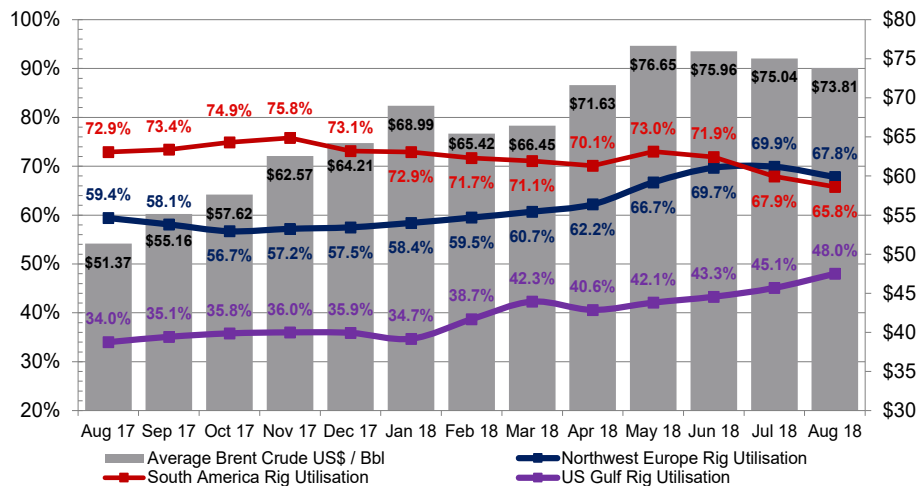
Ulstein Verft has awarded Uptime International a contract to provide its 30-metre access solution for the new service operation vessel (SOV) that will operate at the Merkur offshore

wind farm in Germany. Bernhard Schulte Offshore ordered the SX-195-designed SOV, scheduled for delivery in 2020, in July this year. As previously reported, the 93.4m newbuild, which will have accommodation for 120 persons, will be utilised to provide walk-to-work duties for maintenance operations on GE Renewable Energy's Merkur wind farm, which will have

66 Haliade 150-6MW turbines installed. The newly designed active motion-compensated gangway and adjustable pedestal will be mounted towards the elevator tower in the vessel. The autonomous 30-metre gangway comes with new features including auto-landing, a crane function, and with the operator located in the wheelhouse.

RIGS

OIL PRICE VS RIG UTILISATION



COSL WINS NORTH SEA CONTRACTS

COSL Drilling Europe has signed a framework agreement with Wintershall for the potential use of its semisubmersible drilling rigs offshore Norway. While the agreement does not guarantee any work, the three-year plus options term is likely to lead to

some firm well commitments in the near future. COSL has also recently picked up a six-well firm contract for semi COSLPioneer with Nexen Petroleum in the UK sector. This will commence in February 2019, with an estimated duration of 16-18 months.

VANTAGE BUYS SOEHANAH JACKUP

Vantage Drilling has emerged as the buyer of jackup Soehanah, which was recently sold by Ship Finance International Ltd. Delivered in 2007 by the PPL Shipyard in Singapore, the rig

was built to the Baker Marine Pacific Class 375 design. She is currently working for Pertamina offshore Indonesia. The jackup has spent her entire life in service based in Indonesia.

RIG UTILISATION AND DAY RATES

UTILISATION	AUG 2018	AUG 2017	AUG 2016	AUG 2015	AUG 2014
NORTHWEST EUROPE	67.8%	59.4%	60.5%	81.9%	95.8%
SOUTH AMERICA	65.8%	72.9%	74.8%	85.7%	94.2%
US GULF	48.0%	34.0%	34.4%	47.5%	66.9%

RECENT DAY RATE BENCHMARKS	LOW (USD)	HIGH (USD)
UK HARSH HIGH SPEC JACKUPS	72,500	85,000
NORWAY HARSH HIGH SPEC JACKUPS	160,000	160,000
UK HARSH STANDARD SEMISUBS	116,000	130,000
NORWAY HARSH HIGH-SPEC SEMISUBS	160,000	160,000
GLOBAL ULTRA-DEEPWATER SEMISUBS	118,000	145,000
GLOBAL ULTRA-DEEPWATER DRILLSHIPS	138,000	160,000

INACTIVE RIGS NORTHWEST EUROPE		
NAME	TYPE	STATUS
BAUG	JU	COLD STACK
BIDEFORD DOLPHIN	SS	WARM STACK
BORGLAND DOLPHIN	SS	WARM STACK
BREDFORD DOLPHIN	SS	COLD STACK
BYFORD DOLPHIN	SS	WARM STACK
COSLINNOVATOR	SS	WARM STACK
COSLPROSPECTOR	SS	WARM STACK
EIR	JU	COLD STACK
ENSCO 70	JU	COLD STACK
ENSCO 71	JU	COLD STACK
ENSCO 80	JU	COLD STACK
ENSCO 121	JU	WARM STACK
MAERSK GALLANT	JU	WARM STACK
MAERSK GIANT	JU	COLD STACK
MAERSK REACHER	JU	WARM STACK
MAERSK RESOLVE	JU	HOT STACK
PARAGON C20051	JU	HOT STACK
POLAR PIONEER	SS	COLD STACK
PROSPECTOR 1	JU	HOT STACK
RAN	JU	WARM STACK
ROWAN NORWAY	JU	WARM STACK
ROWAN STAVANGER	JU	HOT STACK
SCARABEO 5	SS	COLD STACK
SEDCO 711	SS	COLD STACK
SEDCO 714	SS	COLD STACK
SERTA0	DS	COLD STACK
SONGA DEE	SS	COLD STACK
SONGA DELTA	SS	COLD STACK
SWIFT 10	JU	WARM STACK
WEST ALPHA	SS	COLD STACK
WEST EPSILON	JU	COLD STACK
WEST NAVIGATOR	DS	COLD STACK
WEST VENTURE	SS	COLD STACK
WILHUNTER	SS	COLD STACK
WILPHOENIX	SS	HOT STACK

Source: IHS-Petrodata

CONUNDRUM CORNER, DUTY PHONES

SEPARATION OF MAERSK DRILLING

A.P. Møller - Mærsk A/S has decided to pursue a separate listing for Maersk Drilling on the Nasdaq Copenhagen Exchange in 2019. In September 2016, the company set a two-year target to find viable solutions for its oil and oil-related businesses as it sought to transform from a conglomerate to a focused integrated container logistics company. Having already found solutions for Maersk Oil and Maersk Tankers, the company has now concluded that listing Maersk Drilling as an independent company presents the most optimal and long-term prospects for its shareholders. As part of the preparations, debt financing of USD 1.5 billion from a consortium of international banks has been secured for Maersk Drilling to ensure a strong capital structure after a listing.

Meanwhile, A.P. Møller - Mærsk's pursuit of a solution for Maersk Supply Service will continue. Due to the challenging markets, the company has indicated that the timing for defining a solution remains difficult to predict.

CONUNDRUM CORNER

Last month's answer :-

A man walks west for 4 miles. Then south for 3 miles. Then east for 2 miles. Then north for 1 mile. Then east for 2 miles. In what direction and for how far should he walk to return to his starting point?

The correct answer was :- north for 2 miles

This month, our poser is as follows:

A mathematician was challenged to write nineteen in a manner where if one was taken away, it became twenty. He failed to succeed. Can you manage?

Answers back to chartering@seabrokers.co.uk.

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