



Valaris Announces Contract Awards and Fleet Status Updates

Hamilton, Bermuda, January 9, 2024 ... Valaris Limited (NYSE: VAL) (“Valaris” or the “Company”) announced today new contracts and contract extensions, with associated contract backlog of approximately \$1.14 billion, awarded subsequent to issuing the Company’s most recent fleet status report on November 1, 2023. Contract backlog excludes lump sum payments such as mobilization fees and capital reimbursements.

President and Chief Executive Officer Anton Dibowitz said, “We are delighted to announce these contract awards and extensions, which add well over \$1 billion of contract backlog at attractive economics, providing further evidence of the positive outlook for Valaris. These awards include two multi-year drillship contracts and several jackup contracts across the North Sea, Trinidad, and Australia.”

Dibowitz added, “The contract awards for VALARIS DS-4 and VALARIS DS-16 are great examples of how we are executing on the operating leverage inherent in our business, with day rates transitioning from legacy rates in the low \$200,000s to market rates. We are also beginning to see early signs of a recovery in the North Sea jackup market from 2025 as evidenced by several awards at improving day rates.”

Floater Contract Awards

- A previously announced 1,064-day contract for drillship VALARIS DS-4 with Petrobras offshore Brazil. Based on the firm contract term, the total contract value is approximately \$519 million, inclusive of mobilization fees and additional services. The contract is anticipated to commence late in the fourth quarter 2024, following completion of the rig’s current contract with Petrobras, which is expected to finish in September 2024. Upon completion of its current contract, the rig is expected to be out of service for approximately 90 days to complete customer-required capital upgrades prior to commencement of the new contract.
- Two-year contract extension with Anadarko Petroleum Corporation (a wholly owned subsidiary of Occidental) in the U.S. Gulf of Mexico for drillship VALARIS DS-16, commencing in June 2024 in direct continuation of the existing firm program. This extension replaces the one-year priced option which was agreed in July 2021. An additional day rate will be charged when MPD services are provided.
- 60-day priced option exercised by Equinor offshore Brazil for drillship VALARIS DS-17. The 60-day option is expected to commence in March 2025 in direct continuation of the existing firm contract. The operating day rate for the priced option period is approximately \$447,000 including MPD and additional services.



Jackup Contract Awards

- Three-year contract extension with Harbour Energy in the UK North Sea for heavy duty harsh environment jackup VALARIS 120. The extension period is expected to commence in the third quarter 2025 in direct continuation of the existing firm program.
- A rig contract with TotalEnergies in the UK North Sea for heavy duty ultra-harsh environment jackup VALARIS Stavanger. The contract is expected to commence in March 2024 and has an estimated duration of 330 days excluding options. The approximate total contract value is \$48 million including minor rig modifications.
- Two one-well priced options exercised by Shell in the UK North Sea for heavy duty harsh environment jackup VALARIS 121. The options are expected to commence in the summer of 2024, in direct continuation of the existing firm program, and have an estimated duration of 406 days. The priced option periods have an estimated total contract value of approximately \$55 million.
- One-well contract with Ithaca Energy in the UK North Sea for heavy duty harsh environment jackup VALARIS 123. The contract is expected to commence in April 2024 and has an estimated duration of between 45 and 72 days. The minimum total contract value is \$6.3 million.
- One well contract with Eni for heavy duty ultra-harsh environment jackup VALARIS 247. The contract is expected to commence in the third quarter 2024 in direct continuation of the rig's current program, with another operator, and has a minimum duration of 45 days. The operating day rate is \$180,000.
- One-well option exercised by an undisclosed operator offshore Trinidad for heavy duty ultra-harsh environment jackup VALARIS 249. The one-well option will extend the firm term of the contract by a minimum of 35 days. The operating day rate for the option period is \$137,500.
- 300-day contract with an undisclosed operator offshore Trinidad for heavy duty ultra-harsh environment jackup VALARIS 249. The contract is expected to commence in the fourth quarter 2024 in direct continuation of a program with another operator. The operating day rate is \$162,500.
- In conjunction with the above-mentioned contract extension and award for VALARIS 249, a previously disclosed one-well contract with the same operator offshore Australia for VALARIS 107 has been terminated. The terminated contract was expected to commence in the first quarter 2024 with an estimated duration of 60 days. The operating day rate for the terminated contract was \$120,000.



Other Fleet Status Updates

- Drillship VALARIS DS-8 commenced a previously disclosed three-year contract with Petrobras offshore Brazil on December 31, 2023. The backlog associated with this contract is not included in the above-mentioned incremental backlog that has been awarded since the Company's most recent fleet status report.
- As previously announced, Valaris has exercised its options and taken delivery of newbuild drillships VALARIS DS-13 and DS-14 for an aggregate purchase price of approximately \$337 million. The rigs are being mobilized from South Korea to Las Palmas, Spain, where they will be stacked until they are contracted for work.

About Valaris Limited

Valaris Limited (NYSE: VAL) is the industry leader in offshore drilling services across all water depths and geographies. Operating a high-quality rig fleet of ultra-deepwater drillships, versatile semisubmersibles and modern shallow-water jackups, Valaris has experience operating in nearly every major offshore basin. Valaris maintains an unwavering commitment to safety, operational excellence, and customer satisfaction, with a focus on technology and innovation. Valaris Limited is a Bermuda exempted company (Bermuda No. 56245). To learn more, visit our website at www.valaris.com.

Cautionary Statements

Statements contained in this press release that are not historical facts are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements include words or phrases such as "anticipate," "believe," "estimate," "expect," "intend," "likely," "plan," "project," "could," "may," "might," "should," "will" and similar words and specifically include statements regarding expected financial performance; expected utilization, day rates, revenues, operating expenses, cash flows, contract status, terms and duration, contract backlog, capital expenditures, insurance, financing and funding; the offshore drilling market, including supply and demand, customer drilling programs, stacking of rigs, effects of new rigs on the market and effect of the volatility of commodity prices; expected work commitments, awards, contracts and letters of intent; scheduled delivery dates for rigs; performance of our joint ventures, including our joint venture with Saudi Aramco; timing of the delivery of the Saudi Aramco Rowan Offshore Drilling Company ("ARO") newbuild rigs and the timing of additional ARO newbuild orders; the availability, delivery, mobilization, contract commencement, availability, relocation or other movement of rigs and the timing thereof; rig reactivations; suitability of rigs for future contracts; divestitures of assets; general economic, market, business and industry conditions, including inflation and recessions, trends and outlook; general political conditions, including political tensions, conflicts and war (such as the ongoing conflict in Ukraine); cybersecurity attacks and threats; impacts and effects of public health crises, pandemics and epidemics, such as the COVID-19 pandemic; future operations; ability to renew expiring contracts or obtain new contracts, including for VALARIS DS-13 and VALARIS DS-14; increasing regulatory complexity; targets, progress, plans and goals related to environmental, social and governance ("ESG") matters; the outcome of tax disputes; assessments and settlements; and expense management. The forward-looking statements contained in this press release are subject to numerous risks, uncertainties and assumptions that may cause actual results to vary materially from those indicated, including cancellation, suspension, renegotiation or termination of drilling contracts and programs; our ability to obtain financing, service our debt, fund capital expenditures and pursue other business opportunities; adequacy of sources of liquidity for us and our customers; future share repurchases; actions by regulatory authorities, or other third parties; actions by our security holders; internal control risk; commodity price fluctuations and volatility,



Press Release

customer demand, loss of a significant customer or customer contract, downtime and other risks associated with offshore rig operations; adverse weather, including hurricanes; changes in worldwide rig supply, including as a result of reactivations and newbuilds; and demand, competition and technology; supply chain and logistics challenges; consumer preferences for alternative fuels and forecasts or expectations regarding the global energy transition; increased scrutiny of our ESG targets, including our Scope 1 emissions intensity reduction target, initiatives and reporting and our ability to achieve such targets or initiatives; changes in customer strategy; future levels of offshore drilling activity; governmental action, civil unrest and political and economic uncertainties, including recessions, volatility affecting the banking system and financial markets, inflation and adverse changes in the level of international trade activity; terrorism, piracy and military action; risks inherent to shipyard rig reactivation, upgrade, repair, maintenance or enhancement; our ability to enter into, and the terms of, future drilling contracts; suitability of rigs for future contracts; the cancellation of letters of intent or letters of award or any failure to execute definitive contracts following announcements of letters of intent, letters of award or other expected work commitments; the outcome of litigation, legal proceedings, investigations or other claims or contract disputes; governmental regulatory, legislative and permitting requirements affecting drilling operations; our ability to attract and retain skilled personnel on commercially reasonable terms; environmental or other liabilities, risks or losses; compliance with our debt agreements and debt restrictions that may limit our liquidity and flexibility; cybersecurity risks and threats; and changes in foreign currency exchange rates. In addition to the numerous factors described above, you should also carefully read and consider "Item 1A. Risk Factors" in Part I and "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" in Part II of our most recent annual report on Form 10-K, which is available on the Securities and Exchange Commission's website at www.sec.gov or on the Investor Relations section of our website at www.valaris.com. Each forward-looking statement speaks only as of the date of the particular statement, and we undertake no obligation to update or revise any forward-looking statements, except as required by law.

Investor & Media Contacts:

Darin Gibbins
Vice President - Investor Relations and Treasurer
+1-713-979-4623

Tim Richardson
Director - Investor Relations
+1-713-979-4619