

HALCYON Offshore

Immediate Release

June 7, 2010

HALCYON OFFSHORE BROADENS SERVICE OFFERING THROUGH ACQUISITION

- Acquisition of Vantage Engineering, which specialises in mobilisation and demobilisation of offshore assets, adds to Halcyon Offshore's marine and offshore service solutions.
- Appointment of Mr Kelvin Tan, Founder and Managing Director of Vantage, to Halcyon Offshore's management team following acquisition deepens Halcyon Offshore's know-how and strengthens the Group's market leadership.
- With Vantage, Halcyon Offshore is better positioned to capitalise on global service opportunities in the buoyant offshore industry.

HALCYON Offshore Pte Ltd ("Halcyon Offshore" or the "Group"), a Singapore-headquartered integrated engineering and construction services provider for the offshore oil & gas industry, today announced that it has acquired the entire issued and paid-up capital of Vantage Engineering Pte Ltd ("Vantage").

Vantage is a Singapore-based specialist service provider of mobilisation and demobilisation of offshore assets, specifically vessel-mounted structures and equipment. An established player in its niche sector, Vantage has built a reputation for responsive and reliable service with a strong commitment to safety, a perfect fit to Halcyon Offshore's values.

The acquisition was completed in May 2010 and Vantage is expected to add S\$6 million in net sales to Halcyon Offshore for the pro-forma financial year ending 31 December ("FY") 2010. Halcyon Offshore achieved group revenues of S\$94.3 million in FY2009.

Mr Robert Meyer, CEO of Halcyon Offshore's ultimate holding company, Halcyon Investment Corporation Pte Ltd, said: "Having worked with Vantage for several years on a sub-contractor basis, we are confident of the outstanding quality of Vantage's service offerings. Vantage will be a valuable addition to the mobilisation and demobilisation side of our business, further enhancing our overall value proposition vis-à-vis our clients."

"We also welcome Mr Kelvin Tan, who founded Vantage and brings with him 19 years of in-depth knowledge and experience in the offshore services sector, to our management team. We are convinced that Mr Tan will be a positive addition to Halcyon Offshore's management team, and that Halcyon Offshore is now in an even better position to take advantage of the many opportunities in the buoyant offshore industry," Mr Meyer concluded.

The acquisition of Vantage Engineering is in line with Halcyon Offshore's business strategy of acquiring successful SMEs and integrating them into the context of a globally competitive organisation. "The offshore oil &

gas industry in Singapore is undergoing a structural change", commented Mr Meyer. "Operational scale and scope, world-class safety systems, professional facilities and financial strength are critical success factors that are finding increasing consideration by tendering oil companies and their front-line contractors such as drilling and production companies. Halcyon Offshore builds on our solid corporate platform and strengthens our value proposition with each successful integration, enabling us to offer customers superior value to secure a winning bid."

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About HALCYON Offshore

HALCYON Offshore, a subsidiary of HALCYON Energy Corporation, is an integrated engineering and construction group engaged in the offshore oil & gas industry. The Group offers a wide spectrum of marine and offshore solutions globally and operates through established and well reputed subsidiaries, namely, Anvil Engineering Pte Ltd, Marine Equipments Pte Ltd, Jack Tat Engineering Pte Ltd and Vantage Engineering Pte Ltd.

Since 2007, Halcyon Offshore has invested in excess of S\$35 million to acquire outstanding SMEs in the offshore oil & gas sector in Singapore. Group revenues for 2009 were S\$94.3 million.

For more information on HALCYON Offshore, please visit <http://www.halcyonoffshore.com/>.

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