

MIDDLE EAST JACKUP I COMPANY



Ugland House,
South Church Street
Grand Cayman,
Cayman Islands

c/o Swicorp UAE LTD
P.O. Box 213137
Dubai
UAE

26 January 2012

To the bondholders of Middle East Jackup I Company,

Dear Sirs,

Bond Agreement dated 28 September 2010 (the "Bond Agreement") in respect of 15% Callable Bond Issue (the "Bonds")

We would like to inform you that Middle East Jackup I Company (the "Company") has signed a binding purchase agreement ("MOA") for the sale of Company's jackup rig, the "HAFFAR 1" (Ex Builder's Hull 106). We believe that the net selling price reflects the current market value.

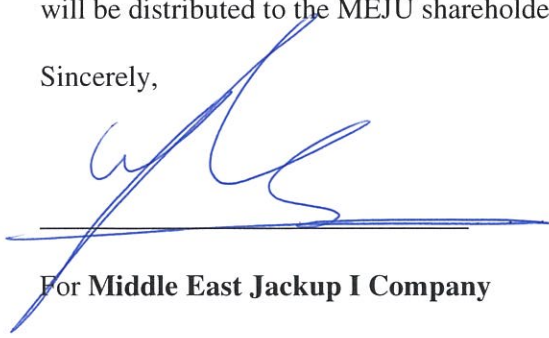
The buyer under the MOA is Compañía Perforadora México S.A.P.I. de C.V., an affiliate of Grupo Mexico, which a large and well established, publicly listed company based in Mexico.

The sale is expected to take place around the third week of February, 2012. The sale of the Rig under the MOA will be a "Mandatory Prepayment Event" under the Bond Agreement and trigger a mandatory redemption of the Bonds. For the avoidance of doubt, the redemption of the Bonds shall not be completed pursuant to the exercise of any call option under the Bond Agreement.

More information with respect to the date of the mandatory redemption will be provided in due course.

As soon as practical after the mandatory redemption of the Bonds, any surplus funds in the Company will be distributed to the MEJU shareholders.

Sincerely,



For **Middle East Jackup I Company**

Joris Vreeburg

CEO