



HERO Liquidating Trust

First Distribution to Holders of the Wind Down Entity Interests

February 22, 2017

On February 17, 2017, the HERO Liquidating Trust (“Trust”) declared a distribution of \$15,000,000 (“First Distribution”) payable to holders of the Wind Down Entity Interests, as defined in the Modified Joint Prepackaged Chapter 11 Plan (Incorporating Mediation Settlement) (“Plan”) of Hercules Offshore, Inc. (“HERO”) and its affiliated debtors (together with HERO, the “Debtors”). On the effective date of the Plan, the common stock of HERO was cancelled, and holders of common stock received their pro rata share of the Wind Down Entity Interests. There are 19,988,897 outstanding Wind Down Entity Interests, which are non-transferable.

The First Distribution represents the Rejection Shareholder Cash Distribution provided for under the Plan. Pursuant to the Plan, future distributions, if any, to holders of the Wind Down Entity Interests will be paid only after the Lender Wind Down Claim has been fully paid and only to the extent of available funds and if declared by the Trust. As of the effective date of the Plan, the amount of the Lender Wind Down Claim was \$254,326,604.

The First Distribution will be paid in the amount of \$0.7504165 per Wind Down Entity Interest. Pursuant to the Plan, the Trust will not make any individual distribution that is less than \$50.

The Trust anticipates that the First Distribution will be made on or about February 22, 2017.

This information is made public pursuant to the Wind-Down Entity and Distribution Agreement dated December 2, 2016 in connection with the occurrence of the Effective Date of the Plan.