



HERCULES **Offshore**

HERO Liquidating Trust
May 2017 Activity Report

June 21, 2017



Cash Receipts and Disbursements and Wind-Up Activities

Cash Receipts and Disbursements

- This report covers the activities of the HERO Liquidating Trust (“Trust”) for the period from May 1, 2017 to May 31, 2017.
- Total receipts for the period were \$6.0 million. Receipts include (i) the balance of the purchase price of acreage in Loving County, TX that closed in the period, (ii) collections from customers and (iii) certain other receipts.
- Disbursements totaled approximately \$6.8 million.
- Net operating cash flow for the period was (\$0.7 million). Net cash flow, after reimbursements from reserve accounts, was \$1.5 million.
- The Trust distributed \$12.0 million to holders of the Lender Wind Down Claim.
- Cash as of May 31, 2017 was \$104.4 million, not including the remaining amounts in the reserve accounts established pursuant to the Plan.

Liquidation and Administration Activities

- The Trust continued to market its remaining fleet assets, the Nigerian Liftboat fleet, for sale and continued to conduct discussions with prospective buyers.
- The Trust continued normal activities to collect trade and other accounts receivable.
- The Trust continued its activities to resolve pre- and postpetition claims and liabilities in accordance with the terms of the Plan.

This unaudited information is made public pursuant to the Wind-Down Entity and Distribution Agreement made December 2, 2016 in connection with the occurrence of the Effective Date of the Joint Prepackaged Chapter 11 Plan (Incorporating Mediation Settlement) of Hercules Offshore, Inc. and its Debtor Affiliates.

(\$ in thousands)	Actuals
Beginning Cash Balance	\$ 114,913
Receipts	
Customer Collections	\$ 4,053
Other Receipts	139
Asset Sale Proceeds	1,850
Total Receipts	\$ 6,041
Disbursements	
Vendors and Other	\$ 1,389
Personnel Costs	1,260
KEIP/KERP Bonus	35
Severance	392
Premise Rents	1
Insurance	53
Taxes	2,099
Utilities	125
Ordinary Course Professionals	216
Liquidating Trust/Estate Professionals	453
Disputed Claims	691
Other Allowed Claims	49
Total Disbursements	\$ 6,762
Net Operating Cash Flow	\$ (721)
Reimbursements	
Accrued Professional Fee Reserve	\$ -
Disputed Claims Reserve	1,863
Allowed Claims Reserve	102
Severance Escrow	279
Total Reimbursements	\$ 2,244
Net Cash Flow	\$ 1,523
Distributions	
Wind Down Entity Interests	\$ -
Lender Wind Down Claim	12,000
Total Distributions	\$ 12,000
Ending Cash Balance	\$ 104,436

