



HERCULES **Offshore**

HERO Liquidating Trust
October 2017 Activity Report

November 26, 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 October 1, 2017 to October 31, 2017.
- Total receipts for the period were \$15.5 million. Receipts include (i) the balance of the purchase price of 3 vessels in the Nigerian Liftboat fleet as a result of the sale that closed in the period, (ii) collections from customers and (iii) certain other receipts.
- Disbursements totaled approximately \$2.8 million.
- Net operating cash flow for the period was \$12.7 million. Net cash flow, after reimbursements from reserve accounts, was \$13.8 million.
- The Trust did not make distributions to holders of the Lender Wind Down Claim or holders of the Wind Down Entity Interests during the period. The Trust distributed \$37.0 million on account of the Lender Wind Down Claim shortly after the end of the period.
- Cash as of October 31, 2017 was \$115.3 million, not including the remaining amounts in the reserve accounts established pursuant to the Plan.

Liquidation and Administration Activities

- The Trust completed the sale of three vessels in its Nigerian Liftboat fleet for net proceeds of approximately \$9.2 million on October 30, 2017. It continued to market the remainder of the fleet for sale and continued to hold 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 post-petition 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 dated 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	\$ 101,521
Receipts	
Customer Collections	\$ 5,208
Other Receipts	314
Asset Sale Proceeds	9,993
Total Receipts	\$ 15,515
Disbursements	
Vendors and Other	\$ 344
Personnel Costs	709
Premise Rents	195
Insurance	615
Taxes	71
Utilities	274
Ordinary Course Professionals	520
Liquidating Trust/Estate Professionals	60
Other Allowed Claims	22
Total Disbursements	\$ 2,809
Net Operating Cash Flow	\$ 12,706
Reimbursements	
Accrued Professional Fee Reserve	\$ -
Disputed Claims Reserve	1,099
Allowed Claims Reserve	-
Severance Escrow	-
Total Reimbursements	\$ 1,099
Net Cash Flow	\$ 13,805
Distributions	
Wind Down Entity Interests	\$ -
Lender Wind Down Claim	-
Total Distributions	\$ -
Ending Cash Balance	\$ 115,326

