



Nordic American Offshore Ltd. (NYSE:NAO)

Hamilton, Bermuda, July 11, 2014

For your information, the below is a press release issued today by Nordic American Tankers Limited ("NAT"). NAT is currently holding 20.1% in Nordic American Offshore.



Nordic American Tankers Limited (NYSE:NAT) Announces a cash dividend for the 68th consecutive quarter and a distribution of dividend-in-kind.

Hamilton, Bermuda, July 11, 2014

Nordic American Tankers Limited ("NAT" or "the Company") today announced information about a) the declaration of a cash dividend in NAT and b) the distribution of the dividend-in-kind of a portion of the NAT shares in Nordic American Offshore Ltd. ("NAO").

Cash dividend:

The NAT Board of Directors has declared a dividend of \$0.12 per common share. The record date is July 25, 2014 and the payment of dividend is expected to take place on or about August 12, 2014.

Dividend-in-kind:

We have previously informed investors about the dividend-in-kind (shares in Nordic American Offshore) that will be awarded to NAT shareholders having NAT shares above a certain threshold. The record date for the distribution of these shares is July 25, 2014. The distribution is expected to be effective as of August 11, 2014.

Each NAT shareholder that holds at least 500 of our common shares as of July 25, 2014 will receive NAO shares. The dividend is calculated on the basis of \$0.13 to be distributed per NAT share, and the November 2013 NAO offering price of \$15 per share, implying roughly one NAO share per 115.4 NAT shares. NAT will not distribute fractional NAO shares. Fractional shares will be compensated by a cash dividend based on the NAO closing price on August 8, 2014. Since NAO's November 2013 offering at \$15 per share, NAO shares have gone up in value significantly. Based on the most recent NAO closing price of \$20.15, this increase in the value of the NAO share is equivalent to about 34%, implying a total value of the dividend-in-kind of about \$0.17 per share. The value of the dividend-in-kind may fluctuate depending on the development of the NAO stock price between the time of this release and the close of NYSE August 8, 2014.

Each NAT shareholder that holds 499 shares or less as of July 25, 2014 will receive a cash dividend. The dividend will be such that the monetary value is equivalent to that received by shareholders who receive NAO shares. The cash value of the dividend will therefore be based on the value of NAO shares at the close of NYSE August 8, 2014. As of the time of this release, NAT has a total of 89,182,001 common shares outstanding.

The Company expects to distribute an information statement to NAT shareholders July 30, 2014 which contains additional information about Nordic American Offshore and the terms of this distribution of dividend-in-kind.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Matters discussed in this press release may constitute forward-looking statements. The Private Securities Litigation Reform Act of 1995 provides safe harbor protections for forward-looking statements in order to encourage companies to provide prospective information about their business. Forward-looking statements include statements concerning plans, objectives, goals, strategies, future events or performance, and underlying assumptions and other statements, which are other than statements of historical facts.

The Company desires to take advantage of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and is including this cautionary statement in connection with this safe harbor legislation. The words "believe," "anticipate," "intend," "estimate," "forecast," "project," "plan," "potential," "will," "may," "should," "expect," "pending" and similar expressions identify forward-looking statements.

The forward-looking statements in this press release are based upon various assumptions, many of which are based, in turn, upon further assumptions, including without limitation, our management's examination of historical operating trends, data contained in our records and other data available from third parties. Although we believe that these assumptions were reasonable when made, because these assumptions are inherently subject to significant uncertainties and contingencies which are difficult or impossible to predict and are beyond our control, we cannot assure you that we will achieve or accomplish these expectations, beliefs or projections. We undertake no obligation to update any forward-looking statement, whether as a result of new information, future events or otherwise.

Important factors that, in our view, could cause actual results to differ materially from those discussed in the forward-looking statements include the strength of world economies and currencies, general market conditions, including fluctuations in charter rates and vessel values, changes in demand in the tanker market, as a result of changes in OPEC's petroleum production levels and world wide oil consumption and storage, changes in our operating expenses, including bunker prices, drydocking and insurance costs, the market for our vessels, availability of financing and refinancing, changes in governmental rules and regulations or actions taken by regulatory authorities, potential liability from pending or future litigation, general domestic and international political conditions, potential disruption of shipping routes due to accidents or political events, vessels breakdowns and instances of off-hires and other important factors described from time to time in the reports filed by the Company with the Securities and Exchange Commission, including the prospectus and related prospectus supplement, our Annual Report on Form 20-F, and our reports on Form 6-K.

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