



November 3, 2017

TO THE SHAREHOLDERS OF NORDIC AMERICAN OFFSHORE LTD.

Enclosed is a Notice of the Annual General Meeting of Shareholders of Nordic American Offshore Ltd. (the "Company") and related materials. The Annual General Meeting will be held at the Company's offices located at the LOM Building, 27 Reid Street, Hamilton, Bermuda on December 12, 2017, at 10:30 a.m. local time (the "Meeting").

At the Meeting, the shareholders of the Company will consider and vote upon the following proposals:

1. To elect one Class A director to serve on the Board of Directors until the 2020 Annual General Meeting of Shareholders ("Proposal One");
2. To approve the appointment of KPMG AS as the Company's independent auditors until the close of the next Annual General Meeting of Shareholders ("Proposal Two");
3. To approve the reduction of the Company's share premium account by approximately \$391.2 million, as of December 29, 2017, which is the amount paid up in excess of the aggregate par value of the outstanding common shares, par value \$0.01 per share, of the Company ("Proposal Three"); and
4. To transact such other business as may properly come before the Meeting or any adjournment thereof.

Provided that a quorum is present, the adoption of Proposals One, Two and Three each requires the affirmative vote of a majority of the votes cast at the Meeting, either in person or by proxy. To constitute a quorum, there must be present either in person or by proxy shareholders of record entitled to cast at least one-third of the total number of votes eligible to be cast by holders of shares issued and outstanding and entitled to vote at such a meeting. We urge you to vote in favor of all three of the Proposals.

You are cordially invited to attend the Meeting in person. If you attend the Meeting, you may revoke your proxy and vote your shares in person.

The Company's 2016 Annual Report is available on the Company's website at www.nao.bm. Any shareholder may receive a hard copy of the Company's 2016 Annual Report free of charge upon request.

WHETHER OR NOT YOU PLAN TO ATTEND THE MEETING IN PERSON, IT IS IMPORTANT THAT YOUR SHARES BE REPRESENTED AND VOTED AT THE MEETING. ACCORDINGLY, IF YOU HAVE ELECTED TO RECEIVE YOUR PROXY MATERIALS BY MAIL, PLEASE DATE, SIGN AND RETURN THE PROXY CARD. IF YOU RECEIVED YOUR PROXY MATERIALS OVER THE INTERNET, PLEASE VOTE BY INTERNET OR BY TELEPHONE IN ACCORDANCE WITH THE INSTRUCTIONS PROVIDED IN THE NOTICE OF INTERNET AVAILABILITY OF PROXY MATERIALS THAT YOU WILL RECEIVE IN THE MAIL. IF YOU DECIDE TO ATTEND THE MEETING IN PERSON, YOU WILL BE ABLE TO REVOKE YOUR PROXY AND VOTE IN PERSON. ANY SIGNED PROXY RETURNED AND NOT COMPLETED WILL BE VOTED BY MANAGEMENT IN FAVOR OF ALL PROPOSALS PRESENTED IN THE PROXY STATEMENT.

Very truly yours,

Herbjørn Hansson
Executive Chairman

NORDIC AMERICAN OFFSHORE LTD.
NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS
TO BE HELD ON DECEMBER 12, 2017

NOTICE IS HEREBY given that the Annual General Meeting of Shareholders (the "Meeting") of Nordic American Offshore Ltd. (the "Company") will be held on December 12, 2017, at 10:30 a.m. local time at the Company's offices located at the LOM Building, 27 Reid Street, Hamilton, Bermuda for the following purposes, of which items 1, 2 and 3 are more completely set forth in the accompanying Proxy Statement:

1. To elect one Class A director to serve on the Board of Directors until the 2020 Annual General Meeting of Shareholders ("Proposal One");
2. To approve the appointment of KPMG AS as the Company's independent auditors until the close of the next Annual General Meeting of Shareholders ("Proposal Two");
3. To approve the reduction of the Company's share premium account by approximately \$391.2 million, as of December 29, 2017, which is the amount paid up in excess of the aggregate par value of the outstanding common shares, par value \$0.01 per share, of the Company ("Proposal Three"); and
4. To transact such other business as may properly come before the Meeting or any adjournment thereof.

The Company's Board of Directors has fixed the close of business on October 30, 2017 as the record date for the determination of the shareholders entitled to receive notice and to vote at the Meeting or any adjournment or postponement thereof.

All shareholders must present a form of personal photo identification in order to be admitted to the Meeting. In addition, if your shares are held in the name of your broker, bank, or other nominee and you wish to attend the Meeting, you must bring an account statement or letter from the broker, bank, or other nominee indicating that you were the owner of the shares on October 30, 2017, the record date for the meeting.

WHETHER OR NOT YOU PLAN TO ATTEND THE MEETING IN PERSON, IT IS IMPORTANT THAT YOUR SHARES BE REPRESENTED AND VOTED AT THE MEETING. ACCORDINGLY, IF YOU HAVE ELECTED TO RECEIVE YOUR PROXY MATERIALS BY MAIL, PLEASE DATE, SIGN AND RETURN THE PROXY CARD. IF YOU RECEIVED YOUR PROXY MATERIALS OVER THE INTERNET, PLEASE VOTE BY INTERNET OR BY TELEPHONE IN ACCORDANCE WITH THE INSTRUCTIONS PROVIDED IN THE NOTICE OF INTERNET AVAILABILITY OF PROXY MATERIALS THAT YOU WILL RECEIVE IN THE MAIL. IF YOU DECIDE TO ATTEND THE MEETING IN PERSON, YOU WILL BE ABLE TO REVOKE YOUR PROXY AND VOTE IN PERSON.

ANY SIGNED PROXY RETURNED AND NOT COMPLETED WILL BE VOTED BY MANAGEMENT IN FAVOR OF ALL PROPOSALS PRESENTED IN THE PROXY STATEMENT.

By Order Of The Board Of Directors

Bjørn Giaever
Secretary

November 3, 2017
Hamilton, Bermuda

NORDIC AMERICAN OFFSHORE LTD.

**PROXY STATEMENT
FOR
ANNUAL GENERAL MEETING OF SHAREHOLDERS
TO BE HELD ON DECEMBER 12, 2017**

INFORMATION CONCERNING SOLICITATION AND VOTING

GENERAL

The enclosed proxy is solicited on behalf of the board of directors (the “Board” or the “Directors”) of Nordic American Offshore Ltd., an exempted company incorporated under the laws of Bermuda (the “Company”), for use at the Company’s Annual General Meeting of Shareholders to be held on December 12, 2017, at 10:30 a.m. local time at the Company’s offices located at the LOM Building, 27 Reid Street, Hamilton, Bermuda or at any adjournment or postponement thereof (the “Meeting”), for the purposes set forth herein and in the accompanying Notice of Annual General Meeting of Shareholders.

VOTING RIGHTS AND OUTSTANDING SHARES

On October 30, 2017 (the “Record Date”), the Company had outstanding 61,986,847 common shares, par value \$0.01 per share (the “Common Shares”). Each shareholder of record at the close of business on the Record Date is entitled to one vote for each Common Share then held. One or more shareholders representing at least one-third of the total voting rights of the Company present in person or by proxy at the Meeting shall constitute a quorum for the purposes of the Meeting. The Common Shares represented by any proxy in the enclosed form will be voted in accordance with the instructions given on the proxy if the proxy is properly executed and is received by the Company prior to the close of voting at the Meeting or any adjournment or postponement thereof. Any proxies returned without instructions will be voted FOR the proposals set forth on the Notice of Annual General Meeting of Shareholders.

The Common Shares are listed on the New York Stock Exchange (“NYSE”) under the symbol “NAO.”

REVOCABILITY OF PROXIES

A shareholder giving a proxy may revoke it at any time before it is exercised. A proxy may be revoked by filing with the Secretary of the Company, at the Company's registered office, LOM Building, 27 Reid Street, Hamilton, Bermuda, a written notice of revocation by a duly executed proxy bearing a later date, or by attending the Meeting and voting in person.

PROPOSAL ONE

ELECTION OF DIRECTORS

The Board is divided into three classes. After the initial term, each director is elected to serve for a three year term and until such director's successor is duly elected and qualified or until his or her earlier resignation or removal. The term of our Class A Director expires at the Meeting. The term of the newly elected Class A Director will expire at the Company's 2020 Annual General Meeting of Shareholders. The Board has nominated the person listed below for re-election as the Class A Director.

Set forth below is information concerning the nominee for Director.

Unless the proxy is marked to indicate that such authorization is expressly withheld, the persons named in the enclosed proxy intend to vote the shares authorized thereby FOR the election of the following nominee. It is expected that the nominee will be able to serve, but if before the election it develops that the nominee is unavailable, the persons named in the accompanying proxy will vote for the election of such substitute nominee as the current Board may recommend.

Nominee For Election To The Company's Board Of Directors

Information concerning the nominee for Director is set forth below:

<u>Name</u>	<u>Age</u>	<u>Position</u>
David M. Workman	57	Class A Director

David M. Workman, Class A Director

David M. Workman has served as our Class A Director since December 2013. Mr. Workman was, until recently Chief Operating Officer and member of the Supervisory Board of Stork Technical Services having guided, as Chief Executive Officer, the sale of the RBG Offshore Services Group into the STS Group. Mr. Workman has 30 years of broad experience in the offshore sector ranging from drilling operations/field development through production operations and project management. He has worked with a wide variety of exploration and production companies in the sector and has balanced this with exposure to the service sector, working with management companies. As part of his experience with these different companies, he has had extensive exposure to the North Sea market. Mr. Workman graduated from Imperial College London in 1983 with a Masters in Petroleum Engineering and spent his early years as a Drilling/Production Operations Engineer with BP. In 1987 he joined Hamilton Brothers Oil and Gas who were early adopters of floating production systems. In 1993 he joined Kerr McGee as an operations manager for the Tentech 850 designed Gryphon FPSO, the first permanently moored FPSO in the North Sea. In 1996, Mr. Workman established the service company Atlantic Floating Production, which went on to become the management contractor and duty holder on the John Fredriksen owned Northern Producer and on the Petroleum Geo-Services (PGS) owned Banff FPF. In 2003, Mr. Workman was instrumental in founding Tuscan Energy which went on to redevelop the abandoned Argyll Field in the UK Continental Shelf. In 2009, Mr. Workman was appointed as Chief Executive Officer and led the sale of the RBG Group to Stork Technical Services in 2011.

For your convenience we provide the biographies of the other members of the Board, Chief Executive Officer, the Chief Financial Officer and the Secretary of the Company.

Herbjørn Hansson, Executive Chairman and Class C Director

Herbjørn Hansson (MBA) has graduated from the Norwegian School of Economics and Business Administration and attended Harvard Business School. He has served as our Executive Chairman since our inception. In 1974 he was employed by the Norwegian Shipowners' Association. In the period from 1975 to 1980, he was Chief Economist and Research Manager of INTERTANKO, an industry association whose members control about 70% of the world's independently owned tanker fleet, excluding state owned and oil company fleets. During the 1980s, he was Chief Financial Officer of Kosmos/Anders Jahre, at the time one of the largest Norwegian based shipping and industry groups. In 1989, Mr. Hansson founded Ugland Nordic Shipping AS, or UNS, which became

one of the world's largest owners of specialized shuttle tankers. UNS became a public company in 1993. While under Mr. Hansson's management, UNS increased dividends paid to shareholders each year for nine years. He served as Chairman in the first phase and as Chief Executive Officer as from 1993 to 2001 when UNS, under his management, was sold to Teekay Shipping Corporation, or Teekay, for an enterprise value of \$780.0 million. He continued to work with Teekay, most recently as Vice Chairman of Teekay Norway AS, until he started working full-time for Nordic American Tankers Limited (NAT) on September 1, 2004. Mr. Hansson is the founder and has been Chairman and Chief Executive Officer of NAT since its establishment in 1995. NAT was listed on the NYSE in 1997. Since then, NAT has paid dividends 81 times, with total dividend payments of \$48.47 per share since the fourth quarter of 1997 to the date of this report. He also has been a member of various governing bodies of companies within shipping, insurance, banking, manufacturing, national/international shipping agencies including classification societies and protection and indemnity associations. Mr. Hansson is fluent in Norwegian and English, and has a command of German and French for conversational purposes.

Marianne Lie, Executive Vice Chairman and Class C Director

Marianne Lie has served as our Class C director since December 2013. In June 2016, Ms. Lie was appointed as our Executive Vice Chairman. Having broad international experience, she has been and still is a board member of several Norwegian companies mainly within the shipping, offshore business, energy and finance industries. She was until recently a member of the shareholders Committee of the Central Bank of Norway. She was in the Norwegian Shipowners Association from 1988 until 1998, after which she was managing director of the Norwegian Branch of Vattenfall, a Swedish based energy group. Ms. Lie was also a board member of the Finnish energy group Fortum. She was managing director of the Norwegian Shipowners Association from 2002 to 2008. Ms. Lie has studied law and political science at the University of Oslo.

Paul J. Hopkins, Class B Director

Paul J. Hopkins has been a director of the Company since its inception and was a director of NAT from June 2005 until December 13, 2013. Until March 2008, Mr. Hopkins was also a Vice President and a director of Corridor Resources Inc., a Canadian publicly traded exploration and production company. From 1989 through 1993 he served with Lasmo as Project Manager during the start-up of the Cohasset/Panuke oilfield offshore Nova Scotia, the first offshore oil production in Canada. Earlier, Mr. Hopkins served as a consultant on frontier engineering and petroleum economic evaluations in the international oil industry. Mr. Hopkins was seconded to Chevron UK in 1978 to assist with the gas export system for the Ninian Field. Previously, beginning in 1973, he was employed with Ranger Oil (UK) Limited, being involved in the drilling and production testing of oil wells in the North Sea. Through the end of 1972 he worked with Shell Canada as part of its Offshore Exploration Group.

James Kelly, Class B Director

James Kelly has been a director of the Company since its inception and a director of NAT since June 2010. Mr. Kelly has worked for Time Inc., the world's largest magazine publisher, since 1978. He served as Foreign Editor during the fall of the Soviet Union and the first Gulf War, and was named Deputy Managing Editor in 1996. In 2001, Mr. Kelly became the magazine's managing editor, and during his tenure the magazine won a record four National Magazine awards. In 2004, Time Magazine received its first EMMA for its contribution to the ABC News Series "Iraq: Where Things Stand." In late 2006, Mr. Kelly became the managing editor of all of Time Inc., helping supervise the work of more than 2,000 journalists working at 125 titles, including Fortune, Money, Sports Illustrated and People. Since 2009, Mr. Kelly has worked as a consultant at Bloomberg LP and taught at Princeton and Columbia Universities.

Bjorn Giaever, Chief Financial Officer and Secretary

Bjorn Giaever joined the Company as Chief Financial Officer and Secretary on October 16, 2017. Mr. Giaever has over 20 years of experience in the shipping & offshore industry, holding key roles in corporate finance and equity research. He joined the Company from Fearnley Securities AS, where he served as partner and director in the Corporate Finance division. From 2006 to 2010, Mr. Giaever served as a senior corporate advisor in the John Fredriksen group in London. In addition, Mr. Giaever has been a top rated Shipping Analyst at DNB Markets and

partner at Inge Steensland AS, specializing in gas and maritime matters. Mr. Giaever holds a BSc in business and economics.

Audit Committee. In accordance with the rules of the NYSE, the Board has established an Audit Committee consisting of one independent Director. The sole member of the Audit Committee is Paul J. Hopkins.

Officers. Herbjørn Hansson serves as the Company's Executive Chairman. Marianne Lie is the Company's Executive Vice Chairman. Bjørn Giaever is the Company's Chief Financial Officer and Secretary.

Required Vote. Provided that a quorum is present, approval of Proposal One will require the affirmative vote of a majority of the votes cast at the Meeting, either in person or by proxy.

Effect of abstentions. Abstentions will not affect the vote on Proposal One.

THE BOARD UNANIMOUSLY RECOMMENDS A VOTE IN FAVOR OF THE PROPOSED DIRECTOR. UNLESS REVOKED AS PROVIDED ABOVE, PROXIES RECEIVED BY MANAGEMENT WILL BE VOTED IN FAVOR OF SUCH PROPOSED DIRECTOR UNLESS A CONTRARY VOTE IS SPECIFIED.

PROPOSAL TWO

APPROVAL OF APPOINTMENT OF INDEPENDENT AUDITORS

The Board is submitting for approval at the Meeting the appointment of KPMG AS, Sørkedalsveien 6, 0306 Oslo, Norway as the Company's independent auditors for the ensuing year until the close of the next Annual General Meeting of Shareholders.

KPMG AS has advised the Company that the firm does not have any direct or indirect financial interest in the Company, nor has such firm had any such interest in connection with the Company during the past three fiscal years other than in its capacity as the Company's independent auditors.

All services rendered by the independent auditors are subject to review by the Audit Committee.

Required Vote. Provided that a quorum is present, approval of Proposal Two will require the affirmative vote of a majority of the votes cast at the Meeting, either in person or by proxy.

Effect of abstentions. Abstentions will not affect the vote on Proposal Two.

THE BOARD UNANIMOUSLY RECOMMENDS A VOTE FOR APPROVAL OF THE APPOINTMENT OF KPMG AS AS INDEPENDENT AUDITORS OF THE COMPANY FOR THE ENSUING YEAR UNTIL THE CLOSE OF THE NEXT ANNUAL GENERAL MEETING. UNLESS REVOKED AS PROVIDED ABOVE, PROXIES RECEIVED BY MANAGEMENT WILL BE VOTED IN FAVOR OF SUCH APPROVAL UNLESS A CONTRARY VOTE IS SPECIFIED.

PROPOSAL THREE

REDUCTION OF SHARE PREMIUM

The Board is submitting for approval at the Meeting the reduction on December 29, 2017 of the entirety of the Company's share premium account, being approximately \$391.2 million, to zero as of December 29, 2017. Share premium is the amount of paid in share capital which exceeds the aggregate par value of the outstanding common shares, par value \$0.01 per share. The reason for the reduction is primarily to increase the ability of the Company to declare and distribute dividends and distributions to the Company's shareholders. The reduction in share premium will not result in a distribution to shareholders but rather, the surplus resulting from such reduction will be credited to the Company's contributed surplus account.

Currently, the Company's aggregate share capital represented by the Company's outstanding common shares is \$619,868.47 based on the aggregate par value of the Company's 61,986,847 common shares having a par value of \$0.01 each. The share premium of the Company is currently approximately \$391.2 million based on the excess of the price paid by shareholders for the Company's common shares over their aggregate par value.

Our dividend policy is to declare quarterly dividends and/or distributions (collectively referred to here as "Dividends") to shareholders, as the Board of Directors may from time to time determine, taking into account contingent liabilities, the terms of our credit facility, our other cash needs and the requirements of Bermuda law. However, if we declare a Dividend in respect of a quarter in which an equity issuance has taken place, we calculate the Dividend per share as our net operating cash flow for the quarter (after taking into account the factors described above) divided by the weighted average number of shares over that quarter. Net operating cash flow represents net income plus depreciation and non-cash administrative charges. The Dividend paid is the calculated Dividend per share multiplied by the number of shares outstanding at the end of the quarter.

Under Bermuda law, we may not declare or pay Dividends if there are reasonable grounds for believing that (1) we are, or would after the payment be, unable to pay our liabilities as they become due or (2) the realizable value of our assets would thereby be less than the sum of our liabilities.

Since our inception, we have issued shares at various times in excess of such shares' par value. This excess constitutes our share premium. Share premium is not available for payment of dividends under Bermuda law.

Under Bermuda law, the Company if authorized in a general meeting may, subject to any order made by the Minister of Economic Development of Bermuda and to its Memorandum of Association and Bye-Laws, either with or without extinguishing or reducing the liability of any of its shares and either with or without reducing the number of shares, reduce any paid up capital that is in excess of the requirements of the Company. The Company's Bye-laws provide that, subject to the Bermuda Companies Act 1981, as amended from time to time (the "Companies Act"), the Company may by resolution authorize the reduction of its issued share capital or any share premium account in any manner.

The reduction in share premium will give our Board of Directors greater flexibility to declare Dividends to our shareholders. Specifically, the reduction in share capital will enable our Board of Directors to declare a Dividend, when the Company is solvent, and would not be rendered insolvent upon payment of the Dividend, and has available cash to distribute, so long as the realizable value of the Company's assets exceeds its liabilities.

The Company is required, in order to effectuate such reduction to cause a notice to be published in an appointed newspaper stating the amount of the share capital as last previously determined by the Company, the amount to which the share capital is to be reduced, and the date as from which the reduction is to have effect. The notice is required to be published not more than thirty days and not less than fifteen days prior to the date on which the reduction is to have effect and is intended to be published on or about December 13, 2017. The Company may only effect such reduction if there are reasonable grounds for believing that the Company is, or after the reduction would be, able to pay its liabilities as they become due.

Within 30 days after the date such reduction of the share premium account is effective the Company, as required by Bermuda law, will file a memorandum, with a copy of the notice, in the office of the Bermuda Registrar of Companies ("Registrar") notifying the Registrar of compliance with the Companies Act.

Required Vote. Approval of Proposal Three will require the affirmative vote of a majority of the votes cast at the Meeting, either in person or by proxy.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE FOR APPROVAL OF THE REDUCTION OF SHARE PREMIUM. UNLESS REVOKED AS PROVIDED ABOVE, PROXIES RECEIVED BY MANAGEMENT WILL BE VOTED IN FAVOR OF SUCH APPROVAL UNLESS A CONTRARY VOTE IS SPECIFIED.

SOLICITATION

The cost of preparing and soliciting proxies will be borne by the Company. Solicitation will be made primarily by mail, but shareholders may be solicited by telephone, e-mail, or personal contact.

OTHER MATTERS

No other matters are expected to be presented for action at the Meeting.

By Order of the Directors

Bjørn Giaever
Secretary

November 3, 2017
Hamilton, Bermuda

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