



7 December 2006

**LAMPRELL PLC**  
("Lamprell" or the "Company")

**ANNOUNCES US\$84.5M OF NEW CONTRACT AWARDS**

Lamprell plc, based in the United Arab Emirates and listed on London AIM (symbol: LAM) is a leading provider of specialist engineering services to the international oil & gas industry. Lamprell is today pleased to announce the award of contracts for the rehabilitation of the Hurricane Katrina damaged Nabors 660 jackup rig (formerly the Ocean Warwick), the refurbishment of 4 Global Sante Fe jackups and, from new customer Akers FP, a contract for the fabrication of a Floating Production Storage & Offloading ("FPSO") vessel topside modules. The value of these contracts is likely to be in excess of US\$84.5 million.

**REHABILITATION OF JACKUP NABORS 660**

Lamprell has been awarded an initial contract by Nabors Drilling International Limited ("NDIL") for the comprehensive rehabilitation of the Nabors 660 jackup rig, worth US\$43 million. An additional work scope, with an anticipated value of US\$25 million, is under development and subject to client approval.

The rig, originally named 'Ocean Warwick', was operating in the Gulf of Mexico, on Main Pass block 299, until it was severely damaged by Hurricane Katrina in 2005. During the storm, the rig moved 66 miles North East of its operational position, onto the shores of Dauphin Island, close to the Alabama coastline. No personnel were on board the rig at the time of the storm.

The rig was subsequently acquired by NDIL and renamed the Nabors 660. On 13 August, 2006 the rig was loaded on to the 22,000 tonne deck capacity 'Hamriyah Pride', a semi submersible barge owned and operated by Lamprell for the purpose of shipping customer projects to the Lamprell facilities in the UAE. The rig arrived at Hamriyah on 11 November 2006.

The contract includes the removal of all storm damaged materials, fabrication of a replacement drill floor, legs, spud cans and sponsons, refitting the living quarters as well as the installation of five new engines and a complete drilling package. The project is expected to be completed in November 2007.

## **REFURBISHMENT OF GLOBAL SANTA FE JACKUPS**

Lamprell has been awarded a US\$36.4 million contract for the refurbishment of four Global Santa Fe jackup drilling rigs, the Main Pass 1 & 4 and the High Island 2 & 4. The rigs are scheduled to arrive in Lamprell's Sharjah yard in mid January 2007, transported on two heavy lift vessels.

The refurbishment scope of work is scheduled to be completed in April 2007. On completion all four units will be deployed to Saudi Arabia on long term charter for Saudi Aramco.

## **FABRICATION OF SMART FPSO MODULES FOR AKER FP**

Lamprell has been awarded a US\$5.1 million fabrication contract by Aker Floating Production ("Aker FP") to build the topside modules for the Smart 1 FPSO vessel, to be maintained and operated by Aker FP. This is the first time Lamprell has been awarded FPSO work by Aker FP.

The project scope covers the fabrication of the main process module, two riser balconies and the knock out drum skid. The award includes an extension option to the build the topsides for Aker FP Smart 2 FPSO. All elements will be fabricated at Lamprell's offshore construction facility located in the Jebel Ali Free Zone in Dubai and are expected to be completed in November 2007.

The Smart FPSO'S are a modular design suitable for production of up to 60,000 barrels of oil per day, making it suitable for medium sized field operators around the world and a viable alternative to typical early production systems employed by the major oil companies.

### **Commenting on the award of these contracts, Peter Whitbread, Chairman and Chief Executive, Lamprell said:**

*"We are delighted to be able to announce the award of these three contracts. Not only do they call upon the full range of expertise that we are proud to be able to offer our clients, but they highlight the confidence clients have in Lamprell's ability to deliver on important projects. These contract awards and the expected completion in 2007 further underpin our confidence for the coming year."*

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## NOTES TO EDITORS

- Lamprell, based in the UAE, has played an increasingly prominent role in the development of the oil & gas industry in the Arabian Gulf for over 30 years, in later years providing specialised engineering services to the industry.
- Lamprell's two primary facilities are in Port Khalid, in the Emirate of Sharjah, and in the Jebel Ali Free Zone, in the Emirate of Dubai, both of which are in the UAE.
- The principal markets in which Lamprell operates, and the principal services it provides, are:
  - Upgrade and refurbishment of offshore jackup rigs;
  - New build construction for the offshore oil and gas sector, including Floating Production, Storage and Offloading ("FPSO") systems and other offshore and onshore structures; and
  - Oilfield engineering services, including the upgrade and refurbishment of land rigs.
- Lamprell has grown strongly over the last three years, driven by buoyant conditions in the oil and gas industry and the increase in capacity with the opening of its facility in the Jebel Ali Free Zone in 2002.
- Lamprell joined AIM, a market operated by London Stock Exchange plc, on 16 October 2006.