

11 June 2009

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

LAMPRELL AGM – STATEMENT FROM THE CHAIRMAN

Lamprell (ticker: LAM), a leading provider of specialist engineering services to the international oil & gas industry based in the United Arab Emirates ("UAE"), is holding its Annual General Meeting at 12 pm UAE time (9am UK time) today at the Lamprell Group offices in Jebel Ali Free Zone, Dubai, UAE. At the meeting, Chairman, Jonathan Silver, will make the following statement on current trading:

"In 2008 the Lamprell Group exceeded all targets that were set at the beginning of the year and delivered significant revenue and earnings growth. However, although the Group continues to operate with a substantial order book of US\$ 449 million extending into 2010, these are uncertain times for the sector as a whole and we believe that the short term outlook for the Group remains challenging.

"Notwithstanding the short-term outlook, the Directors believe that the continued expansion of the Group is essential to ensure that Lamprell is well positioned to secure future business streams once the financial markets have improved and we see an upturn in activity levels. The construction of the 250,000m² facility in the Hamriyah free zone continues. The dredging work and the 1.25km quay wall both are now complete, along with several fabrication areas. The construction of the main office, client office and main workshops are ongoing and remain on track for completion in line with current schedules. It was with immense pride, on 28th April 2009, that the Company officially opened the facility and delivered its first new build, the Offshore Freedom. As planned, we saw the first jackup drilling rig begin refurbishment work at the quayside in the same month.

"At the same time, Lamprell is taking steps to position itself both to withstand the current period of uncertainty and take advantage of new opportunities when the market improves. We operate a flexible business model with a 75% variable cost base and since the year end, we have reduced the Company's headcount significantly, particularly with respect to temporary labour supply. We remain in a position to scale up our workforce should our operating markets improve, but until then, we will continue to adopt a prudent approach to our cost base. We are also continuing to review the phasing of investment in our new facility

in Hamriyah and where it is considered that capital expenditure can be deferred without impacting the operational capability of the facilities, that expenditure is delayed.

“Since our Interim Management Statement on 18 May 2009 the Company has continued to perform in line with the revised budget. It is also encouraging that we continue to see high levels of enquiries for our services in most sectors of our business.

“We have successfully delivered Lamprell’s first Engineering, Procurement and Construction (“EPC”) projects, the Seajacks Kraken, for Seajacks International Limited (“Seajacks”) and the Scorpion Offshore Freedom for Scorpion Freedom Ltd (“Scorpion”), whilst work continues on the remaining EPC projects, the jackup rig, the Scorpion Offshore Mischief, as well as the second Seajacks liftboat, the Seajacks Leviathan, and the BassDrill Limited tender barge Alpha. Lamprell also remains in discussion with Riginvest G.P. regarding financing options for the LeTourneau Super 116E jackup drilling rig project. Beyond these projects, Lamprell is actively pursuing opportunities to secure contracts for further EPC projects, including projects for the drilling and wind energy sectors and the Board remains confident that new awards will be secured.

“In the rig refurbishment market we are currently busy but continue to expect a slowdown in the second half of the year as drilling contractors reduce non-essential expenditure reflecting the current uncertain market conditions.

“The Board recognises that although FPSO related activities were significant in the first half of 2008, there was a slow down in the second half of the year due to a general reduction of capex budgets and the weakening oil price. This market position has remained the same in the current year to date, however, notwithstanding this fact, the Board remains confident in the long term viability of the FPSO sector.

“Activities relating to land rigs have continued at a consistent level and work on the four new build API 2000 HP fast moving land rigs remains on schedule.

“We are also working hard to develop areas of new business that can be considered by the Group now that the new Hamriyah facility is operational. These opportunities include work relating to semi-submersible drilling rigs, both refurbishment and new construction, and the refurbishment of drillships, which provide increased opportunities for the Group to secure high value projects with increased revenue visibility.

“On behalf of the Board, I would like to thank everyone at Lamprell for their continued dedication, hard work and commitment. Whilst the operating environment today presents significant challenges to the Group, given our long term prospects, I look to the future with confidence.”

Enquiries:

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