

News from the Lamprell Group

The 12,200 tonne load out! Windcarrier Brave Tern

Story on page 14



New owners for Hull 108

Story on page 6

Contents



New Build Jackup Drilling Rigs | p.4



New Build Offshore | p.7



Rig Refurbishment | p.8



Land Rig Services | p.10



Wind Farm Installation Vessels | p.14

MIS Arabia | p.17
Awards & Events | p.18
Lamprell and the Community | p.21



Service Businesses | p.16



Engineering & Construction | p.12



A word from the **CEO**

As we approach the end of the second quarter and almost a whole year following the acquisition of MIS, the Lamprell Group has seen one of its most dynamic periods in its history and one of its busiest for all our businesses and facilities. New contracts awarded in the past few months, progress on existing projects and a robust bid pipeline with new opportunities across all of our businesses see the Company's substantial order book, of USD 1,579m at the end of April, extending to the first quarter of 2015. I am particularly pleased that this order book includes contracts from repeat customers from both international and national drilling companies but also new customers in some of the newer businesses and services that Lamprell now represents.

With work on the existing landmark projects, such as the Fred. Olsen Windcarrier Brave Tern and the Seajacks Zaratan windfarm installation vessels progressing rapidly, both vessels will be delivered to their owners in the next few weeks and we look forward to their successful sail-away to their final destination. Hull 108, sold to Mexico's PEMSA at the end of the year, will also be leaving the Lamprell Sharjah facility on its maiden journey to its drilling location later this summer.

This period has not been without challenges for the Group. In recent weeks, the Company has faced a difficult period resulting from a trading update issued to the market. As a result, we are adjusting our cost base accordingly and this process will be supported by the continued development of the Group's systems, including the strengthening of our supply chain controls, and the further implementation of the ERP system. We believe Lamprell with its commitment to delivering best in class projects for our customers on time and on budget, will emerge stronger as a result of renewed focus on step-change improvements in our internal processes and systems to ensure that we benefit from production efficiencies and improvements across the board.

As we work together to address these challenges, it is important to take a moment to acknowledge Lamprell's strengths and robustness in the market. With a diverse range of businesses and services, the Group has consolidated its position as a leader in the provision of engineering and contracting services in the oil & gas and renewables industry and we remain steadfast in our commitment to delivering this work to exceed our customers' expectations while delivering long-term significant results to all our stakeholders.

I would like to thank all of our clients, partners, shareholders, Board of Directors and most importantly, our dedicated employees, for their continued confidence in Lamprell.

Nigel McCue



A word from the **COO**

This has been one of the busiest periods for the Lamprell Group; progress on the integration of MIS has yielded results, notably in the Sharjah facility and support functions including HR, Procurement, IT and marketing & business development.

In the first 5 months of the year, the Group announced contract awards totalling USD 684m, resulting in a record order book of USD 1,579m including business across the enlarged Group's portfolio. With this order book and a strong bid pipeline we continue to focus on improving productivity, to ensure we execute all projects efficiently, while maintaining Lamprell's operational methodology of delivering best in class high quality projects on time and on budget.

We also achieved a number of significant milestones during this period including the load out of three new build projects, National Drilling Company's new build LeTourneau Super 116E drilling rig, the Seajacks Zaratan, a GustoMSC 5500C wind farm installation vessel and the Fred. Olsen Windcarrier Brave Tern, a GustoMSC NG-9000 design wind farm installation vessel. In Jebel Ali construction has commenced on the well head and PUQ decks for Nexen Petroleum, whilst in Hamriyah construction is well underway on the new build rig for Jindal and other key projects.

We continue to place great emphasis on health and safety across all our facilities and operations to ensure we maintain the highest safety standards and several new initiatives have commenced this year.

I would like to thank our customers, partners and employees for their on-going commitment and support as we look forward to a continued busy period for the Group.

Chris Hand

New Build Jackup Drilling Rigs

NDC new build rigs progress update

The two S116E giants, National Drilling Company's ("NDC") rigs Makasib and Muhaiymat, stand tall at the Hamriyah quayside as work progresses towards their respective delivery deadlines in June and September.

This first-in-class rig has successfully achieved its major targets and is now on track for a timely delivery.

The Muhaiymat was successfully launched using Lamprell's latest addition, the submersible barge, the Jebel Ali Pride, and was then parked beside its sister rig as construction continues. This rig is also on track for a successful delivery later this year.

The Company has also been working on the newer rigs for NDC (hulls "3" and "4") and in April, the Group announced a contract for NDC's exercise of options to build two further Super 116E drilling rigs (hulls "5" and "6").



Jindal Pipes begins fabrication

In March, a traditional steel cutting ceremony was held to mark the start of construction on the LeTourneau Super 116E. Attending the ceremony on behalf of Jindal Pipes were Mr. Tapas Basu, Sr. VP Operations and Mr. Narayan Ramaswamy, Project Manager. Lamprell's management team, including Nigel McCue, Chris Hand, Kevin Isles, Jon Cooper and Daan Noothoven van Goor (Lamprell Project Manager) also attended.

American Bureau of Shipping was represented by Regional VP, Mr. Joe Brincat, and Country Manager, Darko Begovic. In April, the keel laying of the rig took place.



Keel laying for the Jindal rig 1 was held on 25 April, attended by Jindal and Lamprell project teams

1



2



1. NDC rig Muhaiymat
2. NDC rig Makasib



New Build Jackup Drilling Rigs

Eurasia Drilling Company (EDC) Caspian project

Lamprell successfully loaded out the first modules of the first four shipments due for the Caspian Sea following the complete construction of the initial blocks and their subsequent division into eight individually reinforced modules.

The project, scheduled to take place over the next year, is to be completed at CNRG's yard in Astrakhan, Russia, by mid-2013. To date, the project completed an impressive 2,000,000 man hours without an LTI and celebrated this achievement with a ceremony attended by both EDC and Lamprell project teams. The re-assembly and commissioning of the rig will take place in the shipyard along the Volga River, where the project team will be challenged with severe weather conditions ranging from -20 degrees in winter and 40 degrees in summer.



Celebrating a project milestone: the Eurasia site supervision and project & construction management teams celebrate 2 million manhours without LTI



Lamprell was awarded a contract from Compañía Perforadora Mexico ("PEMSA") late last year for the construction and delivery of Hull 108, a completely outfitted and equipped Super M2 jackup drilling rig, designed by Friede & Goldman.



Mr. Kevin Isles, EVP, Sharjah and Hamriyah and Mr. Ricardo Arce, CEO PEMSAs stand with the PEMSAs team after signing the contract for the sale of Hull 108 (pictured left)

New Build Offshore

Golden Eagle area development projects, UK



Following the award by Nexen Petroleum UK Ltd. of two prestigious contracts for a well head ('WH') and a Production, Utility and Quarters deck ('PUQ') to Lamprell, the fabrication on both platforms is progressing smoothly. The main WH deck has been fitted with all its primary sections and is currently being out-fitted with the secondary beams. It has now been lifted up onto the transport grillage. The assembly of the PUQ main framing is also now well underway. The Golden Eagle development, located in the Central North Sea, is expected to have an initial gross production rate of up to 70,000 barrels of oil equivalent per day, with first oil production forecast for late 2014.



- 1. Well head deck level 1
- 2. Production utility and quarters deck level 1



Rig Refurbishment



Noble Gus Androes

Noble Drilling's Gus Androes, a Levingston class 111C rig, arrived in Lamprell's Hamriyah facility in January for refurbishment work. The work includes the replacement of life boats, davits, the helideck escape walkway and other key areas such as the living quarters in addition to substantial steel work on the leg well.



Rowan Gilbert Rowe

Upgrade work on the Rowan Gilbert Rowe commenced in February, with the rig scheduled to be completed, delivered and ready for drilling operations by Q4 2012.



Noble Rig George McLeod

Work on the Noble George McLeod, which initially included the replacement of 20 tonnes of steel, was successfully completed within the specified time frame and without LTI.

Additional work may be carried out subject to confirmation of Noble's drilling contract.

Rig Refurbishment



Noble Charles Copeland

Work continues on Noble's rig Charles Copeland, which arrived at the Company's Hamriyah facility in February.

The work comprises the upgrade of the rig to meet Saudi Aramco's 'schedule G' requirements, including helideck, manifolds and piping components.



Nabors 657

Nabors 657 arrived at Lamprell's Hamriyah facility for major refurbishment with the rig being fitted with a completely new zero pollution system and inspection and repair work on the spud cans and lower legs.



JDC Sagadri 1

In May, Japanese Drilling Company's ("JDC") rig Sagadri 1 sailed away from Sharjah. This was an achievement for the project teams involved as well as the senior management, whose efforts and timely guidance led to the completion of the project with over 650,000 manhours without an LTI.

Noble Chuck Syring

The Noble Chuck Syring, which arrived at the Company's Hamriyah facility in January, has successfully undergone a base scope of work of steel renewal and repair on its legs and cranes within the assigned time frame and without an LTI. The entire project was completed in two months.

Land Rig Services

Oilfield Engineering and Rig Metals have now been combined to form “Land Rig Services”



Mr. Al Suwaidi on a tour of the Dubai offices and yard

Mr. Abdalla Saeed Al Suwaidi, National Drilling Company’s CEO, along with the NDC project and operations teams were received by Mr. Chris Hand, Lamprell’s COO, Mr. Hani El Kurd, General Manager of Land Rig Services, and the Land Rig Services team. The purpose of the visit was to review the progress of the ND 33/32 upgrades, engineering, procurement and fabrication.

Mr. Al Suwaidi was taken on a tour of the Dubai offices and yard. NDC was pleased with the progress on the project as well as the general performance shown, and stressed the importance of safety and quality for both companies.



Electrical ambush and festoon system testing

Land Rig Services

Weatherford new build rigs have been completed

The two new build rigs for Weatherford Drilling, which were built in Jebel Ali, were handed over in March 2012. The project was a challenging one for the team and required the full resources of our Land Rig Services division to finish on time. The main rig was built in Jebel Ali while other supporting packages were completed in our Rig Metals and Kuwait yards. The rigs will spud in May and technical support will continue during rig up and after spud on location.

“ I’d like to pass on our appreciation to all parties involved with the 3000hp deep drilling rig builds. Your support during these builds has been tremendous ”

*John Hann,
Programme Manager - Projects,
Weatherford Drilling International*



Refurbishment of Weatherford rig 40 was successfully completed in the Lamprell Hamriyah facility. It received a complete CAT IV inspection and an overhaul of the mast and sub-base, in line with Saudi Aramco's 'schedule G' specification. The rig left the Hamriyah yard in January.



A commemorative plate was awarded to Mohamed Karam, Saadoun Abbasi and John Hann of Weatherford Drilling by Hani El Kurd, General Manager of Land Rig Services

Engineering & Construction



The contract for the supply of three column vessels to Petrofac International was completed with the last column being delivered in January 2012



Construction and commissioning of chemical injection skids

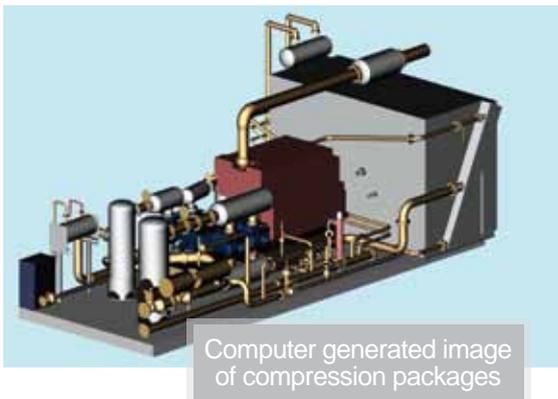
In October 2011, Petroleum Development Oman awarded the Lamprell E&C division (which manufactures the Techtreat range of production chemicals, engineering and design) with the manufacture and commissioning of combined water and chemical injection skids. As a fast track project, the units were successfully commissioned within 6 months of order receipt and were handed over in March 2012.

This project marks a significant entry for Techtreat in the Oman market with other projects and chemical supply contracts in the pipeline.

Engineering & Construction

Sweet gas compressor modifications

E&C was awarded the contract for engineering, procurement and construction for the modification of three existing sweet gas compressors to sour gas compression service units for RAKGAS. The existing reciprocating compressors are being modified to suit the inlet gas composition and pressure. The project scope includes process and corrosion design engineering as well as the design required to modify piping, electrical and instrumentation configuration.



Computer generated image of compression packages

Supply of gas compression packages

Lamprell and GEO ENERGI Group, a Kazakhstan based natural gas production and processing solutions provider, signed a contract for the supply of four gas compression packages.

This project emphasises Lamprell's growth in the reciprocating compressor business and geographic growth servicing the energy industry in a widening region.

BP / WorleyParsons sweet gas compressor modification

Early this year, E&C was awarded the supply of 3 surge relief skids by Worley Parsons to be installed in the Rumaila field, Southern Iraq, as part of BP Iraq's plans to develop the concession.

The fast track project has a scheduled delivery of Q3 2012 and encompasses basic and detailed engineering and design, procurement, fabrication and testing of 3 surge relief skids.

The project marks what the Lamprell Group hopes is the first of many projects with BP's Rumaila development endeavours.

Computer generated image of surge relief skids



Litwin awarded two new contracts

ADCO awarded Litwin with a contract for engineering services for miscellaneous plant modification requests ("PMRF"). The project is a combination of 13 small plant modification projects as per the respective PMRF requirements.

Early this year, GASCO awarded Litwin a contract for consultancy services on an operator training simulator. In order to increase the competency level amongst the panel operators, GASCO management has decided to install an operator training simulator in an existing plant in Habshan.

Wind Farm Installation Vessels

Fred. Olsen Wind Carrier programme

Brave Tern, the first of the Fred Olsen Windcarrier vessels, was launched on time in early February. Moving from the Lamprell Jebel Ali facility, the Brave Tern was floated in Jebel Ali Port from Lamprell's new submersible barge the Jebel Ali Pride.

The vessel is now tied up at the Jebel Ali quayside where the main crane, deck machinery and the upper leg sections are being installed. The commissioning activities are well underway in preparation for sea trials and delivery.

The Brave Tern's sister vessel, the Bold Tern, is making good construction progress in the Jebel Ali yard and is running to the tight launch schedule. The hull sections are all in progress and the accommodation levels and helideck are nearing completion.

The design, construction and commissioning of these vessels represent the largest projects Lamprell has undertaken. The company's efforts on these projects have resulted in providing very capable and high quality, class-leading units that will perform well in North Sea operations.

“The Brave Tern is one of the largest vessels to be built and loaded out by self elevating axles, in the world”

*Nigel McCue,
Chief Executive Officer,
Lamprell*



1. Brave Tern load out
2. Lamprell senior executives on site at the load out
3. Bold Tern construction



Wind Farm Installation Vessels

Seajacks Zaratan

Construction on the hull of Seajacks Zaratan was completed last year, followed by the outfitting of machinery spaces and accommodation block. The completion of the jacking system was the next primary critical path for the scheduled load out on 31 January.

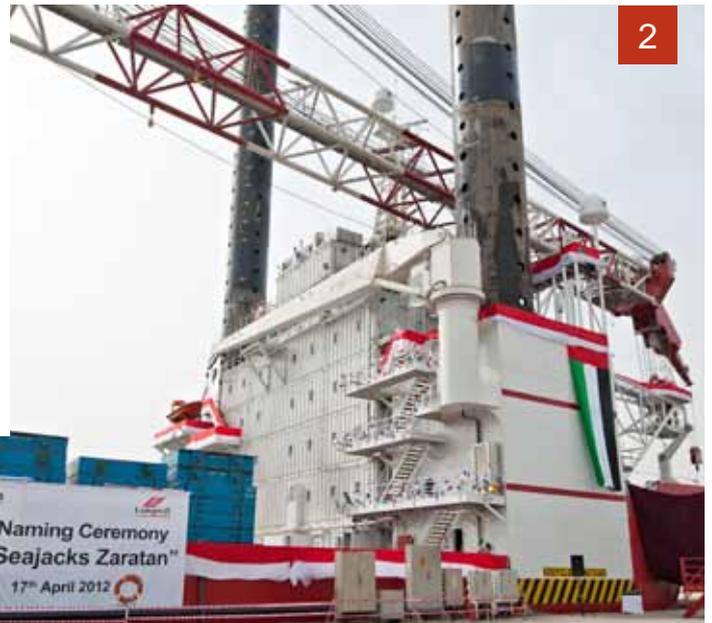
The rig was jacked up on land and completed load out, ahead of schedule. To date, the work has been executed with an impressive 2.7million man hours without an LTI.

The official naming ceremony was held on 17 April 2012, and was attended by Mr. Steven Lamprell and his wife Mrs. Gillie Lamprell, Mr. Nigel McCue, CEO of Lamprell, Lamprell management, as well as Mr. Blair Ainslie, CEO of Seajacks, and the Seajacks team.

Following with their tradition of naming their vessels after sea monsters, Seajacks has named the Zaratan after a grandiose sea turtle from literature and folklore. Zaratan has shells that are easily mistaken for small islands, and are noted for their long lifespan and imposing size.

“A magnificent example of engineering, mastery and innovation... you should be proud of the high standards of quality and workmanship that you have achieved”

*Mr. Blair Ainslie,
CEO of Seajacks*



1. Mr. Steven Lamprell, Mr. Blair Ainslie, Mrs. Irene Brooke, and Mr. Nigel McCue after the Zaratan was named
2. The Seajacks Zaratan during its naming ceremony
3. Mr. Blair Ainslie, CEO of Seajacks receiving a naming ceremony plaque from Mr. Nigel McCue, CEO of Lamprell
4. Load out of Seajacks Zaratan in January



Service Businesses

Operations & Maintenance

Lamprell Operations & Maintenance (“O&M”) division has received approval to establish a new division to handle the Company’s additional manpower requirements. This new manpower pool may consist of up to 2000 skilled trade personnel.

While this new manpower pool will mainly cater to the Group’s additional manpower requirements, it also aims to replace third party subcontracts for labour supply, thereby reducing operating costs. The manpower pool will be a division of O&M, managed by Mohamed Kunhi and supported by the rest of the O&M team.



Dubai Petroleum Offshore South West Fateh contract personnel with O&M management during their recent management visit to the field

Sunbelt

Recently, Sunbelt has been awarded with a number of new contracts including those for Karachaganak Petroleum Operating Co. (KPO),Kazakhstan; General Exploration Partners and Afren Resources (Beta Energy Ltd.), both located in the Kurdistan Region of Iraq; Saipem Offshore, Saudi Arabia and; Transocean Drilling for ENI Offshore in Ghana West Africa.

Sunbelt also, received an extension on the contract to provide H2S safety services for the development of Karachaganak Field for KPO, in Kazakhstan. The contract is running until April 2013.



MIS Arabia



MIS Arabia's new fabrication workshop officially inaugurated

Mr. Khalid Al Shoaibi, Chairman of the Board of Directors of Sohaibi Group, one of the three entities forming the MIS Arabia JV, officially inaugurated MIS Arabia's new fabrication shop in March 2012. The shareholders from AYTB, Lamprell, Shoaibi Group as well as senior management from MIS Arabia attended this function.

The facility, which is approximately 22,000 m², has a covered workshop area totaling 5600 m². This area consists of three bays and is equipped with six overhead cranes ranging from 15 to 30 tonnes.



Newly awarded projects

MIS Arabia (part of the Lamprell Group), has been awarded various contracts including those for jacketed pipe units (JPU) for Fluor Worley Parsons China / Ma'aden, large columns for KBR USA / Aramco-Dow, hydrogenation reactor for KBR USA / Aramco-Dow, slop tanks for Saipem / Saudi Aramco, high thick slug catcher for Al-Suwaidi / Saudi Aramco, and closed drain pump for Saudi Aramco.

MIS Arabia has also received contracts for a cold flare vaporiser (heat exchanger) for Sabic / Saudi Kayan, sand traps for Saudi Aramco, alloy / CS Drums for Daelim Korea / Aramco-Dow, scrapper traps / handling system for GCC / Saudi Aramco, demolition of offshore structures for McDermott / Saudi Aramco, and NGL buffer tanks & vessels for Dragados Spain / Khafji Joint Operations.

Awards & Visits



From left: Deena Mattar, Chris Hand, Jonathan Silver, Jon Cooper, Nigel McCue and Colin Goodall. (Brian Fredrick not photographed)

Board of Directors visit to Lamprell's Hamriyah facility

Lamprell Board of Directors visited Lamprell's new Hamriyah facility during recent Board meetings.

Lamprell wins ConocoPhillips Jasmine Supplier Awards for Excellence

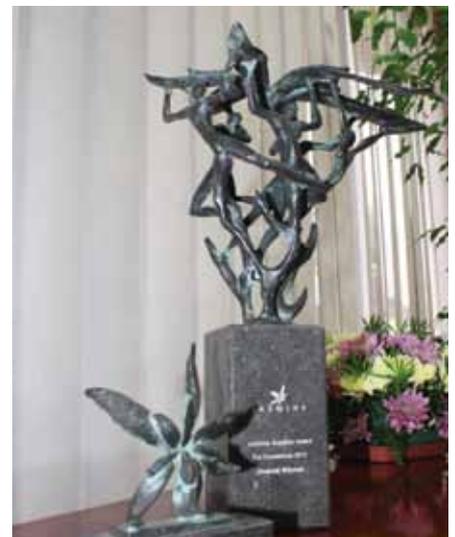
Through the contract for the Jasmine field development Living Quarters and Utility Deck (JLQ), the Lamprell Jebel Ali Facility was invited to participate in the ConocoPhillips Jasmine Supplier Awards for Excellence programme. This scheme was launched by Jasmine project manager, Neil Meldrum at an event in London in January last year, which was attended by Chris Hand, COO (as the project sponsor) and Neil Millar, Vice President for the Jebel Ali Facility.

The aim of the awards scheme is to stress the importance of suppliers to the overall success of the Jasmine project and to provide recognition to the top performers. Performance is evaluated on five primary elements – health, safety and environment; product/service quality; planning and delivery; documentation; customer interfaces and in addition the overall top performing Jasmine supplier was to be recognised with a special award.

The awards ceremony for the programme was held on 22 February in London and was attended by Neil Millar. Lamprell was fortunate to be nominated in three of the five primary categories (HSE, product/service quality and customer interfaces) and as the overall top performer. The awards were attended by other contractors including AMEC, Rossetti and Subsea 7. It is an honour to report that Lamprell received the award for product/service quality and the overall top performer.

This is testament to the effort and focus that Lamprell puts on meeting customers' needs and ensuring customer satisfaction, and of course on providing a quality product.

A huge thank you goes to the ConocoPhillips team for supporting Lamprell and for recognising us in this way.



Neil Millar, VP - Jebel Ali facility receiving the ConocoPhillips Jasmine award from Mr. Malcolm Webb, CEO of UK Oil and Gas Ltd

Visits & Events



Students from the Petroleum Institute visited Lamprell's Hamriyah facility for an introduction to the business and a tour of the yard. While male students visited in March, female students made their visit in April 2012



The Nabors management team visited the Nabors 657 rig on 13 April. During the visit Lamprell hosted a 'lessons learnt' meeting in the Hamriyah facility

Visits & Events



At the Iraq Oil & Gas show: Lamprell's Chris Parker and Jason Tyrer with Payam Razaq and Bakhayter Hassan of Federal Group in Kurdistan



Members of the Dragon Oil Board of Directors visited the Lamprell Hamriyah facility in February. They were given a tour of the yard and paid visit to the NDC Makasib and Eurasia rigs



The Swedish Business Council sent a delegation to Lamprell's UAE offices in February, 2012. The delegation was led by Mr. Cherif Sayed, Trade Commissioner to the UAE

Lamprell and the Community



Lamprell's Ian Anderson, Steven Lamprell, Scott Doak and Robert Foy participated in the annual IADC tournament



Lamprell launched its Learning & Development ("L&D") function with the objective of assessing employee knowledge and skill gaps and provide training courses to fill these gaps

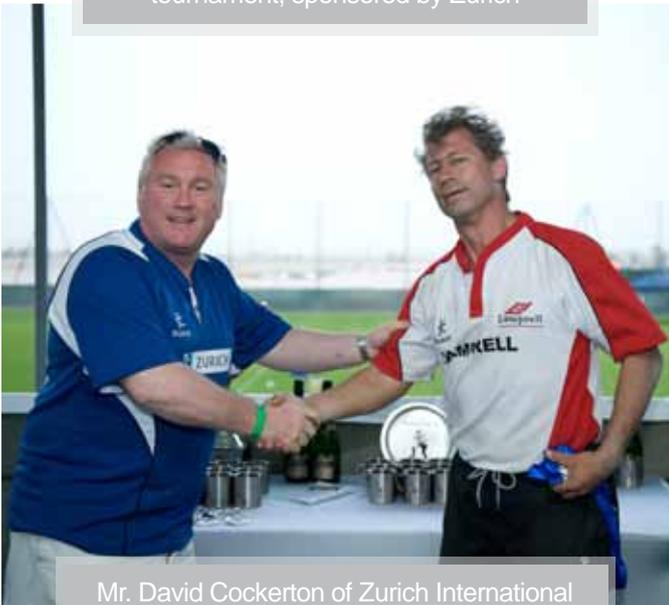


Lamprell sponsored Dubai College's netball team, the Desert Kittens, who won division 3 of Dubai Ladies Netball League Congratulations!

Lamprell and the Community



Lamprell's rugby team played in the inaugural UAE Corporate Rugby 7's tournament, sponsored by Zurich

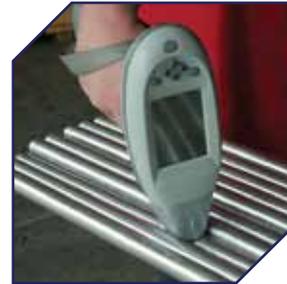


Mr. David Cockerton of Zurich International Life congratulates Lamprell's rugby team captain, Mr. Martin Johnstone



Lamprell's Jebel Ali inter-departmental football tournament was held at the end of last year with the welders coming out as the winners. Congratulations!

International Inspection Services LTD.



- GCC, Regional and Worldwide Third Party Inspection
- Non Destructive Testing
- Heat Treatment, Heat Trace / Annealing
- Supply of Inspector QA/QC, Painting/Welding Inspectors. NDT Level III
- Advanced Inspection Services (Phased Array, Eddy Current -IRIS)
- Marine NDT (Approved by Class)
- Mechanical testing , chemical analysis and calibration

Abu Dhabi
PO Box : 41227, Abu Dhabi , UAE
Tel:+9712 622 5820 Fax:+9712 622 5830
Email : abudhabi@int-inspec.com

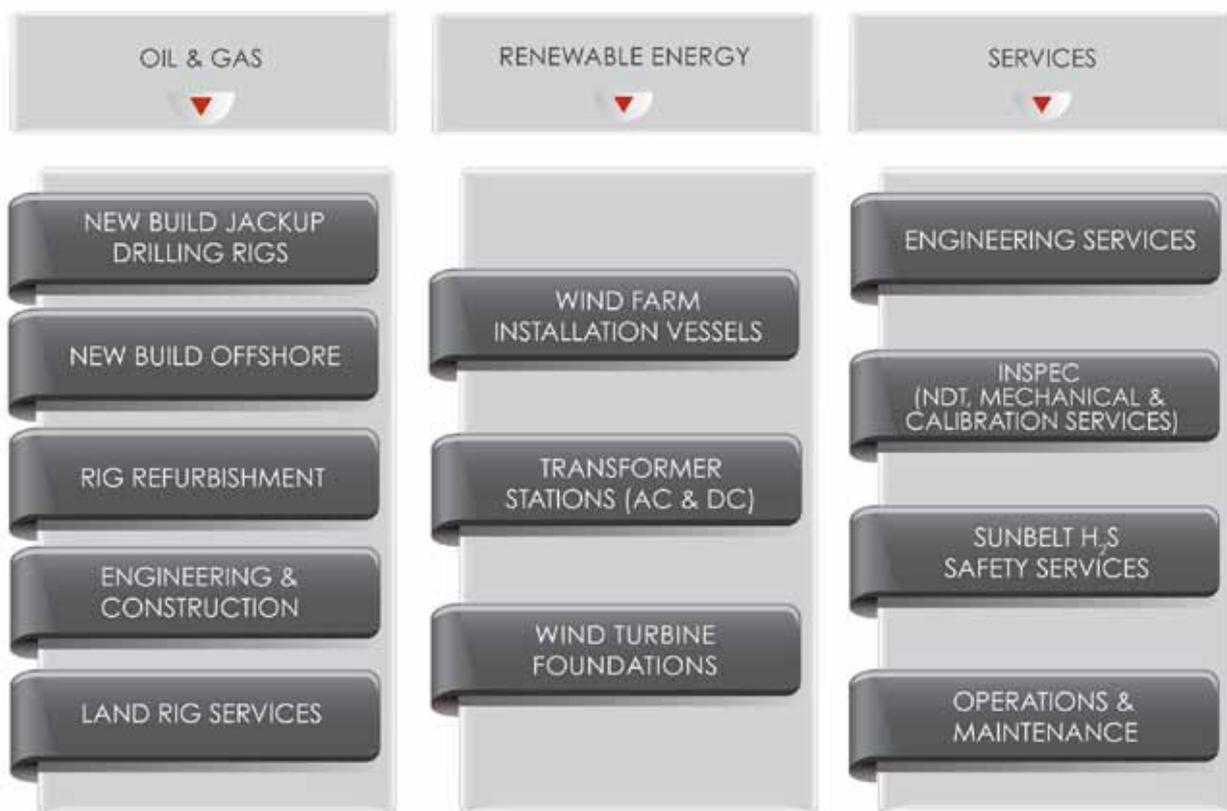
Dubai
PO Box : 96535, Dubai, UAE
Tel:+9714 324 1955 Fax:+9714 324 1957
Email : dubai@int-inspec.com

Sharjah & Northern Emirates Operation
PO Box : 6130, Sharjah , UAE
Tel: +9716 528 1804 Fax:+9716 528 1806
Email : sharjah@int-inspec.com

Website : www.int-inspec.com

Email : inspec@int-inspec.com

Lamprell is a leading provider of diversified engineering and contracting services to the onshore and offshore oil & gas and renewable energy industries.



FACILITIES	UAE				Other		Total
	Hamriyah	Sharjah	Jebel Ali	Dubai	Saudi Arabia*	Kuwait	
Land (sqm)	365,000	210,000	178,849	30,000	131,469	10,000	925,318
Quayside (m)	1,440	760	-	-	-	-	2,200

P.O. Box 33455 Dubai, U.A.E. Telephone No: +9716 5282323 Fax No: +9716 5284325
www.lamprell.com

Your feedback is important to us!

Lamprell Times is a product of Lamprell's corporate communications team. Any feedback and queries on this publication will be received at marcomms@lamprell.com with our appreciation.