



1 June 2016

LAMPRELL PLC

("Lamprell" or "Company" and with its subsidiaries the "Group")

**Joint Development Agreement ("JDA") signed with Saudi Aramco, Bahri,
and Hyundai Heavy Industries**

Lamprell (ticker: LAM), a leading provider of fabrication, engineering and contracting services to the energy industry, announces that, further to its announcement of 26 January 2016, Maritime Offshore Limited, its subsidiary, has signed a JDA with the Saudi Arabian Oil Company (Saudi Aramco, the national oil company of the Kingdom of Saudi Arabia), the National Shipping Company of Saudi Arabia (Bahri) and Hyundai Heavy Industries in connection with the potential partnership collaboration for establishing a Maritime Yard, at Ras Al Khair in eastern Saudi Arabia.

The JDA represents the next phase of development between the partners after signing the Memorandum of Understanding (MoU) in January. Pursuant to the MOU, the partners have been working closely to undertake preliminary due diligence and feasibility studies. Good progress has been made in recent months and, with the signing of the JDA, the partners intend to assess the operational, financial, personnel and legal aspects of the project in detail with a view to making a Final Investment Decision in due course. The costs associated with the workstreams covered by the JDA will be shared by the parties according to the agreement.

The intended Maritime Yard will provide engineering, manufacturing and repair services for offshore rigs, commercial vessels and offshore service vessels. Lamprell is pleased to be part of this important undertaking which is looking at possible ways through which potential partners can leverage their collective know-how and current and future business needs, to help to promote economic development in the Kingdom of Saudi Arabia in line with the Kingdom's Vision 2030. It is also expected that the Maritime Yard will compete internationally and deliver projects to world class standards of quality and safety, areas in which Lamprell has a proven track record.

The outcome of the agreement to engage in the potential joint venture partnership will be determined upon finalisation of all activities and required due diligence, as well as all necessary corporate approvals. Execution of the JDA may or may not lead to the participation of Lamprell in this venture and negotiations will continue until completion of such process, at which time the Company will be in a position to make a further announcement on its participation.

- Ends -

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