



ASX ANNOUNCEMENT

WORLEYPARSONS LIMITED (ASX: WOR)

Yuzhnoye-Khylchuyu EPCM Project Award

NaryanMarNefteGaz, a joint venture between LUKOil, Russia's largest oil company, and the American oil major ConocoPhillips, has awarded a USD 90 million contract to the GWZ Consortium (Globalstroy-Engineering, WorleyParsons, and Zarubezhneftstroyontazh). GWZ will provide front-end engineering design (FEED), detailed engineering, procurement, construction management, and commissioning services for grass roots production and transportation facilities for the Yuzhnoye Khylchuyu (YK) field located 120 kilometres northeast of Naryan-Mar, 2300 kilometres northeast of Moscow on the Barents Sea coast. The project represents an investment of USD 1.5 billion.

The GWZ Consortium is led by Globalstroy-Engineering, one of Russia's largest and most capable oil and gas engineering and construction companies. WorleyParsons, a worldwide provider of professional services to the energy, resource, and complex process industries, will contribute engineering, procurement, and project control services. Zarubezhneftstroyontazh, a subsidiary of the Russian oil services company Zarubezhneft, owns Samara-based design institute Giprovostokneft, which will be the major design services subcontractor for the GWZ Consortium.

The consortium project management team will be based in Moscow, with satellite offices in Samara and Naryan Mar and at the YK Field construction site. The project management team will ensure adherence to a tight construction-driven schedule shaped by the required date for first oil production, weather windows and restricted overland access, and will also ensure that Russian sources be used for project procurement to the maximum practicable extent. FEED studies, detailed engineering, and procurement will be performed primarily in Samara, supported by WorleyParsons' London office.

The YK field will be developed in two phases, the First Production Phase (Train No. 1), delivering 60,000 barrels/day of oil by the end of 2007 to the nearby LUKOil Varandei terminal, and the Full Field Production Phase (Trains 2 and 3), which will raise production to 165,000 barrels/day by the end of 2008.

The scope of work includes oil gathering lines, metering facilities, a central processing facility (CPF), and a 162-kilometer pipeline to LUKOil's Varandei terminal. In addition to oil production, the CPF will include 90 million standard cubic feet per day of gas treatment to meet fuel gas and re-injection specifications, sulphur removal and disposal, 125 megawatts power generation and distribution to Varandei, a high-pressure compressor station to transfer and re-inject excess gas into the nearby Yareiyu field, produced water treatment, 780,000 barrels of oil storage, and emergency flare facilities. The infrastructure scope of work includes permanent living quarters,



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offices, utility systems, offloading dock, roads, warehouses, shops, garages, fuelling stations, helicopter landing pads, and temporary construction facilities.

WorleyParsons can be found on the web at:

<http://www.worleyparsons.com>

Zarubezhneftstroyontazh's parent company, Zarubezhneft, can be found on the web at:

http://www.nestro.ru/www/nestroweb.nsf/index/enpr_introduction_eng

Russian Design Institute Giprovostokneft (owned by Zarubezhneft) can be found on the web at:

<http://www.gipvn.ru/about/index-eng.php>

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