



# the WAVE



## LEIGHTON DELIVERS FIRST OIL IN IRAQ

Leighton Offshore today announced that following the successful hydrostatic testing of the onshore and offshore pipeline systems and subsequent final commissioning of the offshore export facility, crude oil was now flowing to a single point mooring (SPM) installed under the \$799m Iraq Crude Oil Export Expansion Project (ICOEEP) Phase 1 in Iraq.

The first tanker was successfully berthed onto the fully operational export facility on 7 March. This single facility has export capacity of 900,000 bpd, which to put it in context exceeds the total export capacity of Australia, which currently stands at 550,000 bpd.

The ICOEEP project is one of the most important strategic projects in the Iraqi Ministry of Oil's (MoO) Master Plan, aimed at developing further offshore loading facilities to enable export capability of 4.5 MMBOPD within 5 years.

Since commencing Phase 1 of the development project in late 2010 Leighton Offshore has successfully completed on a full engineering, procurement, construction and commissioning basis:

- The installation of three export facility SPM buoys and associated subsea infrastructure
- Approximately 130 km of 48" pipeline offshore and 17km of onshore 48" pipeline to FAO Island terminal and the construction of the beach valve station at FAO
- Associated SSVM and Tie-In spools
- Major Dredging with 23 million m3 spoil removed from the site.

Following the successful commencement of Crude Oil transfer from the first export facility Leighton Offshore is now working to complete the second and third facilities under this phase of the development project. The second export facility is planned for availability before the end of the second quarter of 2012. Leighton is also responsible for the commissioning and operating of the initial ICOEEP Phase 1 facilities and system.



## \$518M SEALINE PROJECT AND \$79M SPM 5 UNDERWAY IN IRAQ



Leighton Offshore has commenced work on the \$518m Engineering, Procurement, Construction, Installation and Commissioning (EPCIC) contract with Iraq's South Oil Company to install an additional SPM, 75 kilometres of 48" pipelines, offshore platforms and valve stations and oil management control systems in the Arabian Gulf, offshore Iraq.

The JICA Sealine Crude Oil Export Facility Reconstruction Project (COEFRP) will provide enhanced export facilities from the Fao Terminal near Al Basrah, and forms a major part of the South Oil Company's (SOC) strategic redevelopment program for Iraq.

Work is also underway on an additional Single Point Mooring (SPM) contract (SPM 5) for Iraq's South Oil Company (SOC).

The SPM contract worth US \$79.85m is in addition to the \$799m Phase 1 Iraq Crude Oil Export Expansion Project (ICOEEP) scope currently underway. The work includes 6.6 kilometres of 48" pipeline and is being undertaken in parallel with the current Phase 1 scope and is scheduled to become operational by the end of 2012.

The ICOEEP is aimed at expanding offshore loading facilities to enable export capability of 4.5 million barrels of oil per day.

Leighton Offshore CEO Peter Cox stated "The Iraqi oil market is the fastest growing market in the region - it is expected that in under a decade, Iraq will treble its current oil production. Leighton Offshore will be a major contributor to achieving this ambitious goal and we look forward to continuing our strong working relationship with SOC to deliver on this goal."

## TANZANIA SPM INSTALLATION COMMENCES



Leighton Offshore has commenced the offshore installation phase of the \$66m Tanzania SPM replacement project.

The project is located South East of the Port of Dar Es Salaam harbour entrance channel and comprises Project Management, Design, Engineering, Procurement & Construction of an SPM system for the import of crude oil and white products capable of mooring tankers in the range of 40KDWT to 150 KDWT and the removal of the existing SPM system.

The pipeline diameters are 28-inch for the crude line and 24-inch for the white product line, with indicative onshore and offshore lengths of 4.5 km and 4 km respectively. Work on the onshore pipeline is well underway, with the offshore portion now commencing with the Stealth barge arriving in Tanzania from the Middle East.

Leighton Offshore, General Manager (Operation) Eilert Halvorsen said the project will be completed in April and it will be followed by testing before being commissioned to the Tanzania Port Authority (TPA) for commercial use in July. "We are very pleased to be undertaking this project. This is a very exciting market and has confirmed our position as the leading company in these works."



## LEIGHTON OFFSHORE LAUNCHED NEW BARGE MPV1

Leighton Offshore recently launched the newest edition to the fleet, the Leighton MPV1 cable lay vessel, at the Al Jazeera Port in Ras Al Khaimah.

The MPV -1 would be mobilised to undertake the cable lay scope of the \$799m Phase 1 Iraq Crude Oil Export Expansion Project (ICOEEP) currently underway.

The MPV-1 would also work on the \$518m Sealine project recently awarded to Leighton by Iraq's South Oil Company (SOC).

Leighton Offshore Chief Executive Officer, Peter Cox said, "We are continuing to build Leighton Offshore as an integrated EPCIC and life of field services contractor. Building our fleet capability is an integral part of that growth and I am proud today to add the MPV-1 to the Leighton fleet."

The MPV-1 specifications includes:

- . Length 66m, breadth 20.5m
- . Overall load capacity of 706 tonnes
- . DP control
- . Four point mooring system using 20 tonne auto tension winches
- . Accommodation for 50 persons



## LEIGHTON ENGINEERING AWARDED US\$10 MILLION IRAQ CONTRACT

Leighton Offshore officially launched its new engineering business in Malaysia.



Leighton Offshore officially opened its new office at G Tower on Jalan Tun Razak in Kuala Lumpur.



Leighton Offshore CEO Peter Cox said "We are growing our Oil & Gas business internationally from our headquarters here in Malaysia, and strengthening our engineering and PMC capacity is a core element in our growth strategy".

Mr. Cox also announced that Leighton Engineering has already been awarded its first contract with a value of approximately \$US 10 million to undertake the detailed engineering of two offshore platforms for the \$US 518 million Sealine Project for Iraq's South Oil Company which is being managed here in KL by a dedicated Leighton project team.

The Leighton engineering team will also assist with the procurement and follow on engineering for the two platforms.

"We have made a business decision to focus our engineering and EPIC capability here in Kuala Lumpur, where there is a wealth of oil and gas experience and a competitive engineering talent base for oil and gas projects, and we are proud to be bringing world class projects, such as the Sealine Project to be performed here supporting investment and new jobs in Malaysia," Mr. Cox said.

Leighton also officially opened its new office at G Tower on Jalan Tun Razak in Kuala Lumpur and unveiled their new logo. "The new logo gives us a strong and distinctive look which reflects our heritage and is relevant to the oil and gas industry. Our new offices in G Tower, Malaysia's first Green building (BCA Gold Greenmark) reflect our commitment to sustainability and our confidence in our strong growth prospects here in Malaysia", added Mr. Cox.

Leighton Engineering is a fully owned subsidiary of Leighton Offshore, providing engineering and PMC solutions for Leighton's international EPCIC and LOFS business. Leighton Engineering has grown from the former oil and gas engineering consulting business of DPS Bristol (Malaysia) Sdn Bhd, which was acquired by Leighton.

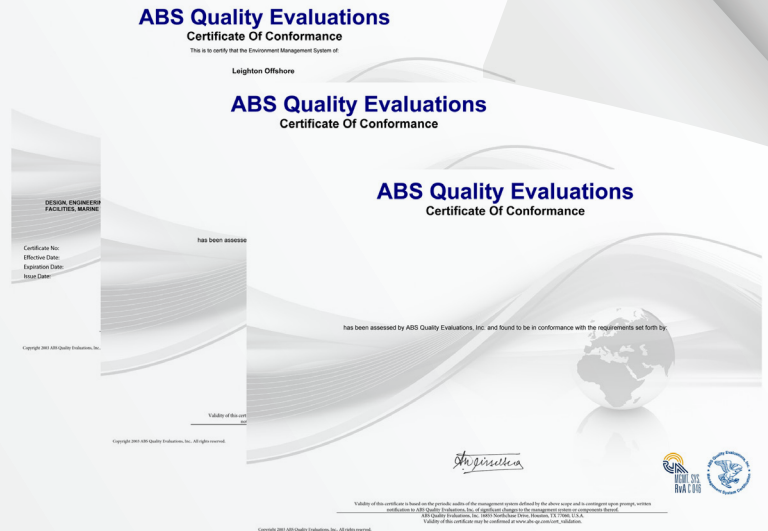
## LEIGHTON OFFSHORE NEW CERTIFICATION

Leighton Offshore is pleased to announce that we have successfully achieved the transition of our IMS from Lloyds Register QA to ABS Quality Evaluation certification for:

- ISO 9001: 2008 Quality Management System
- ISO 14001: 2004 Environmental Management System
- OHSAS 18001:2007 Occupation Health and Safety Management System

The new certification scope covers Design, Engineering, Procurement, Construction, Installation, Operation and Maintenance of Onshore and Offshore Pipelines Facilities, Marine Terminals and Vessels.

Leighton Offshore Chief Executive Officer Peter Cox said "Leighton Offshore is focused on growing our business as an international Engineering, Procurement, Construction, Installation, Commissioning (EPCIC) and Life of Field Services (LOFS) contractor. The ABS certification compliments our growth and business strategy, and highlights our commitment to effectively deliver improved Health, Safety, Environment, and Quality outcomes across our business"



## LEIGHTON COMMUNITY NEWS

### SUPPORT FOR DISABLED IN IRAQ

As part of Leighton Offshore's ongoing commitment to support the communities in which we operate Leighton Offshore has signed a Memorandum of Understanding with the Iraqi Alliance of Disability Organisations (IADO).

Under the MoU Leighton Offshore has provided \$100,000 in total support, which has been used for prosthetic limb replacements, wheel chairs and electric beds for disabled people in Iraq.

The IADO Board and staff recently distributed a range of material including prosthetic limbs purchased with Leighton's support to disabled people in Iraq and presented Leighton with a certificate to acknowledge our support.



Mr Moaffak Alkhfaji, Head of IADO, Mr Peter O'Connell, Leighton Offshore at the signing ceremony

### LEIGHTON MASTER'S DEGREE IN PROJECT MANAGEMENT

As part of our investment in the career development of our staff, Leighton Offshore is pleased to announce our participation in Leighton Holdings' Master's Degree in Project Management program jointly conducted by the University of New South Wales (UNSW) in Sydney, Australia and Leighton Holdings. Two of our employees were successfully selected to participate in the program following a rigorous selection process by Leighton Offshore and Leighton Holdings, and finally by UNSW itself.

Matthew Furness (Business Development Manager) and Atul Tambe (Senior

Tendering Manager) both from Leighton Offshore Corporate, Kuala Lumpur, commenced the program in February 2012.

Atul Tambe began his career with Leighton Mumbai Oil and Gas, as Estimating Manager and then spent 12 months in Dubai, UAE in the same role before relocating to Kuala Lumpur Corporate. Matthew Furness joined Leighton Offshore initially in Dubai in the capacity of Business Development Manager for 12 months before relocating to KL, managing Special Projects.

The tailored Leighton Masters Degree in Project Management offers an excellent opportunity for our employees to further their careers within Leighton Offshore by investing in a universally recognised, post-graduate qualification, while acquiring

specialist knowledge of the Leighton Group's operating tools and systems.

Congratulations on your successful selection into the Leighton Masters' program!

