



NEWS RELEASE

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McDermott Signs Contract for Floating Production Unit for the Scarborough Field Gas Development in Australia

- Contract from Woodside Energy Ltd is for front-end engineering and design activities for the floating production unit for the Scarborough natural gas development in Australia
- Option to award engineering, procurement, construction and installation (EPCI) contract when the project proceeds to full development
- Award demonstrates a revenue synergy that takes full advantage of McDermott's capabilities

HOUSTON, Feb. 5, 2019 /PRNewswire/ -- McDermott International, Inc. (NYSE: MDR) today announced it has signed a contract with Woodside Energy Ltd. to undertake a front-end engineering and design activities for a floating production unit (FPU) for the Scarborough field gas development in Western Australia.

McDermott's center of excellence in The Hague, Netherlands, will lead the study and early engineering. Upon completion, the contract includes the option to progress to an engineering, procurement, construction and installation (EPCI) contract should the project be approved for full development by Woodside and its Scarborough joint venture partners.

"Woodside is a key customer of our Company, and it is therefore outstanding to see such an important project leveraging off McDermott's global capabilities," said Ian Prescott, McDermott's Senior Vice President for Asia Pacific. "In partnering with Woodside on the front-end engineering and design study, we will use our best-in-class engineering know-how and project execution expertise to ensure successful delivery of the project."

The FPU processes natural gas, which includes gas separation, dehydration and compression as well as Mono Ethylene Glycol (MEG) regeneration and water handling. The topside will be designed for a production capacity of 7-9 metric tons per annum and will be placed on a semi-submersible hull in 2,952 feet (900 meters) water depth. The FPU will be remotely operated and minimally manned.

The Scarborough gas field is located approximately 236 miles (380 kilometers) off the Burrup Peninsula in the Northwestern Shelf of Australia and contains 7.3 trillion cubic feet of natural gas reserves. The development covers 12 daisy-chained subsea wells to be tied back to a semisubmersible FPU located at the Scarborough field, with onshore processing on the Burrup Peninsula.

The award will be reflected in McDermott's first quarter 2019 backlog.

About McDermott

McDermott is a premier, fully integrated provider of technology, engineering and construction solutions to the energy industry. For more than a century, customers have trusted McDermott to design and build end-to-end infrastructure and technology solutions to transport and transform oil and gas into the products the world needs today. Our proprietary technologies, integrated expertise and comprehensive solutions deliver certainty, innovation and added value to energy

projects around the world. Customers rely on McDermott to deliver certainty to the most complex projects, from concept to commissioning. It is called the "One McDermott Way." Operating in over 54 countries, McDermott's locally focused and globally-integrated resources include approximately 40,000 employees, a diversified fleet of specialty marine construction vessels and fabrication facilities around the world. As used in this press release, McDermott includes McDermott International, Inc. and its subsidiaries and affiliates. To learn more, visit www.mcdermott.com.

Forward-Looking Statements

In accordance with the Safe Harbor provisions of the Private Securities Litigation Reform Act of 1995, McDermott cautions that statements in this press release which are forward-looking, and provide other than historical information, involve risks, contingencies and uncertainties that may impact McDermott's actual results of operations. These forward-looking statements include, among other things, statements about backlog, to the extent backlog may be viewed as an indicator of future revenues or profitability, and statements about the expected scope, execution, value and timing of the project discussed in this press release. Although we believe that the expectations reflected in those forward-looking statements are reasonable, we can give no assurance that those expectations will prove to have been correct. Those statements are made by using various underlying assumptions and are subject to numerous risks, contingencies and uncertainties, including, among others: adverse changes in the markets in which we operate or credit markets, our inability to successfully execute on contracts in backlog, changes in project design or schedules, the availability of qualified personnel, changes in the terms, scope or timing of contracts, contract cancellations, change orders and other modifications and actions by our customers and other business counterparties, changes in industry norms and adverse outcomes in legal or other dispute resolution proceedings. If one or more of these risks materialize, or if underlying assumptions prove incorrect, actual results may vary materially from those expected. For a more complete discussion of these and other risk factors, please see McDermott's annual and quarterly filings with the Securities and Exchange Commission, including its annual report on Form 10-K for the year ended December 31, 2017 and subsequent quarterly reports on Form 10-Q. This press release reflects management's views as of the date hereof. Except to the extent required by applicable law, McDermott undertakes no obligation to update or revise any forward-looking statement.

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