



NEWS RELEASE

For Immediate Release:
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McDermott receives Conditional Letter of Award for EPCC Contract of Tilenga Project

Ugandan Onshore Oil Fields Expected to Generate 200K BPD, Bolster Economic Growth

HOUSTON, June 9, 2021 /PRNewswire/ -- A consortium of a subsidiary of McDermott International, Ltd and Sinopec International Petroleum Service Corporation today announced it has received a conditional Letter of Award for the future contract valued at approximately \$2 billion from Total for the Tilenga project. Formal contract award remains subject to Tilenga Partners approval. The Tilenga project is located in the Lake Albert Basin, Republic of Uganda and is the centerpiece of oil projects projected to bring investments of over \$10 billion to Uganda and Tanzania. Tilenga includes six oil fields and will feature 426 oil wells at full production.

The consortium will provide engineering, procurement, construction and commissioning (EPCC) services for the development of an onshore oil field that will generate up to 200,000 barrels per day (BPD). It will consist of 31 well pads connected to a central processing facility (CPF) via buried flowlines.

"This is a first step which allows launching the detailed engineering and procurement activities before the final approval by the Partners. This prestigious project demonstrates the continuity and strength of our business relationship with TotalEnergies and their partners CNOOC International of China and Uganda National Oil Company (UNOC)," said Tareq Kawash, Senior Vice President, Europe, Middle East, Africa. "This is a momentous and essential project for Uganda for the development of its national companies and citizens—and as we continue to grow our footprint in Africa, we are committed to expanding local content opportunities in the communities in which we operate."

The project will stimulate economic growth in Uganda and create up to 20,000 direct and indirect jobs, bringing a significant number of meaningful training opportunities for the local labor force. McDermott is committed to implementing these projects in a manner that fully addresses the sensitive environmental context and the needs of all stakeholders in the area.

"This important step further strengthens years of successful collaboration with TotalEnergies on a wide portfolio of world-class projects in the Offshore, Petrochemicals and LNG segments—where TotalEnergies is a major stakeholder," said Samik Mukherjee, McDermott's Group Senior Vice President for Projects.

The project will be led from McDermott's offices West of London, United Kingdom and Sinopec's office in Yangzhou, China, before transitioning to Uganda for the construction activities. Work began in second quarter 2021 and first oil is expected in 2025.

About McDermott

McDermott is a premier, fully-integrated provider of engineering and construction solutions to the energy industry. Our customers trust our technology-driven approach engineered to responsibly harness and transform global energy resources into the products the world needs. From concept to commissioning, McDermott's innovative expertise and capabilities advance the next generation of global energy infrastructure—empowering a brighter, more sustainable future for us all. Operating in over 54 countries, McDermott's locally-focused and globally-integrated resources include more than 30,000 employees, a diversified fleet of specialty marine construction vessels and fabrication facilities around the world. To learn more, visit www.mcdermott.com.

Forward-Looking Statements

McDermott cautions that statements in this communication which are forward-looking, and provide other than historical information, involve risks, contingencies and uncertainties. These forward-looking statements include, among other things, 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 or capital 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; actions by lenders or other creditors of McDermott 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. You should not place undue reliance on forward-looking statements. This communication reflects the views of McDermott's management 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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