



NEWS RELEASE

For Immediate Release:

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McDermott Awarded Next Phase of Azikel Refinery Project

- McDermott delivering next phase of scope following successful FEED execution
- Azikel Refinery is one of few to be built in Nigeria and supports McDermott's expansion in West Africa
- Award is testament to McDermott's decades of unique modularization experience

HOUSTON, July 14, 2020 /PRNewswire/ -- McDermott International Ltd. today announced it has been awarded a *large engineering and procurement contract from Azikel Petroleum Ltd. for the modular 12,000 BPD Hydro-Skimming Refinery project. The facility will be located in Yenagoa, Bayelsa State within the Federal Republic of Nigeria.

The scope of the award includes the detailed engineering and design of the inside battery limits (ISBL) modular refinery. It also includes supply of equipment and all tagged items within the ISBL.

McDermott has been working with Azikel Petroleum Ltd. since 2018, most recently on an extended Front-End Engineering Design (FEED). This next phase of the award will utilize McDermott's extensive modularization experience and expertise. The design capitalizes on McDermott's world-class refining process engineering abilities.

"McDermott has been an integral part of what is one of the few refineries to be built in Nigeria and we look forward to expanding our presence further by delivering the next phase of this important project," said Tareq Kawash, Senior Vice President, Europe, Middle East, Africa. "Our decades of modularization experience makes us uniquely positioned to deliver this scope and the team has done a great job of developing a simple process design that meets all of Azikel's product specification requirements."

The engineering and design are scheduled to be executed from McDermott's office in Tyler, Texas with support from its Mexico City office. Equipment will be sourced from both US domestic and international suppliers. Azikel is building this grassroots facility and has already done extensive work to prepare the site for construction. The early work includes site reclamation and backfilling, completion of roads, perimeter wall, drainage and security gates. Early work also includes construction of the administrative, maintenance and terminal operator buildings as well as the erection of the feedstock tanks. Construction is also underway for a 656-foot (200 meter) pier with shoreline protection. The pier will be used for the delivery of the refinery modules and other equipment.

The President of Azikel Group, Dr. Eruani Azibapu Godbless, stated that the award was based on the high level of confidence and professionalism exhibited by McDermott and he expects the project will be delivered on schedule and within budget. He further stated that the Azikel Refinery is a flagship for Nigeria as it is the first hydroskimming refinery to advance to this level of achievement in the modular refinery regime.

Azikel Petroleum Limited is a subsidiary of the Azikel Group and the progenitor of the Azikel Refinery Project.

The contract award will be reflected in McDermott's second quarter 2020 backlog.

* - McDermott defines a large contract as between USD \$50 million and \$250 million.

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 to design and build infrastructure solutions to responsibly transport and transform oil and gas into the products the world needs today. From concept to commissioning, our expertise and comprehensive solutions deliver certainty, innovation and added value to energy projects around the world. 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. 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 backlog, to the extent backlog may be viewed as an indicator of future revenues or profitability, and about the expected scope and value 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, other creditors, customer and other business counterparties 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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