

ASX/MEDIA RELEASE

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2010 AGM – Chairman’s Address

It is a great pleasure for the Board members and executive team to be here today to present the Clough 2010 results.

This is the third consecutive year for Clough which has been highly profitable, despite difficult market conditions and increased competition. We recorded an EBIT of \$63m, finished the year with a strong balance sheet and cash position, and paid an increased dividend of 2.2 cents per share.

During the year, we completed the sale of Petrosea and finally settled our dispute with ONGC. We have been awarded work in PNG on the ExxonMobil led LNG Project which hopefully will continue for many years. The Gorgon Project was finally sanctioned, which again should provide us with ongoing work.

We acquired Ocean Flow International, formed Peritus International and took a 30% shareholding in Forge, a move that has further strengthened our construction capability and provided the additional capacity required to effectively compete for and deliver a fully integrated EPC offering to our clients in the Australian oil and gas market.

This year we also ventured into the Australian Coal Seam Gas market with the launch of Clough Seam Gas, which has resulted in our involvement with a number of Coal Seam Gas LNG projects in the Eastern States. Queensland is set to become Australia’s second LNG hub and should provide us with profitable recurring project and operations work.

On the people front, John Cooper stood down from the Board and was replaced by Nigel Harvey of Murray & Roberts. Roger Rees became Deputy Chairman and we are all very pleased to invite Neil Siford onto the Board who has done a first class job in replacing Andrew Walsh as CFO.

As you are aware, this is my last AGM with Clough as I will stand down after today’s meeting.

I would like to take this opportunity to explain why. It was nothing at all to do with the West Australian Newspaper’s headline - “Clough profit falls by 5% - Chairman resigns”. Always guarantee as consistent as ever the West Australian will not report any positives for Clough.

I have been Chairman of Clough for approximately four years. In that time we have:

- Refinanced the Company – with Murray & Roberts help,
- Changed and renewed the Board,
- Appointed John Smith as CEO, and Neil Siford as CFO
- Completed the legacy projects
- Returned three years of good profit and dividend,
- Now have a strong balance sheet and cash position to grow the Company,
- Have a good order book and have formed several strategic alliances and new companies.

I now feel it is time for me to move on and hand over the baton to Keith Spence to progress to the next phase and grow the company from this strong base.

During my time as Chairman, I have learned a great deal about myself, what constitutes a good Board and not to duck difficult decisions. I would particularly like to thank Brian Bruce, who brought me into Clough, for his advice, coaching and his general assistance and support in making the difficult decisions that had to be made in the early days.

For the future I will take on the Chairmanship of Downer and also stay on the Santos Board so I can keep my eye on Clough via PNG and the CSM projects in the Eastern States and other projects.

And so ends a business relationship with Perth and WA which started nearly 30 years ago.

I would like now to thank the shareholders who have supported Clough over the years – hopefully now seeing the light at the end of the tunnel.

Also, Murray & Roberts, Brian Bruce and Roger Rees who have personally and corporately supported Clough through some very difficult times, as did all the other Board members.

I wish John Smith, his executive team and all Clough employees the best of luck for the future and Keith, who I am sure, will lead the Company onto bigger and better things.

Thank you.

Ends

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About Clough

Established in 1919, Clough delivers an integrated Engineering, Procurement and Construction service primarily to oil and gas projects in Australia, South East Asia and the USA. The Group's services range from concept development through design, construction, installation, commissioning, operations and maintenance.

Backed by an experienced management team, over 3,000 personnel around the world and sophisticated project management systems, we are recognised for our commitment to safety, sustainable development and the wellbeing of the people, communities and environments in which we operate.

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