



## ASX/MEDIA RELEASE

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### **Clough Forge awarded ECI contract for Roy Hill Iron Ore Project**

Engineering and construction company Clough Limited (ASX:CLO) in conjunction with engineering and construction company Forge Group Limited (ASX:FGE) today announced that Clough Forge Pty Ltd has been awarded an Early Contractor Involvement (ECI) contract by Roy Hill Infrastructure Pty Ltd, for the Port Materials Handling Facilities (Package 3), for Hancock Prospecting's Roy Hill Iron Ore Project.

The scope of work involves a detailed review of all preliminary and Bankable Feasibility Study (BFS) documentation in a collaborative, open book approach with client Roy Hill Infrastructure, to assist with development of a final scope, schedule and contractual basis in order to deliver a price for the construction phase of the Package 3 works.

Clough Forge Pty Ltd is an incorporated 50/50 joint venture between Clough and Forge Group, formed to service Australian EPC projects in the mineral, oil and gas and infrastructure industries. By combining complementary strengths in engineering and construction, Clough Forge can offer Australian resource clients a multi-disciplined, vertically integrated EPC service.

"This is a strategically significant contract for Clough Forge" said Clough's CEO John Smith.

"Clough took a major shareholding in Forge in February 2010 with the vision of creating a partnership that enabled participation in major Australian EPC projects which would not be available to either company operating in isolation. Clough Forge combines Clough's existing engineering-led EPC service with Forge's complementary construction capabilities to achieve this vision and the Roy Hill Project provides the right opportunity to demonstrate the benefits of this partnership. We will work diligently with our valued client Roy Hill Infrastructure to deliver the best possible project outcomes for the ECI phase."

Forge Group's Managing Director Peter Hutchinson said "Having secured the important ECI phase the joint venture is well positioned to present a compelling case to the client for the construction phase of Package 3 which includes bulk earthworks, mechanical and E&I packages. The size of this project may well have precluded Forge Group companies from pre-qualifying for this work had it not been for the joint venture partnership with Clough. It further vindicates the Board's and founding shareholders' decision of inviting and facilitating Clough onto the Forge register some 12 months ago. This is exactly the type and scale of project that we have been targeting and wanting to get involved in.

“We are very proud to be associated with an important Western Australian iron ore company such as Roy Hill Infrastructure Pty Ltd and their owners. We look forward to delivering on the client ECI objectives and working collaboratively with our joint venture partner”

The Roy Hill Iron Ore Project is located approximately 277km south of Port Hedland and 100km north of Newman at the eastern end of the Chichester Range in Western Australia. It is a large, low phosphorus Marra Mamba iron ore deposit of approximately 2.4 billion tonnes. Around 55 million tonnes per annum (mtpa) of lump and fines iron ore will be delivered to dedicated shipping berths at Port Hedland for export. Linking the mine with the port will be a 320km stand-alone rail system,.

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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.

**[www.clough.com.au](http://www.clough.com.au)**

### **About Forge**

Forge is a Western Australian based public company. Listed on the ASX in 2007, Forge has established operations in WA and West Africa, with more than 750 staff and a suite of major clients.

Forge's position in the market is as a low overhead engineer and constructor, with a large fleet of company owned plant and equipment, servicing a broad range of industry sectors and a diverse range of clients. Forge provides a 'whole of life' engineering, construction and asset management service to clients, through three wholly owned subsidiaries:

- *Cimeco*: provides a complete suite of construction services to the resources and oil and gas industries, including civil and concrete, mechanical, electrical and maintenance services.
- *Abesque Engineering*: a specialist provider of engineering design, construction and project management services to the resource sector. Capabilities include

engineering investigations, feasibility studies, engineering design, project management, process equipment refurbishment, project construction, commissioning, and total design and construct contracts.

- *Webb Construction*: based in Ghana for more than 15 years, Webb provides a comprehensive mine and project construction service to the resource sector in West Africa.

**[www.forgegroup.com.au](http://www.forgegroup.com.au)**