

02 August 2016

CH2M Hill Q2 16 disclosure on Ichthys CCPP

Sydney: UGL Limited (ASX: UGL) notes that joint venture partner CH2M Hill has recorded an additional USD95 million charge against the Ichthys CCPP project as outlined in the company's second quarter 2016 earnings report dated 1 August 2016. An excerpt of the CH2M Hill filing is attached in the Appendix.

CH2M Hill's disclosure on the Ichthys CCPP project is consistent with the guidance previously provided by UGL to the market on 6 June 2016. UGL continues to expect that client driven delays on the Ichthys CCPP and SMP projects may result in a potential contract loss provision for UGL of up to \$200 million across both projects, all or a portion of which may be recoverable from the client. UGL continues to determine the details of a potential provision and will update the market at its full year results announcement on 22 August 2016.

ENDS

FOR FURTHER INFORMATION CONTACT:

Rebecca Hill

EGM Investor Relations & Corporate Development
UGL Limited
+61 2 9492 1431
rebecca.a.hill@ugllimited.com

Carrie Barrack

Group Investor Relations & Corporate Affairs Manager
UGL Limited
+61 2 9492 1510
carrie.barrack@ugllimited.com

Ross Taylor

CEO
UGL Limited
+61 2 9492 8802
ross.taylor@ugllimited.com

Media please contact:

Fleur Jouault

GRACosway
+61 2 8353 0419
+61 405 669 632

Appendix

Excerpt from CH2M Hill Form 8-K dated 1 August 2016:

In line with its Form 8-K filing dated June 6, 2016, the firm recorded a charge of \$95 million for its share of estimated cost increases on a joint-venture, fixed-priced EPC power plant project that is part of a liquefied natural gas (LNG) facility in Australia. The cost increases are a result of client delays, other client driven factors, and related lower-than-expected construction labor productivity. This is the only remaining project in the fixed-price power EPC business that CH2M announced it was exiting in the third quarter of 2014.