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Keppel FELS delivers second jackup rig to Oro Negro early

Keppel FELS has delivered a second KFELS B Class jackup rig to offshore Mexican oil field services company, Integradora de Servicios Petroleros Oro Negro (Oro Negro).

Named Laurus at Keppel FELS today, the rig was delivered eleven days early and with a perfect safety record.

Laurus is the second of two high-specification jackup rigs that Keppel FELS has built for Oro Negro which will be chartered to PEMEX, Mexico's national oil company, for deployment in offshore Mexico. The first rig, Primus, was delivered in December last year.

Mr Wong Kok Seng, Managing Director (Offshore) of Keppel Offshore & Marine and Managing Director of Keppel FELS, said, "We have built a win-win partnership with Oro Negro and are pleased to deliver another rig to them ahead of time, safely and within budget. This delivery is the eighth by Keppel FELS this year, and in a year where we aim to deliver a record 20 rigs, highlights our abilities and commitment to meet the needs of our customers.

"Laurus is the second of 10 KFELS B Class jackup rigs we are building for Mexican customers. It strengthens our track record as the leading provider of offshore drilling solutions for the Mexican market. In addition, we have delivered a number of significant projects to the region over the years and we look forward to continuing to support Mexico's E&P programme with high quality offshore rigs."

Mexico is one of the 10 largest oil producers in the world, with close to 14 billion barrels of oil in reserves as of 1 January 2013. National oil company, PEMEX, plans to invest up to US\$25.3 billion in 2013, of which US\$20 billion will be targeted at upstream activities.

Mr Gonzalo Gil White, CEO of Oro Negro, said, "With the early delivery of Laurus, we now have two premium jackup rigs ready to service PEMEX and the Mexican market. The country has a requirement for more of such rigs to fully exploit its offshore oil fields and the deployment of these two high-spec KFELS B Class rigs positions us well to meet this demand even as we look to grow our fleet.

"We are pleased that Keppel FELS has once again exceeded our expectations with this successful delivery. Even with the addition of variation works to meet PEMEX's requirements, Keppel FELS was able to deliver this rig 11 days ahead of schedule, allowing our customer the opportunity to deploy the rig earlier to expedite their exploration programme."

Developed by Keppel's technology arm, Offshore Technology Development (OTD), the KFELS B Class jackup design is able to operate in water depths of up to 400 feet and drill to depths of 30,000 feet. The robust rig incorporates Keppel's advanced and fully-automated high capacity rack and pinion jacking system, and Self-Positioning Fixation System. An environmentally-friendly rig, it provides maximum uptime with reduced emissions and discharges.

There are currently two KFELS B Class jackup rigs in operation in Mexican waters - the Tonalá rig operated by Peforadora Central and the Ocean Scepter rig operated by Diamond Offshore.

Keppel FELS is currently building two KFELS B Class jackup rigs for PEMEX as well as another four for Grupo R and two for CP Latina. Its sister yard, Keppel AmFELS in Brownsville, Texas recently delivered a jackup rig to Perforadora Central last month with another due for delivery in 1Q 2014.

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About Oro Negro

Integradora de Servicios Petroleros Oro Negro, S.A.P.I. de C.V. ("Oro Negro") is a Mexican limited liability company created with the purpose of integrating diversified oil & gas services companies and assets. Oro Negro acquires controlling interests in operating companies, strategic standalone assets and assignable contracts in the Oil & Gas services sector, by way of merger, stock exchange, asset acquisition, stock purchase, reorganization or other similar transaction, to form a diversified and integrated oilfield services company. Oro Negro benefits from the proprietary deal flow that emanates from the specialized energy-sector financing business of its affiliate companies, Axis, Navitas and Navix; from the industry knowledge of its top management; its strong shareholder base; the transactional experience of its founders and the strategic partnerships it has with world class operators in the oil field services space.

About Keppel FELS

Keppel FELS is a subsidiary of Keppel Offshore & Marine Ltd (Keppel O&M), a wholly-owned company of Keppel Corporation Limited. Keppel FELS is a leading designer, builder and repairer of high-performance mobile offshore rigs. Its portfolio of proprietary designs and floating production solutions meets a broad spectrum of operating requirements, including deep waters and harsh environments.

As a group, Keppel O&M is also a leader in ship repair and conversion, and specialised shipbuilding. Its near market, near customer strategy is bolstered by a global network of 20 yards and offices in the Asia Pacific, Gulf of Mexico, Brazil, the Caspian Sea, Middle East

and the North Sea regions. Integrating the experience and expertise of its yards worldwide, the group aims to be the provider of choice and partner for solutions for the offshore and marine industry. For more information on Keppel FELS, visit www.keppelfels.com

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