



ASX/MEDIA RELEASE

14 July 2006

Clough wins \$65m alliance contract for new Kalgoorlie Reservoir

Engineering and construction company Clough Limited (ASX:CLO) and Kellogg Brown & Root Pty Ltd (KBR) have been awarded a contract to design and construct the new Kalgoorlie Reservoir in alliance with the Water Corporation in Western Australia.

The two year contract, which has an estimated value of around \$65 million, includes the design and construction of a 400 million litre water storage reservoir and associated facilities. The scope of work includes associated piping, a pump station and chlorination plant.

Clough Limited Chief Executive Officer and Managing Director David Singleton said Clough was pleased to be working with KBR in alliance with the Water Corporation.

"Clough has worked with the Water Corporation over the past 40 years and this alliance recognises our ability to deliver results," said Mr Singleton.

"It's also another example of our continued focus on alliance contracting where we work with our clients to develop cost effective engineering solutions."

This is the first project being undertaken by WaterHorizons, the alliance between Clough, KBR and the Water Corporation that was formed to deliver water projects on behalf of the Water Corporation.

"It's a good fit for us and the client because Clough's project management and construction expertise will be complemented by KBR's water industry design and commissioning capabilities."

The reservoir will be built on the western outskirts of Kalgoorlie and comprises two 200 million litre concrete-lined and metal-roofed cells. Each cell is slightly bigger than Subiaco Oval in Perth, and will have a maximum water depth equivalent to the height of a four or five storey building.

Through this project the growing Kalgoorlie and Boulder communities will have a more reliable supply of water, particularly over summer. The reservoirs will be filled by the Goldfields main pipeline during winter and in summer the water will be used to help meet increased demand in peak periods.

"We look forward to an ongoing successful alliance with KBR and the Water Corporation," added Mr Singleton.

For further information, please contact:

David Singleton, CEO & Managing Director	+61 8 9281 9281
Iwona Polski, Manager Corporate Affairs	+61 8 9281 9401/0400 707 592

About Clough

Clough is one of Australia's largest multi-disciplinary engineering, construction and asset management groups. The Company operates globally in industry sectors including onshore and offshore oil and gas, petrochemicals, minerals, infrastructure and property. Clough has significant capability in project management, engineering services, construction, installation, commissioning, operations and maintenance.

www.clough.com.au