

PRESS RELEASE

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Dredging International to construct artificial island at Ras al Khaimah (UAE)

Dredging International has signed a contract with private stock company Rakeen Development for the reclamation of an artificial island off Ras al Khaimah, the northernmost emirate of the United Arab Emirates (UAE). The € 50 million contract adds to a string of projects which Dredging International is currently executing in the Gulf area. The first stage of dredging and reclamation will begin later this month with planned completion end October 2007. Dredging International is a principal operating company of the Belgian Antwerp-based DEME-Group (Dredging, Environmental and Marine Engineering).

The 'Al Marjan' project is the very first man-made island that is being built in Ras al Khaimah. It will be developed as an offshore destination for tourism, leisure, and luxurious living, comprising waterfront homes, floating villas, hotels, resorts, sporting facilities, a marina, a water theme park, and commercial areas. It is the first major real estate project in the emirate to fit in a global plan for residential and commercial development in Ras al Khaimah.

Dredging International has an extensive experience in partnering with real estate developers in the Arabian Gulf. The company is currently involved in the construction of the 4 km² artificial island 'Pearl of the Gulf' in Qatar, and in the creation of a 9 km waterfront estate development called 'Al Raha Beach' in Abu Dhabi.

Located at 27 km from the city center of Ras al Khaimah, the northernmost emirate and the seventh to join the UAE, the coral-shaped island of Al Marjan will extend up to 2 km at sea. The reclamation will link several smaller islets, creating a Mediterranean style waterfront which compares to the French Côte d'Azur. At 45 minutes by car from the international airport in Dubai and 15 minutes from the international airport of Ras al Khaimah, Al Marjan is expected to become a permanent home, a weekend destination or just an investment opportunity.

The current contract calls for the reclamation of 160 ha of prime waterfront area. Dredging International has to level up to 4,5 metres CD, with sand that will be dredged from a borrow area located at 3 to 5 km from the island. Dredging will be carried out with care for the environment. Since the site is in very shallow water, the Belgian company will first assign a middle class trailing suction hopper dredger for creating an access channel, through which two big-size dredging vessels can come in a later phase. Dredging International anticipates sending her TSHD 'Pallietier' (5.400 m³) for deepening

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the access channel in the first place. Thanks to her special design and the minimal volume of process water required, the 'green' and very modern Pallieter is most suitable for this job.

The client is Rakeen Development, a private stock company which was established in Ras al Khaimah in April 2006 for real estate development in the emirate. Work will begin in the second half of February, and will last until end October 2007.

The DEME-Group is currently executing simultaneously over 60 major works on all continents, amongst others in the so-called BRIC-countries (Brazil, Russia, India and China). Following the recent award of yet another contract in Central America, DEME-'s offshore specialist Tideway has mobilised its fall pipe vessel "Rollingstone" to the Gulf of Mexico to dump between 100.000 and 150.000 tonnes as pre- and post-lay rockdumping for the protection of two 24" pipelines in the Ku-Maloob-Zaab Field. The USD 15 million job is carried out on behalf of the Mexican state oil company Pemex, and will be completed by April 2007.

In a joint venture with another contractor, the Australian subsidiary of Dredging International, Dredeco Pty Ltd, has been awarded a contract for deepening the inner port of Kembla just south of Sydney in New South Wales. The AUD 19,9 million contract will be executed before 5 August, in less than 30 weeks

The oil company British Petroleum has signed a contract with DEME-company Geo@Sea for the jack-up platform 'Vagant', which is made available for all kinds of services (materials, handling, interventions, accommodation facility, etc) in the context of the rejuvenation of oil platforms in the North Sea.

After five consecutive years of dredging activity in Venezuela, DEME has been awarded yet another maintenance dredging contract to keep the lower Orinoco river open to international waterborne traffic. This latest contract was awarded by the Instituto Nacional de Canalizaciones (INC). A total quantity of over 3.3 million m³ has to be dredged in the Orinoco Inferior over a distance of 350 km. The Orinoco river, in a similar way as the river Scheldt for example, suffers from the presence of silt bars and sand banks. The works will be performed by the trailing suction hopper dredger "Vlaanderen XVIII" that was deployed for works in the Maracaibo channel before.

About Dredging International

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Dredging International is one of the main operating companies of the Antwerp based 'Dredging, Environmental and Marine Engineering' (DEME) Group, a world leader in the field of dredging, land reclamation and port construction. The Group can look back on nearly 150 years of experience, with projects currently carried out on all continents. In 2006 DEME turnover is expected to exceed € 1 billion, of which some 80 per cent is generated abroad. DEME has a permanent workforce of 3000 persons and operates one of the most modern fleets in the dredging industry, consisting of 75 main vessels. Another two new trailing suction hopper dredgers will be added to the DEME-fleet in 2007. The company is actively searching for skilled and motivated personnel to join its ever-growing worldwide activities.

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