ICHTHYS LNG PROJECT SHALLOW WATER PIPELAY TO BEGIN

The INPEX-operated Ichthys LNG Project has welcomed the semi-submersible pipelay barge SEMAC-1 to the Northern Territory.

The arrival of the 188 metre-long Saipem-operated vessel at the Darwin Outer Port Limits signals the start of important work on the Project's 889 kilometre gas export pipeline (GEP) which will connect Bladin Point to the Ichthys Field in the Browse Basin.

Managing Director Ichthys LNG Project Louis Bon said that the SEMAC-1 was scheduled to start the 164 kilometre shallow water pipelay component of the GEP installation in the coming weeks. This work includes laying the first 18 kilometre section of 42-inch diameter pipe through Darwin Harbour from Middle Arm.

"The gas export pipeline will deliver gas and some condensate from our offshore central processing facility to the Ichthys LNG Project onshore facilities at Bladin Point near Darwin so that it can be processed for export," Mr Bon said.

"The shallow water pipelay work means we are starting to physically connect our home base in Darwin to the Ichthys Field where our semi-submersible offshore facilities will be permanently moored for the life of the Project."

Working from east to west in Darwin Harbour, the SEMAC-1 will first feed pipe to the Project's landfall site for a three kilometre shore-pull. This will enable the SEMAC-1 to connect the offshore component of the pipeline to the onshore component, which will stretch about seven kilometres from the beach valve at Middle Arm to the Bladin Point onshore processing facilities.

The SEMAC-1 is scheduled to be in Darwin Harbour for about four weeks. In total, the 164 kilometre shallow water pipelay installation is scheduled to take about 80 days. Once completed, the SEMAC-1 will transfer work to Saipem's deep water installation vessel, Castorone, which will lay the remaining 718 kilometres of pipe to the Ichthys Field.

International oil and gas contracting service provider Saipem is the engineering, procurement, construction and installation (EPCI) contractor for the Ichthys LNG Project's GEP. Mr Bon said that Saipem had significant experience in this area, including on similar large diameter pipeline projects.

"In line with INPEX requirements, Saipem has put in place stringent safety and environmental procedures. They are committed to working safely with commercial and recreational harbour users," Mr Bon said.

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About INPEX

INPEX CORPORATION is a worldwide oil and gas exploration and production company currently involved in more than 70 projects across 28 countries. INPEX is ranked in the top 100 global energy companies and is listed on the Tokyo Stock Exchange. Part of the Australian business community since 1986, we are active in a number of projects in Australia and the Timor Sea, including the large-scale Ichthys LNG Project, Prelude FLNG project, Van Gogh, Ravensworth and Kitan oil projects, as well as the Bayu-Undan condensate development and associated Darwin LNG.

About the Ichthys LNG Project

The Ichthys LNG Project is a Joint Venture between INPEX group companies (the Operator), major partner TOTAL and the Australian subsidiaries of Tokyo Gas, Osaka Gas, Chubu Electric Power and Toho Gas. Gas from the Ichthys Field, in the Browse Basin offshore Western Australia, will undergo preliminary processing offshore to remove water and raw liquids, including condensate. The gas will then be exported to the onshore processing facilities in Darwin via an 889 km pipeline. The Ichthys LNG Project is expected to produce 8.4 million tonnes of LNG and 1.6 million tonnes of LPG per annum, along with approximately 100,000 barrels of condensate per day at peak. Detailed Engineering, Procurement and Construction (EPC) of the Ichthys LNG Project is ongoing and production is scheduled to commence by the end of 2016. With an expected operational life of at least 40 years, the Ichthys LNG Project offers rare multi-generational opportunities to communities, economies, businesses, energy markets and its workforce.

About Shallow Water Pipelay in Darwin Harbour

The Ichthys LNG Project has been engaging with the community on the arrival of the SEMAC-1 and gas export pipeline (GEP) works since late 2013 as part of its ongoing marine safety campaign in Darwin. The SEMAC-1 has 12 anchors on wires – 3 at each corner – so a safety zone of between 1.4 kilometres and 2.5 kilometres will be in place depending on the vessel's job and location. Anchor buoys will be visible on the surface of the water around the perimeter of the SEMAC-1 and will move with the vessel. In some places there may be more than one anchor buoy per wire. At any one time about 11 support vessels will be working 24 hours per day alongside the SEMAC-1. Helicopters will be used to transfer personnel to the vessel. The SEMAC-1 is expected to be anchored at Darwin Outer Port Limits until work is ready to commence. Harbour users are asked to always check the Mariners' Notices and observe instructions from the Harbour Master when planning their day on the water.