

29/09/2010

**AWARD OF CONTRACT BY HESS (INDONESIA-PANGKAH) LIMITED FOR THE PROVISION OF
UMW'S JACK-UP DRILLING RIG "NAGA 2" AND DRILLING SERVICES FOR THE PANGKAH WHP-B
DEVELOPMENT DRILLING PROGRAMME**

We refer to our announcements dated 17th August 2010 and 7th September 2010 in respect of the Letter of Award received from HESS (Indonesia-Pangkah) Limited ("HESS") of The Energy, 11th-12th Floor, SCBD Lot 11A, Jl. Jendral Sudirman Kav. 52-53, Jakarta, 12100 Indonesia, for the provision of UMW's Jack-Up Drilling Rig "NAGA 2" and drilling services for the Pangkah WHP-B Development Drilling Programme in the Ujung Pangkah Field located in the Pangkah PSC - Offshore, East Java, at a total contract value of approximately USD183.12 million.

We wish to announce that the Contract Agreement in respect of NAGA 2 has been executed by HESS and PT. Isis Megah ("PTIM"), the joint operator and local Indonesian agent of UMW. The Technical Assistance Cooperation Agreement to be entered into between UMW, PTIM and PT. Harmoni Drilling Services, the local Indonesian consultant of UMW, is expected to be concluded and executed within the November 2010 timeframe.

We are pleased to confirm that our NAGA 2 was mobilised on 8th September 2010 and has reached its destination at the Ujung Pangkah Field on 20th September 2010. NAGA 2 is now ready for work and commencement of drilling operations.

cc - Securities Commission
(Issues & Investment Division)