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add energy grows further internationally

STAVANGER/PERTH; add energy group as (add energy) and Lucid Consultants (Lucid) have today decided to join forces. Lucid is a specialist provider of competence and services to the major oil & gas and geothermal companies in Australia. The company was founded in 2004, is headquartered in Perth and has recently also started building a base in Brisbane related to the new massive gas projects on the east coast of Australia.

Lucid have just entered a 3 year contract with Woodside for supply of well engineering services. Other main clients are Chevron, Apache Energy, Santos and Hess.

Lucid generates a revenue of about MAUD 11 (approx MNOK 70) with a healthy profit margin in the current fiscal year. The company, hereafter named add lucid, will form a central part of the Risk & Well Engineering segment of add energy group.

Lucid Consultants provides engineering project services and training based on their deep understanding within the areas of:

- Petroleum Engineering and Production Optimization
- Integrated Production Modeling Completions Engineering
- Production Technology
- Reservoir Engineering
- Geothermal Energy
- Field Development Planning

Stig H. Christiansen, CEO of add energy, says "Lucid is known as the leading consultancy within its areas of expertise in the Perth area and has a solid reputation and a strong growth record over the last years. Lucid fits very well with our vision, strategy and business model. It complements our existing competencies and services, geographical presence and customer base. The combination represents a further strengthening of add energy's industrial growth in Australia which commenced October 2010 with the combination with add ips in Perth & Singapore and add isrm in Melbourne. The transaction proves add energy's strong commitment to our internationalization strategy and our commitment to being a leading player in the Australian energy market."

Davide Bruno, Managing Director of Lucid says: "Lucid welcomes the opportunity to work alongside add energy colleagues and enjoy the excellent reputation they have around the world. Our services are now fortified by the complementary skills and technology that are offered by the add energy group and we will look to leverage this for the benefit of our clients". Davide Bruno will continue as Managing Director of add lucid after the combination, and he will join the top management team of add energy as Senior Vice President.

add energy has after this transaction almost 100 staff in the Asia Pacific region, mainly based out of Australia. This position has been built over the last 12 months as an important part of the internationalization strategy in the company. The Australian offshore market is expected to double from 2009 to USD 27.9 billion by 2014 (source: INTSOK/Rystad Energy 2010 Report), making Australia one of the largest offshore markets in the world. At the same time the Australian onshore market is anticipated to more than triple to USD 22.4 in the same period.

The transaction also represents an important step forward with regards to add energy's strategy of taking the company public.

Facts about add energy group:

add energy group is an international and independent competence house of Integrity and Well Specialists with three main business segments; Integrity Assurance, Well Management and Risk & Well Engineering. The company is an international provider of competence, software and software supported services and solutions to the energy industry. The vision is to be the preferred supplier of competence and innovative solutions in niches of the energy market.

- add energy group has approx. 275 employees and consultants where approx 130 of these have a permanent base outside Norway. Proforma turnover for the group in 2010 was about MNOK 465.
- add energy is owned by the Stavanger-based Private Equity company Progressus together with employees and consultants in add energy. The number of shareholders totals at approx 100.
- add energy group has offices in Stavanger (Headquarters) and Oslo (Norway); Houston (USA); Aberdeen (UK); Muscat (JV in Oman); Singapore, and Perth, Melbourne and Brisbane (Australia).

Contact details:

Stig H. Christiansen, CEO

mobile: +47 47 80 78 13
phone: +47 51 87 44 87
mail: stig.h.christiansen@addenergy.no

Davide Bruno, MD Lucid Consultants

mobile: +61 402 489 628
phone: +61 894 815 583
mail: davide.bruno@lucidconsultants.com.au

For more information please refer to www.addenergy.no

