

Punj Lloyd Upstream bags first drilling contract in Libya

- From Waha Oil Company, the second largest crude oil producer in Libya-

New Delhi, September 22, 2008: Punj Lloyd Upstream, a subsidiary of Punj Lloyd Ltd. today announced that it has received a Letter of Intent for a contract worth US\$ 42 million in Libya for deploying two onshore rigs.

The contract requires drilling exploratory wells in the Gialo oilfield of the prolific Sirte Basin for Waha Oil Company, a Joint Venture between State-owned National Oil Company and Conoco Phillips, Amerada Hess, and Marathon Corporation of the United States. Waha Oil Company is the second largest crude oil producer in Libya. Punj Lloyd is already present in Libya through a pipeline project for Sirte Oil Company.

According to Mr Vikram Walia, CEO, Punj Lloyd Upstream, "With the contract in Libya, we hope to expand our presence in the onshore drilling space. The country's upstream sector has a promising business environment with sizable reserves and service potential".

Expansion into the Upstream business is vertically integrated with Punj Lloyd Group's core competencies in Midstream & Downstream", he further added.

With plans to acquire a leadership position in onshore drilling space, Punj Lloyd Upstream will simultaneously develop onshore drilling contracts in India & the MENA region and will expand to other countries where parent company Punj Lloyd has an operating presence.

About Punj Lloyd Upstream Ltd.

Punj Lloyd Upstream Ltd was incorporated in 2007 to address the opportunities in the Integrated Drilling Services market. The company has an internationally experienced crew of drillers & technicians credited with completing complicated drilling programs in difficult & diverse terrain. The company is developing synergies to move into the integrated well services space and marginal field development.

About Punj Lloyd Group

Punj Lloyd Group (BSE SCRIP ID: PUNJLLOYD, NSE SYMBOL: PUNJLLOYD) is a globally diversified services and development specialist, with interests in engineering, construction, aviation, defense and real estate sectors. The Group is known for its capabilities in delivering mega projects 'on-time,' thereby ensuring repeat customers. The Group possesses a rich experience, having successfully delivered projects across the globe, while maintaining the highest standards of health, safety, environment and quality (HSEQ). Further information about the Group is available at www.punjllloydgroup.com

FOR FURTHER INFORMATION PLEASE CONTACT:

Louise Sharma/ Bhavna Dayal
Punj Lloyd Limited
0124-2620152/2620158
louise@punjllloyd.com
bhavnadayal@punjllloyd.com

Charu Kohli/ Aanchal Chachra
Genesis Burson Marsteller
0124 4044999, 9811733347 / 9899043917
charu.kohli@bm.com
aanchal.chachra@bm.com