Geodrilling International



Testconsult records displacement data for flyover project near Southampton

Trevi reports revenues up and rise in profitability

GRUPPO Trevi's interim results to September 30, 2009, reveal growth in revenues and an increase in profitability, particularly at the level of net profit, despite an unfavourable global macro-economic climate.

Total revenues for the first nine months at the consolidated level were €836 million, compared with €779 million for the first nine months of 2008, representing an increase of 7%.

EBITDA was €161 million (19% of total revenues), compared with €131 million for the first nine months of 2008 (+23%). Net profit of €70 million showed strong growth from the €57 million reported in the first nine months of 2008 (+22%).

On September 30, the group had a net debt of €441 million; a slight improvement of €7 million on its position at June 30. Twelve months ago it was €247 million.

> The graph shows how Trevi's orders neaked in

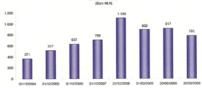
The order portfolio was €783 million, representing a decline of 36% compared to its position at September 30, 2008.

Group chairman Davide Trevisani



said: "In spite of the macroeconomic environment, the results for the first nine months of the current year confirm the group's growth, with a significant increase in net profitability.

"The trend of the order portfolio must be considered in light of the specific area of activity of the group and, in particular, in terms of the natural fluctuations inherent in the acquisition of so-called 'large' projects. With regard to this point, major projects are currently tendered for worldwide."









Lankelma UK11 rig in Antarctica trip to test polar snow

Mitchell moves beyond drilling

Mitchell extends reach from drilling to global energy exploration and energy services

ITCHELL has long been a regarded name in the drilling industry worldwide, especially for its pioneering work in coalbed methane (CBM) horizontal inseam drilling.

However, the strategic sale of its Australian operations in August 2008 and the subsequent expansion of its international operations have energised the focus of the shareholders and management, in some bold new directions.

In early 2009, Group CEO Nathan Mitchell fulfilled his strategic vision and created the Mitchell Group, which acts as an umbrella entity to the main streams of the business, the services operations that includes Mitchell Drilling International (MDI) and Mitchell Energy Services (MES), the realisation of a long-

held aspiration to create an investment arm to participate directly in the development of energy

opportunities. Nathan Mitchell said: "It was clear that with the experience and innovation we had built over 40 years as a contractor, coupled with enquires we were receiving from key players to become part of their projects on an equity participation basis, my long-held vision for the future of the Group was ripe for execution."

In terms of operational services, MDI continues to expand its client base within the CBM and minerals sectors. In addition to driving existing markets in India, China and the US, MDI is also deploying to new markets in Africa and South America.

Markedly, the growth in demand for CBM drilling expertise has been significant in the past five years.

Since 2003, its CBM reputation,

Group CEO Nathan Mitchell

built by creating the techniques in horizontal inseam drilling that enabled it to execute CBM drilling programmes in Australia, drew the

attention of rapid growth economies such as India, where a growing demand for energy from non-traditional sources was a perfect fit for MDI's CBM drilling expertise.

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Mitchell's has subsequently drilled for CBM in India for companies including Reliance Industries Ltd (a Fortune 500 company), Greater Eastern Energy Corp Ltd – the first company in India to commercialise CBM gas production via its Mitchell drilled wells, and Arrow Energy – a client with which Mitchell's enjoys global connections.

Complementing the drilling operations, MES offers a suite of integrated exploration services. This specialist range of wireline, perforation and

production logging services has to date operated under the IES brand in India. Going forward, the MES entity will align these geophysical and geotechnical service disciplines globally.

Utilising advanced downhole tools, these services offer the proposition whereby MES can define a reserve, allowing clients to progress from exploration to production. Other specialist services in the MES portfolio include Maxial2 – the company's CBM geosteering solution.

The recently formed equity participation business is actively looking at energy projects – independently as well in co-operation with like-minded companies – to unearth and capture the resources important to development of countries in which Mitchell's has industry experience. It also allows the Group to leverage the skills of its services businesses.

MES's analysis has already borne fruit with it now operating in partnership in a CBM project in Botswana, which may offer underground coal gasification (UCG) potential.

The project is a joint venture between Tlou Energy – itself a joint venture between Mitchell Energy and Walcot Capital – and Saber Energy.

The opportunity for this project centres on the fact many countries in the region historically have relied on South Africa for their energy needs. However, the growing domestic energy demand within South Africa to fuel general economic expansion as well as significant development programmes such as the World Cup 2010, has meant energy markets dynamics may have a real impact on countries such as Botswana, due to sharply rising tariffs there for imported energy. Nathan Mitchell said it is this potential to positively affect the lives of



everyday people and give them more autonomy over their energy future, that really excites him.

"The prospects for this project, with 12,500km² of

territory to explore, could potentially offer far-reaching benefits for Botswana and other countries in southern Africa as they respond to the dynamically changing southern Africa energy market and move to greater self-reliance in terms of their energy resources," Mr Mitchell said.

"Demand for cleaner energy will continue to be a key objective going forward. And in the same spirit that saw us revolutionise the CBM industry with our cutting-edge technologies such as Maxial 2, I

firmly believe our unique insight linked to our direct participation in strategic projects will unleash new and exciting energy outcomes for end-users in the CBM and UCG."

