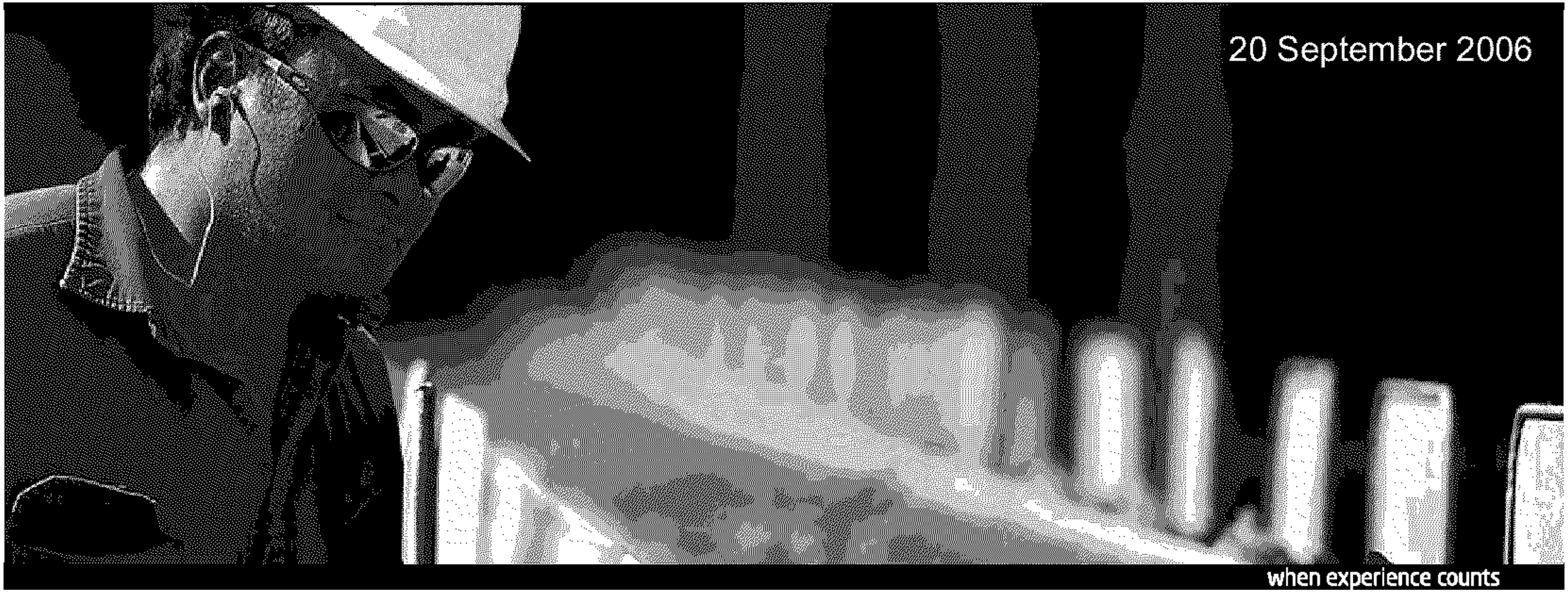
WorleyParsons

resources & energy

ABN AMRO
Australian Engineering and Construction Conference

David Housego – Chief Financial Officer



Agenda

- WorleyParsons 101
- What's happening in the industry
- Minerals and Metals at WorleyParsons
- Outlook for Minerals and Metals
- Q&A

Background

- Leading professional services provider to the Energy, Resource and Complex Process Industries
- Across all phases of projects

IDENTIFY 1	SELECT 2	DEFINE 3	EXECUTE 4	OPERATE 5
Project Feasibility Business Strategy	Development Optimise Execution Strategy	Finalise Scope Sanction Progress	Produce Asset	Operate Asset

- 4 Customer Sector Groups

  Hydrocarbons | Power | Minerals & Metals | Infrastructure

- Acquisition of Parsons E&C October 2004
- Entered ASX100 in 2006

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Geographic Reach

14,300 project services personnel | 94 offices | 30 countries

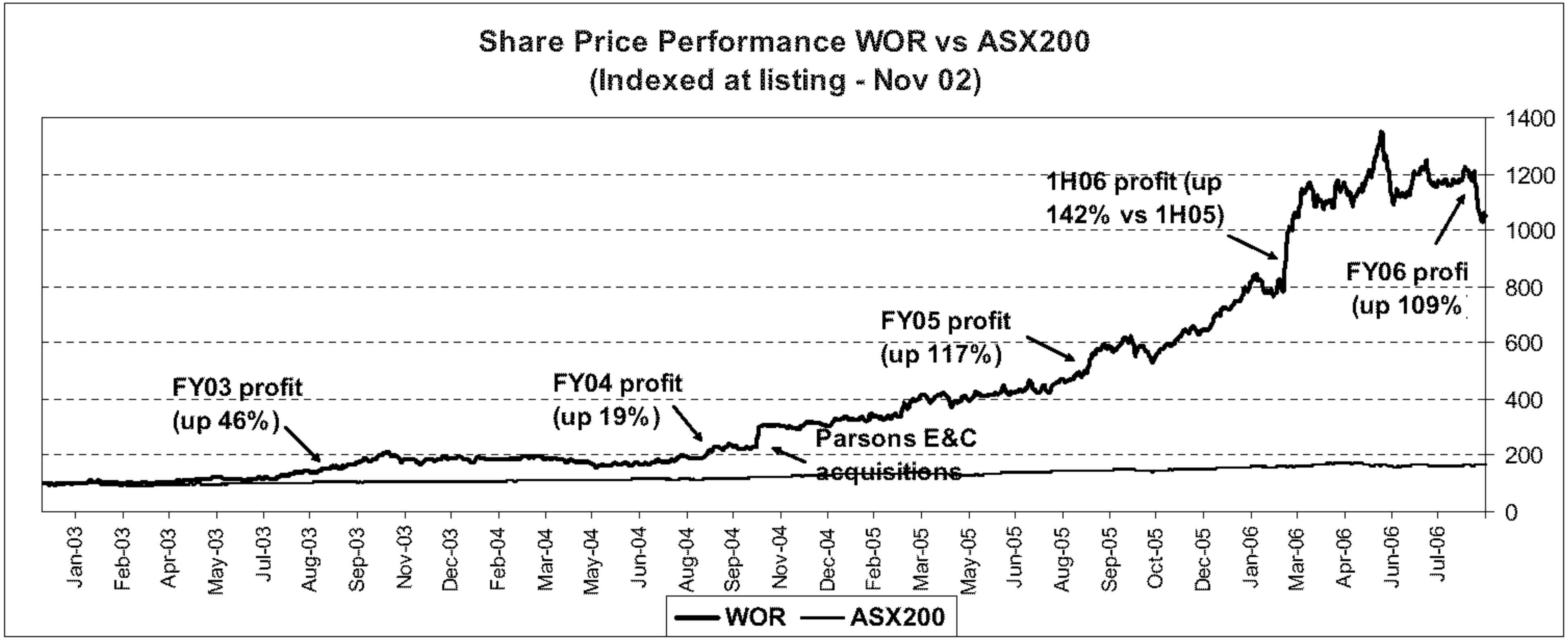
Financial Highlights

$M	2002	2003	2004	2005	2006
Aggregated Revenue	437.8	474.4	514.8	1,379.5	2,464.4
EBIT	25.9	32.1	40.4	102.3	199.5
EBIT margin	5.9%	6.8%	7.9%	7.4%	8.1%
Net profit	17.7	25.9	30.7	66.5	139.1
Net profit margin	4.0%	5.5%	6.0%	4.8%	5.6%
CAGR*		46.3%	31.7%	55.5%	67.4%
Basic EPS (cents per share)	13.6	18.1	20.6	36.0	68.0

- Contracted long term revenue increased:
  60% > 3 years

* CAGR (Compound annual growth rate) since 2002

Share price performance



FY05 / FY06 AIFRS

Differentiators

- Committed, empowered and technically capable people
- Industry leadership in Health, Safety and Environment
- Outstanding corporate and operational performance
- Focus on long term contracts and asset services
- Success in project delivery-large and small
- Strengthen geographic presence and industry capability

What's happening in the industry

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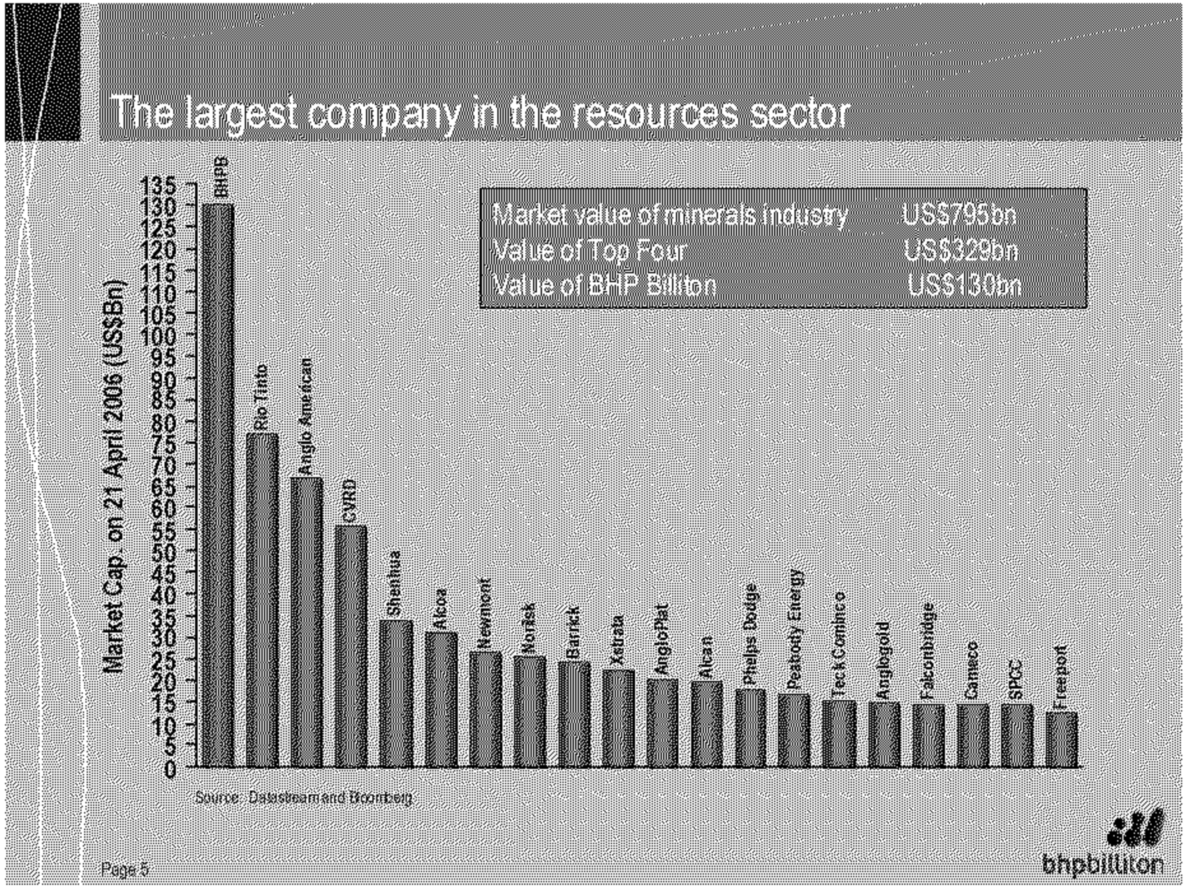
What's happening in Minerals and Metals Customers

Top Five Global Companies:



- 123 projects > $100M sanctioned/underway by 2009

% of Global Production (Top 5):

Cu Mining	19.3%
Cu Smelting	5.9%
Cu Refining	5.1%
Ni Mining	16.0%
Ni Refining	14.7%
Zinc Mining	5.9%
Zinc Refining	2.2%
Iron Ore Mining	39.9%
Ferro Chrome Refining	16.1%
Bauxite	35.1%
Alumina	28.5%
Aluminium	19.9%
Coal	6.6%

- Less than 20% in most commodities
- Top ten control < 40% of world production

- Demand growth in all metal commodities
  - China primary demand driver (BRIC's)
    - Overall growth rate > 8.5%
    - China's GDP growth is M&M intensive, translates into high global demand
  - Can it continue?
    - Steady demand growth foreseen for next 3-5 years
    - Super Cycle theory supports a decade of growth in China and India
- Infrastructure bottle necks
  - Sea freight, port and ship loading capacity, rail capacity
- Production capacity not meeting demand
  - Sector in catch-up mode after 10 years of low investment
  - Low stock level cause price spikes

What's happening in Minerals and Metals continued

- Focus shifting to new regions (reserves) to support long term demand outlook
  - Increased exploration in Latin America, Canada, Former Soviet Union, Sub–Sahara Africa
- Chinese and Indian investment in projects to secure supply
- Emerging national minerals companies in resource rich developing countries (Peru, Mongolia, Bolivia)
- Shift to low energy cost production regions for downstream processing
  - New capacity being developed, uneconomic capacity being decommissioned (Aluminium, Fertilizers)
  - Nation building projects for those with low cost energy source

What's happening in Minerals and Metals continued

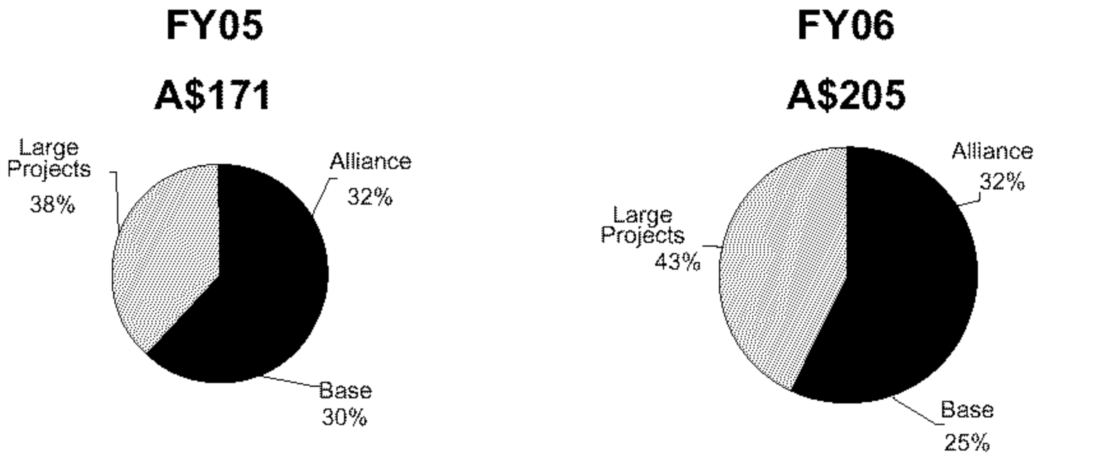
- Current high project activity levels globally
  - New production, expansions and debottlenecking
  - Australian experience*:
    - Mining and Minerals Capex 79% higher than the 25Yr Avg (A$14.2b)
    - Base Metals exploration 45% higher than 25Yr Avg. Highest in real terms since '82
    - 46 projects in advanced development stage(A$17.5)
    - 146 projects in FS phase
    - 62 minerals and energy developments brought online in the last 18 months
- Severe resource constraint causing price escalation and schedule slippage*
    - 70% of projects show significant schedule slip
    - 60% of projects show significant cost increases
    - Competition for labour, plant and materials cited as major cost issue
- Strategic deferments and reprioritisations of projects

*ABARE May '06

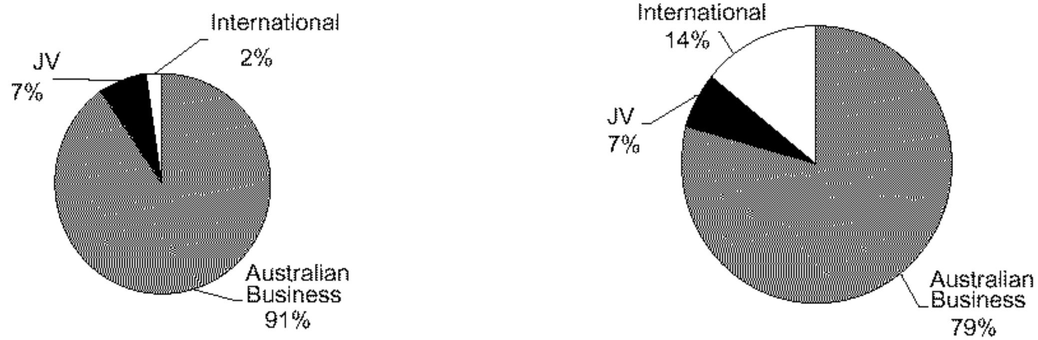
Minerals and Metals at WorleyParsons

Minerals and Metals Current Positioning

- Rapidly growing $200m business (10% of WorleyParsons)
- Alliance and relationship contracting approach
- Long and well balanced revenue profile:



- Increasing geographic coverage:



What we do

- Concept Feasibility Studies
- Front End Design
- EPCM and PMC Project Delivery
- Brownfield Asset Support (Sustaining Capital Alliances)

In these sectors

- Alumina
- Aluminium
- Base Metals
- Chemicals
- Steel
- Coal / Iron Ore

Can provide services to all components of projects

Minerals and Metals Clients

bhpbilliton

RIO TINTO

COMALCO
A member of the Rio Tinto Group

BLUESCOPE STEEL

INCO

RUSAL

ZINIFEX LIMITED

ORICA

Worsley Alumina Pty Ltd

onesteel

xstrata

Incitec Pivot

MA'ADEN معادن

GLENCORE
INTERNATIONAL AG

HYDRO

FMG

CRISTAL كريستل

BMA
BHP Billiton Mitsubishi Alliance

COAL ALLIED
Managed by Rio Tinto Coal Australia

BEMAX
RESOURCES LIMITED

Minerals and Metals Projects and Alliances

IDENTIFY 1

Project Feasibility
Business Strategy

Confidential Due Diligence and Options Reviews
Alumina and Aluminium

SELECT 2

Development Optimise
Execution Strategy

Olympic Dam Expansion Prefeasibility Study (Copper)
Windalco Prefeasibility Study (Alumina)
Moly Mines Prefeasibility Study (Molybdenum)
Beltana Feasibility Study (Coal)

Rusal Dian Dian Feasibility Study (Alumina)

DEFINE 3

Finalise Scope
Sanction Progress

Worsley DCP (Alumina)

EXECUTE 4

Produce Asset

Nanshan Alumina Project
BeMax Pooncarrie Project (Minerals Sands)

Orica Yarwun 3 Expansion Project (Chemicals)
BMA Peak Downs 9Mtpa Upgrades Projects (Coal)
Fortescue Metals Group Iron Ore & Infrastructure Project
Aughinish Debottlenecking Project (Alumina)
Cristal Expansion Project (TiO_2)
Xstrata Slag Cleaning Project (Copper)
Ma'aden Phosphate Development
Hazelwood Westfield Conveyor (Coal)

OPERATE 5

Operate Asset

Hydro Kurri Kurri Aluminium Smelter Alliance
Tomago Alluminium Capital Plan Alliance
Worsley Alumina EPCM Alliance
Incitec - Southern Cross Fertilisers

Capital Plan Projects Alliance Zinifex, Port Pirie
OneSteel Project Services Alliance
Olympic Dam Projects Alliances, BHP Billiton
NiWest Projects Alliances, BHP Billiton

BHP Billiton Olympic Dam

1 **2** 3 4 5

Olympic Dam Expansion Prefeasiblity Study Engineering Services Contractor

Client: **BHP Billiton**
Location: **Australia**

WorleyParsons in joint venture with SNC Lavalin has been awarded the engineering services contract for the Prefeasibility Study of BHP Billiton's Olympic Dam Expansion. The joint venture has established a project office in Adelaide to perform the work. Overseas offices of both WorleyParsons and SNC Lavalin will be utilised for provision of some specialised services.

It is envisaged that the project will involve a move to an open-pit mining method and an approximate doubling of copper and a trebling of uranium capacity, requiring an investment of up to US$5 billion.

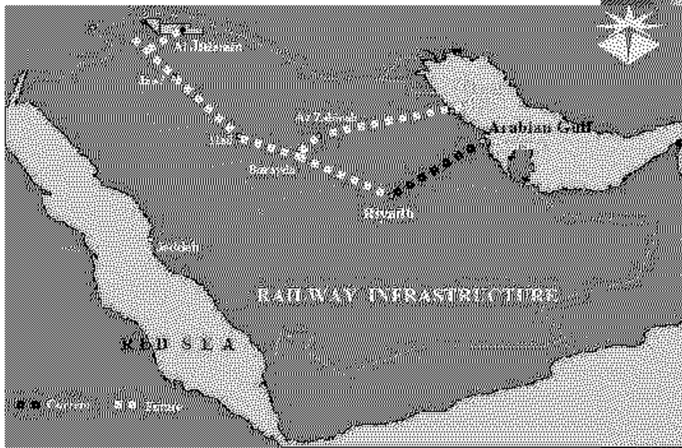
1 **2** 3 4 5

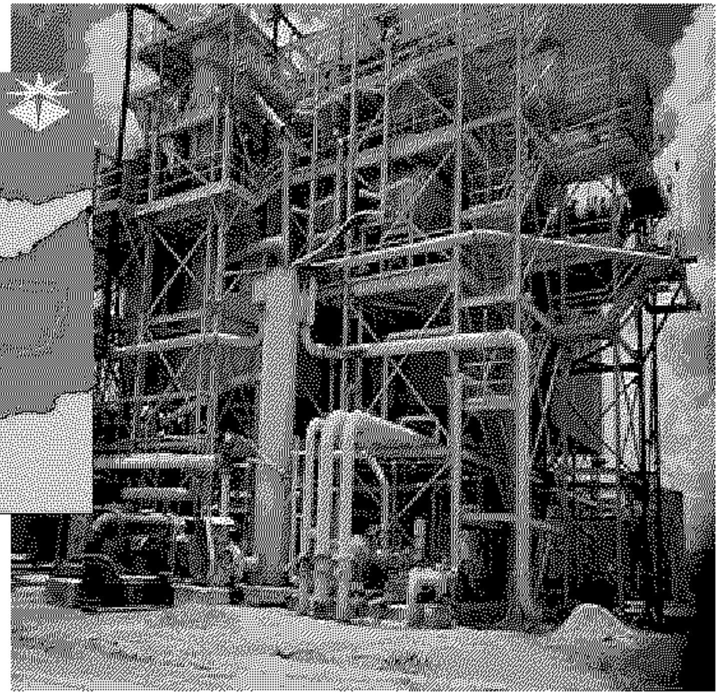
Dian Dian Prefeasiblity Study

Client: Rusal
Location: Guinea

Rusal engaged WorleyParsons to undertake a prefeasibility review of development of the Dian Dian bauxite deposit in Guinea. The bauxite will ultimately be used to produce alumina for export. Facilities will include:

- New bauxite mine and world class alumina refinery
- A new port
- Thermal power station
- Railway link to port
- Project infrastructure including water supply and township





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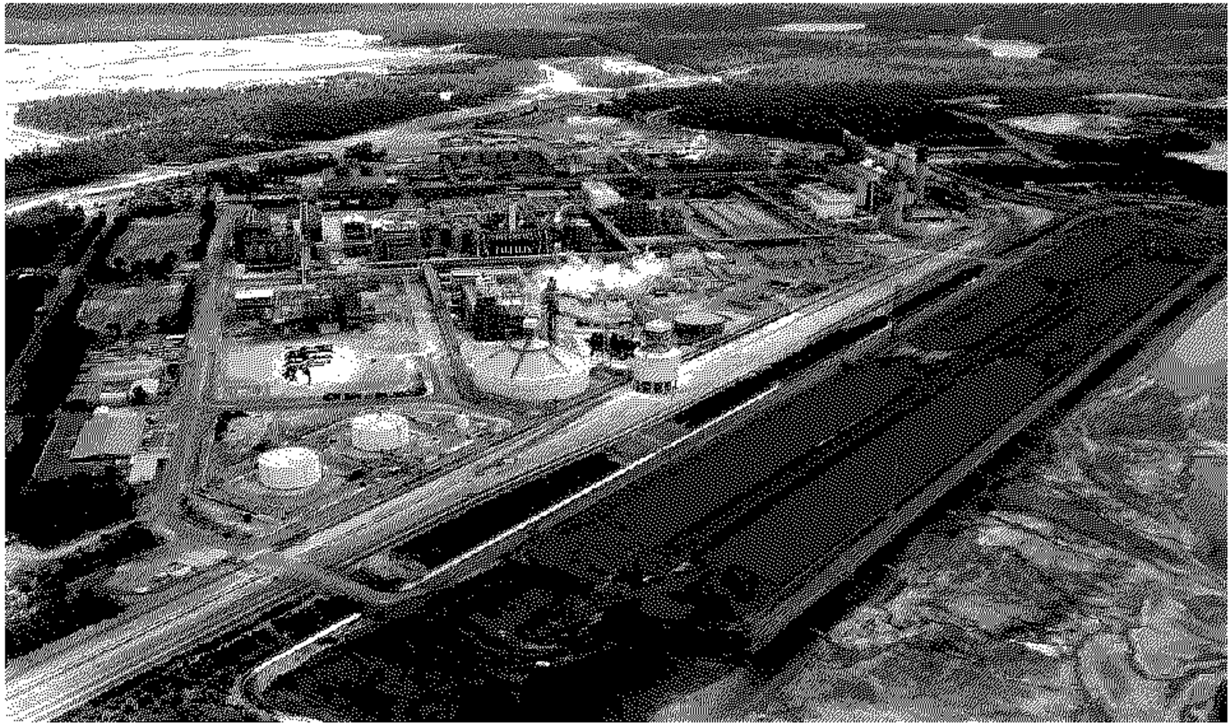
Ma'aden Phosphate Development Project

Client: Saudi Arabian Mining Company
Location: Saudi Arabia

Saudi Arabian Mining Company has engaged WorleyParsons to provide engineering and Project Management Services (PMC) for the Ma'aden Phosphate Project. The project covers development of the Phosphate mine at Al-Jalamid in Northern Saudi Arabia and the chemicals complex, town site and related infrastructure at Raz Az Zawr on the east coast of the Kingdom. The infrastructure to be developed will also support Ma'aden's aluminium project and further industrial development in the new Minerals Industrial City at Raz Az Zawr. During construction, the direct work force on the project will total some eight thousand employees. When completed, the Ma'aden Phosphate Project will be the largest integrated fertilizer plant in the world, producing 3 Mtpa of diammonium phosphate (DAP), which will represent 10% of global production.



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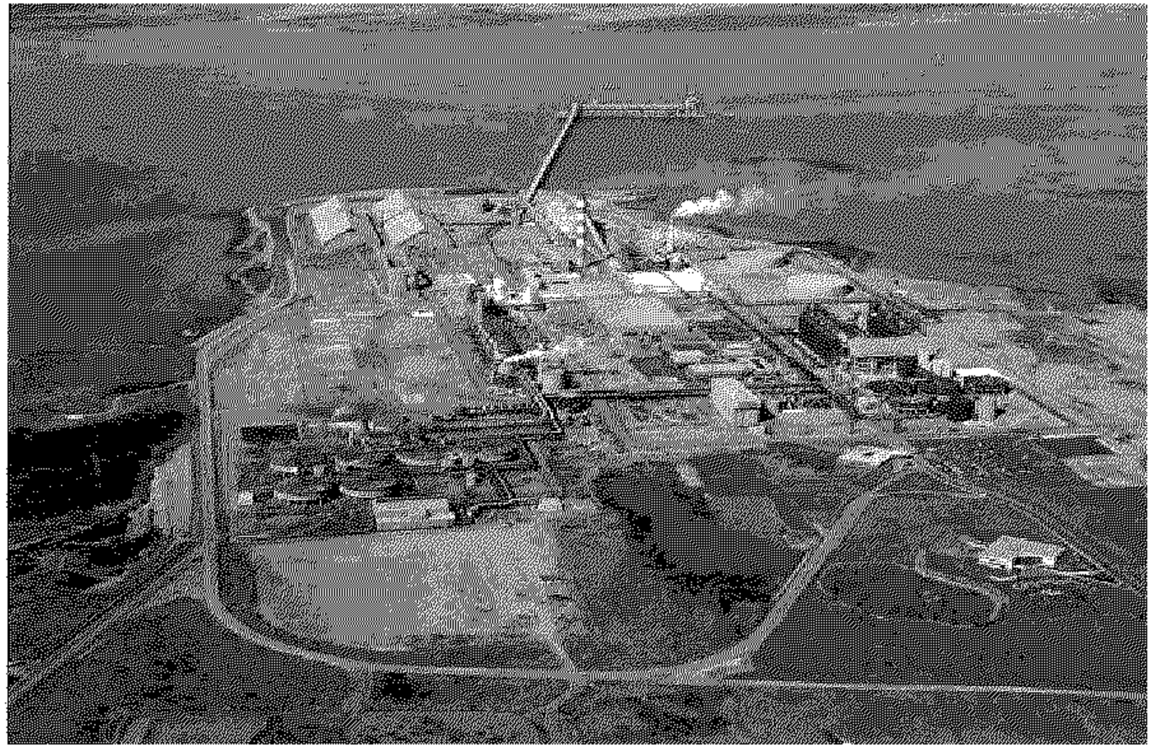
Worsley Development Capital Projects

Client: BHP Billiton
Location: Australia

In December 2003 WorleyParsons delivered a Feasibility Study to Worsley Alumina for the AUD250 m brownfield upgrade to their existing facility. To maintain project momentum the WorleyParsons team moved immediately into providing advanced engineering services until being awarded the full EPCM in April 2004. The target was an increase in annual alumina production of 250,000 tonnes, giving a new total capacity close to 3.5 Mtpa. WorleyParsons assembled an experienced project delivery team for the implementation phase of the project, which achieved the significant project safety milestone of 1 million man-hours without a lost time injury.



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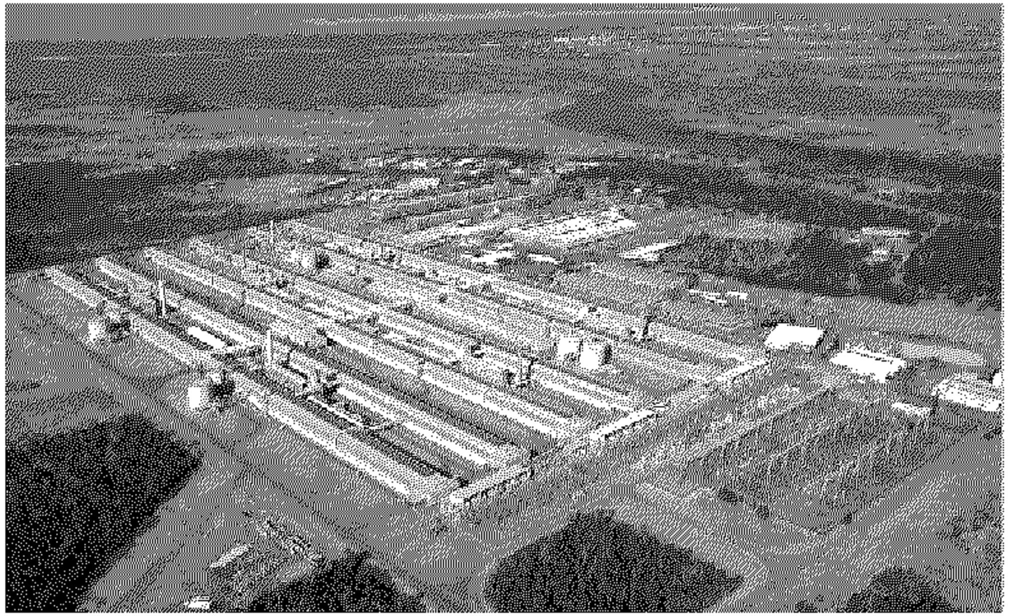
Aughinish Optimisation Project

Client: **Aughinish Alumina Limited (AAL)**
Location: **Ireland**

Following earlier WorleyParsons concept studies which helped identify innovative ways of optimising the existing operation, AAL engaged WorleyParsons in 2003 to further develop their Production Capital Program. This work culminated in a feasibility study and sanctioning of a brownfield project targeting delivery of more than 15% additional capacity through modifications and upgrades to 38 different systems within the refinery. In 2004 WorleyParsons was engaged to deliver the project on an EPCM basis. Working closely with the small but highly competent AAL team ensured a successful project, which delivered and exceeded project objectives in Safety Performance, Project Budget and Schedule, and Capacity Effectiveness.



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Tomago Aluminium Alliance

Client: **Tomago Aluminium Co Pty Ltd**
Location: **Australia**

Tomago Aluminium selected WorleyParsons as an alliance partner for the provision of project services including value adding, project management and implementation at their smelter in Newcastle, NSW. The tem is responsible for managing a capital and upgrade program focused extensively on business improvement and safety.
The majority of projects are small. A key outcome is to ensure that these projects are completed safely and rapidly, with effective governance and minimum bureaucracy.

1 2 3 4 5

OneSteel Market Mills Engineering Alliance

Client: OneSteel Market Mills
Location: Australia

WorleyParsons has established the OneSteel Project Services Alliance within the OneSteel Market Mills business. This multi-site alliance is responsible for the total capital management process across all market mills sites. The primary objective of the alliance is to consistently deliver business case outcomes for OneSteel. The alliance successfully integrates resources from the two organisations into a team with a common goal of producing the most successful steel company in Australia. This significant business partnership represents decades of ferrous metals experience.

1 2 3 4 5

Olympic Dam Alliance

Client: **BHP Billiton**
Location: **Australia**

The Olympic Dam Alliance (ODA) has been operating since April 2003. The Alliance is an integrated team of WorleyParsons, Maunsell and BHP Billiton personnel who undertake the EPCM minor capital project work for BHP Billiton's Olympic Dam. The Alliance team consists of engineers, drafters, supervisors and support personnel. The project work involves preparation of the Capital Plan, developing concepts, preparing recommendations and executing the projects with detailed design, procurement and dry commissioning. Nominal individual project value is AUD2 million but the alliance has delivered several projects up to AUD10 million in value. The Alliance is responsible for projects in all areas of the plant, mine, concentrator, smelter, refinery and infrastructure modifications. Nominal capital value of projects managed is AUD30 million a year.

Outlook for Minerals and Metals

Minerals and Metals Strategy

#1
- Focus on Brownfield services, create long term relationships, provide environmental and technical solutions
- Maintain leadership position in delivery of "sustaining capital alliances"

#2
- Expand global footprint and increase available market
  - Low energy cost regions and new resources regions
  - Acquire and joint venture where possible

#3
- Continue to build technical capability in core sectors (complex process plants)

#4
- Develop partnerships for Mega projects in core sectors

Outlook for Minerals and Metals

The outlook for the Minerals & Metals sector remains positive with the continued pressure and competition for resources being the major constraining factor in the sector.

The focus for 2007 will be on the transition of current feasibility studies to project sanction, continued development of WorleyParsons' EPCM contracting capability, expansion of project alliances and further the development of the company's international operations.

Outlook for WorleyParsons

We expect the markets for WorleyParsons' services will continue to be strong. Our key markets and sectors are experiencing positive conditions and we are well positioned to respond to these opportunities. Subject to conditions remaining favourable in these markets we expect to achieve increased earnings in 2007.

The company continues to evaluate opportunities for new business growth that will add to our existing capabilities and provide value for our shareholders.

Any questions?

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