

MARINELOG



July 25, 2006

Foss completes Russian Far East seallift

Seattle-based Foss Maritime Company reported yesterday that it has successfully delivered thirty-six pre-fabricated modules needed to construct an oil production facility at a remote project site in the Russian Far East.

The modules were part of a multi-year seallift to the extremely remote oil production site near Chayvo Bay on the Northeast tip of Sakhalin Island. Located north of the Japanese Island of Hokkaido, Sakhalin Island is separated from Russian mainland by the Tartar Strait.

The project was safely completed ahead of schedule despite complex logistical requirements and many environmental challenges such as ice, harsh storms and sea conditions.

The delivery marks the completion of a project that began in 2003 with a successful seallift effort by Foss.

Following a competitive bid process, Foss was then re-engaged in the second phase of the multi-year project to deliver large, prefabricated, modular structures fabricated in Ulsan, South Korea for construction of a facility that will be used to separate oil and gas and to stabilize it for further shipment by pipeline.

To complete the Summer season at the project site, the Foss Sealift Team successfully completed the delivery of 36 modulesÑwith some up to 1,800 tons, 280 ft long, 45 ft wide and 85 ft tall.

A number of Foss tugs were used in this latest operation. The Emma Foss, David Foss and Kainani were used as harbor assist tugs at Chayvo Bay. The Lauren Foss and Corbin Foss performed as line haul tugs delivering modules from Ulsan to Chayvo. Four foreign-flag line haul tugs for a total of six in the fleet also assisted.

Foss Executive Vice President Gary Faber, said, "We are extremely proud of our work on this project, which demonstrated our ability to successfully operate in extreme conditions and environments; and successfully manage remote logistics. We completed this complex job ahead of schedule, on budget, with all materials delivered in good condition, and most importantly, safely."

"As we have learned from previous projects, operating in a remote, hostile and storm-ravaged environment is difficult and not without risk. However, as in all Foss projects, we aim for a zero-loss performance, with no accidents or injuries. Our crews are aware that safety is more important to our company and to our customers than anything else," Faber added.