



CIVMEC LIMITED

(Company Registration Number 201011837H)

CIVMEC TARGETS ACQUISITION OF DEFENCE BUSINESS ON EAST COAST OF AUSTRALIA

SINGAPORE - 17 November 2015 - In line with the company's strategic growth plans the Board of Directors of Civmec Limited (the "**Company**", together with its subsidiaries, the "**Group**") is pleased to announce that the Company has agreed terms to enter into a due diligence phase for the acquisition of certain assets and the Forgacs name.

Forgacs is Australia's largest privately owned engineering and shipbuilding company, engaged in major project engineering, construction and maintenance for both defence and commercial markets.

The proposed acquisition includes a purpose-built ship building site. Forgacs Shipyard – Tomago which is located 14 kilometres from the Port of Newcastle, NSW on the Hunter River. The 17 hectare site has 535 metres of river frontage with two ship basins. The acquisition also includes plant and equipment currently located at the Forgacs Hexham Heavy Engineering workshop and at the Forgacs Gladstone Heavy Engineering workshop workshop.

Forgacs 'Products' business, Forgacs-Broens Pty Limited does not form part of the sale and will continue to operate from its Ingleburn, NSW and Elizabeth, SA facilities.

The Company believes that the considerable opportunities in the Infrastructure sectors on the East Coast as well as the long term outlook within the Defence, Oil & Gas and Metals & Minerals sectors justifies the investment.

Civmec Chief Executive Officer, Pat Tallon said "This is a very exciting opportunity for our company to extend our multi-disciplinary operations to the East Coast of Australia and to gain a long established foothold in the defence shipbuilding industry. It will also give us the opportunity to acquire in house submarine building and technical expertise. We will be well positioned to capitalise on the significant infrastructure expenditure planned for East Coast. The increased capacity will allow Civmec to deepen our relationship with existing blue chip clients nationally, as well as bringing on board new regional clients."

Peter Burgess, Chairman of the Forgacs Group commented, "Forgacs has over 50 years' experience in the Heavy Engineering and projects business and entered the naval ship repair business in 1990. It has grown its naval involvement progressively, undertaking major naval programs including the conversion of HMAS Manoora and HMAS Kanimbla into Amphibious Helicopter support ships; hull modules for the ANZAC frigates and most recently the AWD program. The Tomago shipyard has built some of Australia's iconic ships such as ice breaker 'Aurora Australis', HMAS Tobruk and hull sections of Collins class submarines. Our shipyard is ideally positioned for Civmec's future plans."

Subject to satisfactory due diligence, necessary stakeholder approval and the finalisation of the sale and purchase agreement, the Company expects to complete



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the transaction in December 2015. The parties have agreed to enter into a due diligence process and the final terms of the agreement, which are commercially sensitive, will be disclosed upon finalisation of the sale. Whilst this is a long-term strategic investment for Civmec, it is not expected to have any material impact on the Group's financial performance for the financial year ending 30 June 2016 ("FY2015").

About Civmec Limited

Civmec is an integrated, multi-disciplinary construction and engineering services provider to the oil and gas, metals and minerals, infrastructure and defence sectors. Headquartered in Henderson, Western Australia, Civmec has regional offices in Broome (Western Australia), Darwin (Northern Territory, Australia), Sydney (New South Wales, Australia) and Gladstone (Queensland, Australia). It also has a presence in Singapore, where it has been listed since 2012. Its core capabilities include heavy engineering, modularisation, SMP (structural, mechanical and piping) and electrical installation, precast concrete, site civil works, industrial insulation, maintenance, offshore logistics, refractory, access solutions and training..

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