



**SGX/MEDIA RELEASE
For Immediate Release**

Company Registration Number 200413014R
15 Hoe Chiang Road, #12-05 Tower Fifteen, Singapore 089316

Singapore and Australia
29 March 2018

AusGroup proposes S\$37 million equity fund raising

Highlights

- The proposed initiatives will align the Company's debt profile with its strategic growth plans and business prospects.
- The placement of 1,050,000,000 shares at S\$0.035 per share demonstrates market confidence in the Company's growth potential through increased ownership of highly respected financial investors.
- The rights issue will be on the basis of 1 rights share for every 2 existing shares with an Issue Price of S\$0.035 per share, representing a discount of 25.37% to last trading day's VWAP of S\$0.047 on 28 March 2018.
- After reporting five consecutive quarters of profit, the funds raised will bolster the Company's working capital requirements and enable a proposed partial repayment of the Notes.

AusGroup Limited (the "Company") is pleased to announce the execution of subscription agreements to inject S\$37 million into the business following completion of equity fund raising.

Since 2016, AusGroup has undertaken steps to significantly reduce debt, enabling the Company to define and execute a clear plan for the future. These funds will support continued business growth and reduce gearing levels.

Managing Director Eng Chiaw Koon said "Securing investments from highly respected financial investors including Asdew Acquisitions Pte Ltd, Mr Bernard Toh and Mr Melvin Poh who is also our independent director demonstrates commitment from significant shareholders. The share placement will also result in the participation of other notable investors in the financial community such as Mr Ching Chiat Kwong, Mr Low See Ching, Mr Han Seng Juan and Mr Loh Kim Kang David, all accomplished executives in their own industries, providing greater confidence for the future of AusGroup."

The agreements position the Company to commence discussions with noteholders to extend the notes' maturity date beyond October 2018. The Company is confident it will gain all stakeholders' support in this endeavour.

The Company expects to receive gross proceeds of at least S\$37 million. Up to 30% of the funds raised will be used for partial cash redemption of the outstanding notes and the remainder used to supplement the Company's growing general working capital requirements as it continues to expand.

CEO and Executive Director Shane Kimpton said "This is a positive development for AusGroup. As we continue to work towards reducing debt, we are now in a solid position to focus on the strategic growth of our business across Australia and South East Asia. The injection of capital will allow us to



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support this growth and continue to deliver for our clients and enter into new contracts. Additionally, it will support our Port Melville facility which is now operational, offering a fuel supply service for customers in the Northern Territory of Australia.”

This press release does not constitute an invitation to participate in the Proposed Transactions. No offer or invitation to issue or redeem any securities is being made pursuant to this press release. This press release must be read in conjunction with the announcement dated 29 March 2018, the circular and any further announcements by the Company. This press release does not constitute or form part of, and should not be construed as, an offer for sale or subscription of, or a solicitation of any offer to buy or subscribe for, any securities of the Company or any other entity.

Background Information

AusGroup offers a range of integrated service solutions to the energy, industrial and mining sectors across Australia and South East Asia. Our diversified service offering supports clients at all stages of their asset development and operational schedule.

Through subsidiaries AGC, MAS & NT Port and Marine, we provide maintenance, construction, access services, fabrication and marine services. With over 29 years of experience, we are committed to helping our clients build, maintain and upgrade some of the region’s most challenging projects.

The Company wishes to inform that an investor briefing pack is also available on its website - www.agc-ausgroup.com.

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Issued by AusGroup Limited.

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ABOUT AUSGROUP LIMITED (Bloomberg Ticker: AUSG.SP)

Main board-listed, AusGroup Limited is an energy and resources specialist providing fabrication, precision machining, construction and integrated services to natural resource development companies. The Company also provides access services for construction and maintenance contracts through MAS Australasia Pty Ltd (MAS). AusGroup has an established operations network strategically positioned throughout Australasia. For more information visit www.agc-ausgroup.com