



**SGX/MEDIA RELEASE
For Immediate Release**

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

Singapore and Australia
23 December 2016

Consent Solicitation Exercise – Update on Consents Required under Security Documents

Series 001 S\$110,000,000 7.45 per cent. Notes due 2016 (ISIN: SG6TF6000008) (the “**Notes**”) issued under the S\$350,000,000 Multicurrency Debt Issuance Programme of AusGroup Limited established on 22 September 2014

Announcement Regarding Condition 10(b) of the Notes

AusGroup Limited (the “**Company**”) refers to the consent solicitation exercise launch announcement dated 13 September 2016 (the “**Launch Announcement**”), the notice of meeting published in The Business Times and released in conjunction with the Launch Announcement on 13 September 2016 (the “**Notice of Meeting**”), the consent solicitation statement dated 13 September 2016 (the “**Consent Solicitation Statement**”) issued by the Company to the holders of the Notes (the “**Noteholders**”) for the purposes of the consent solicitation (the “**Consent Solicitation**”) launched by the Company in connection with the Notes, the results of meeting announcements dated 5 October 2016 and 6 October 2016, the extension of documentation date announcement dated 7 November 2016 (the “**Documentation Date Extension Announcement**”), and the execution of supplemental trust deed and security documents announcement dated 21 November 2016. Capitalised terms used but not otherwise defined in this announcement shall have the same meanings ascribed to them in the Consent Solicitation Statement.

The Company stated, in its 21 November 2016 announcement, that it had executed various security documents, and that the general security deed and the deed of mortgage mentioned in such announcement were conditional upon, amongst other things, and if applicable, the written consent of the “Minister” as defined in and contemplated under section 19(8) of the Aboriginal Land Rights (Northern Territory) Act 1976 (the “**Ministerial Consent**”), and such Ministerial Consent was to be obtained by 19 December 2016.

On 16 December 2016, the Company was informed by Ward Keller, Northern Territories legal counsel to the Security Trustee, that the Indigenous Affairs Group in the Department of Prime Minister and Cabinet (the “**Department**”) received advice from the Australian Government Solicitor (“**AGS**”) that it was not entirely clear whether Ministerial Consent was required for the Mortgage, but the approach to be taken by the Department was that Ministerial Consent would nevertheless be required. The Company was also separately informed that the Minister would be away from 16 December 2016 to early January 2017, and as such, the Company was unable to procure the Ministerial Consent by 19 December 2016 following the news received on 16 December 2016.



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Accordingly, the Company wishes to announce there has been, in its opinion, a Potential Event of Default under Condition 10(b) of the Notes. The occurrence of this Potential Event of Default has been notified to DBS Trustee Limited (the “Trustee”). Under Condition 10(b), it would be an Event of Default if such default is (in the opinion of the Trustee) capable of remedy and it is not (in the opinion of the Trustee) remedied by 18 January 2017.

The Company is currently working closely with the Department, and the Department has advised that it is certainly possible to obtain all consents by 18 January 2017, providing instructions for certain steps to be taken. With this guidance, the Company is working on remedying the Potential Event of Default to avoid the occurrence of an actual Event of Default under the Notes.

Shareholders are advised to exercise caution in trading their Shares and Noteholders are advised to exercise caution in trading their Notes. Shareholders and Noteholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders and Noteholders should consult their stock brokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

By Order of the Board
AusGroup Limited

Eng Chiaw Koon
Director

Ends

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