



**SGX/MEDIA RELEASE
For Immediate Release**

Company Registration Number 200413014R
36 Tuas Road, Singapore 638505

**Singapore and Australia
17 May 2016**

**NON-CONFORMITY TO FINANCIAL COVENANT UNDER THE 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 (THE “PROGRAMME”)**

1. NON-CONFORMITY TO FINANCIAL COVENANT UNDER THE NOTES

The Board of Directors (“**Board**”) of AusGroup Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) refers to its announcement dated 14 May 2016 on its financial results for the third quarter ended 31 March 2016 (“**Q3 Results**”) and wishes to announce that based on the Q3 Results, the Company’s Consolidated Total Equity (as defined in the trust deed dated 22 September 2014 between the Company and DBS Trustee Limited relating to the Notes (the “**Trust Deed**”)) has fallen below AU\$160,000,000 and the Company is hence in breach of the financial covenant under the Trust Deed to maintain the Company’s Consolidated Total Equity to at all times be at least AU\$160,000,000. As a result, an Event of Default has occurred under the terms of the Notes. The Company intends to seek waivers from holders of the unsecured Notes (“**Noteholders**”) in relation to the breach and Event of Default. There is no assurance that the waivers will be granted and, if granted, on terms and conditions that are acceptable to the Group.

The trustee of the Trust Deed at its discretion may, and if so requested in writing by holders of at least 25 per cent. in principal amount of the Notes then outstanding or if so directed by an extraordinary resolution shall, give notice to the Company that the Notes are immediately repayable whereupon the redemption amount of the Notes together with accrued interest to the date of payment shall become immediately due and payable.

The Board will provide further updates as and when appropriate.

2. CAUTION IN TRADING

Shareholders are advised to exercise caution in trading their Shares and Noteholders are advised to exercise caution in trading their Notes. There is no certainty or assurance as at the date of this announcement that the waivers will be obtained by the Company. The Company will make further announcements as appropriate or when there are further developments. 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.



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By Order of the Board
AusGroup Limited

Eng Chiaw Koon
Managing 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 Australia, Singapore and Thailand. For more information visit www.agc-ausgroup.com