



**SGX/MEDIA RELEASE  
For Immediate Release**

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

**Singapore and Australia**  
2 June 2017

## **CLARIFICATION ANNOUNCEMENT RELATING TO THE EDGE ARTICLE TITLED “EZION COULD GAIN FROM AUSGROUP DEBT RESTRUCTURING AS DEMAND RISES”**

### **1. INTRODUCTION**

The Board of Directors (the “Board”) of AusGroup Limited (the “Company”, and together with its subsidiaries, the “Group”) refers to the article titled “Ezion could gain from AusGroup debt restructuring as demand rises” published in The Edge online version on 1 June 2017 (the “Edge Article”).

### **2. CLARIFICATION**

The Board would like to make the following clarifications related to the Edge Article.

The Edge Article mentioned that “AusGroup’s lenders, which include Ezion Holdings, have agreed to forgive its debts”. The Company would like to clarify that only Ezion has agreed to the exercise, and this is subject to, amongst other conditions, the noteholders also to agreeing to convert the debt to equity.

The Edge Article also stated that “AusGroup on Wednesday announced that it had received the necessary approval from noteholders to convert an existing \$110 million, 7.95% bond due 2018 to new shares in the company.” The Company would like to highlight that the announcement made on 31 May 2017 by the Company simply said that the Company has met the Minimum Offer Condition, which means that >10% of noteholders by value have tendered their notes for conversion. Accordingly this is not an ‘approval’ from noteholders for this exercise.

In the Edge Article, there is a mention “That allowed Ezion, its largest shareholder, to forgive an existing A\$39.3 million (\$40.6 million) loan to AusGroup in return for the new shares.” The Company would like to highlight that Ezion may convert, but not forgive, up to the entire sum of the shareholder’s loan.

The Edge Article also mentioned that “when AusGroup said it had breached a financial covenant under a trust deed for its \$110 million bond with DBS Bank”. The Company would like to clarify that the S\$110 million notes was placed to various noteholders and not to DBS Bank.

There is a mention that “the successful commercialisation of the port and marine business at Port Melville” in the Edge Article. The Board would like to clarify that AusGroup never stated that it has achieved a ‘successful commercialisation of the port and marine business at Port Melville’. AusGroup had publicly stated that it had received all environmental approvals for the further commercialisation of the port.



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The Edge Article mentioned that the total amount of work in hand is A\$24 million. The Company would like to clarify that as per the Q3 FY2017 results announcement made on 12 May 2017, the total amount of work in hand stated was A\$286.3 million and not A\$24 million.

The Edge Article also stated that “The port and marine business supports the offshore LNG industry through the provision of fuel and logistics services.” The Company would like to clarify that currently the port and marine business does not support the offshore LNG industry through the provision of fuel and logistic services.

The Company notes that The Edge article has now been corrected for these inaccuracies however the Company has adopted a prudent approach by announcing these clarifications.

**3. CAUTION IN TRADING**

Shareholders and investors are reminded to exercise caution when dealing with the Company's securities. In the event that shareholders and investors are in doubt when dealing in the Company's securities, they should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

By Order of the Board  
**AusGroup Limited**

Eng Chiaw Koon  
Managing Director  
2 June 2017

**Ends**

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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](http://www.agc-ausgroup.com)