



CIVMEC LIMITED
(Company Registration Number 201011837H)

NEWS RELEASE

CIVMEC MOVES ON STRATEGIC INTERNATIONAL GROWTH PLAN

14 April 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 to enter into a due diligence phase for the acquisition of PT Global Industries Asia Pacific (a Technip subsidiary). The terms include a long-term collaboration agreement with Technip for services and facilities for current and future project work globally.

Technip is a world leader in project management, engineering and construction for the energy sector.

The proposed acquisition includes securing 21 hectares of strategically located waterfront land with deep-water access in Batam, Indonesia. Further development of the facility will enable the company to carry out many of its multi-disciplined capabilities including heavy engineering, modularisation and pre-cast concrete works. The location and geometry of the land also make it ideal for new activities such as the potential establishment of a spoolbase for shallow and deep-water subsea pipelines.

The Company believes that the considerable opportunities in the Infrastructure and Subsea sectors as well as the long term outlook within the Oil & Gas and Mining sectors substantiates the investment in what will be a state of the art and internationally competitive facility.

Since listing in 2012, the Company has focused on the developing its risk management systems and project controls as well as applied innovation, technologically advanced and superior methodologies as part of its best practice offerings to its clients. These systems and the continual investment in our people have resulted in the ability for the Company to maximise this opportunity to secure an ideal location to take this expertise and intellectual property to international markets.

Civmec Chief Executive Officer, Mr. Pat Tallon said, "This is a very exciting opportunity for us to extend our multi-disciplinary operations overseas. We will be well positioned to capitalise on the significant infrastructure expenditure planned for South East Asia. The increased capacity allows Civmec to deepen our relationship with existing blue chip clients globally, as well as bringing onboard new regional clients.

"It is particularly exciting for us to have the opportunity to further strengthen our relationship with Technip, which began with our awards of projects for Shell Prelude FLNG (Floating liquefied natural gas) and Chevron's Wheatstone Subsea Project. The proposed acquisition provides Civmec an excellent platform to grow our South East Asian business in addition to positioning ourselves in a strategic geographical location to service clients who are operating or have plans to operate in future growth regions of the world," he added.



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Subject to satisfactory due diligence, necessary stakeholder approval and the finalisation of the sale and purchase agreement, the Company expects to complete the transaction by August 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. The earnings from this overseas operation will be subjected to more favourable international taxation regimes and will assist to alleviate currency fluctuations. The acquisition will be funded internally through current banking facilities. 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 2015 ("FY2015").

About Civmec Limited

Civmec is an integrated, multi-disciplinary construction and engineering services provider to the resource, oil and gas and infrastructure sectors. Its headquarters are based in Henderson, Western Australia with regional offices in Broome (Western Australia), Darwin (Northern Territory Australia), Sydney (New South Wales) and recently established a presence in Singapore. Its eight core capabilities are fabrication, modularization, precast concrete, site civil works, industrial insulation, structural mechanical piping (SMP), offshore logistics and maintenance services.

For more information, please visit our website at www.civmec.com.au