



CIVMEC LIMITED
(Company Registration Number 201011837H)

Civmec Unveils Plans for Mega World-Class Shipbuilding Facility at the Australian Marine Complex, Henderson, Western Australia.



----- Artist's impression of Civmec's new shipbuilding facility targeted at defence projects

PERTH/SINGAPORE, 16 December 2016 – Civmec Limited (“Civmec” or the “Group”) through its wholly owned subsidiary Forgacs Marine and Defence Pty Ltd will today unveil plans for its new state-of-the-art shipbuilding facility primarily targeted at Naval Defence projects, at a ground-breaking ceremony today officiated by, the Honourable Colin Barnett, the Premier of Western Australia (“WA”).

The heavy engineering specialist is positioning itself for participation in Australia’s A\$89 billion (S\$94 billion) naval ship and submarine upgrading program, which forms part of the Australian government’s projected A\$195 billion (S\$207 billion) overall defence investment over the decade from now until 2025-26*. The new facility in Henderson will rival the best shipyards in the world and is part of Forgacs goal to enhance Australia’s profile as a globally efficient naval ship builder.

The facility will be able to house ship construction and on-going maintenance under cover in a conducive and efficient environment close to Fleet Base West – the home of Australia’s



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submarine force and half of its naval surface fleet. It will be the only facility with this capacity in Australia.

The Group, which has developed a suite of core competencies in heavy engineering, believes that these in-house capabilities, its dedicated shipbuilding facility and its securing of the strong Forgacs credibility will position the company as a force to be reckoned with for the Commonwealth Governments upgrade and expansion programs.

At this point, the Group anticipates an overall investment in the region of A\$80 million to develop the entire facility over the coming years. Based on this timing of construction it is intended that the proposed new facility be funded using internal cash resources and borrowings. Design and planning have already commenced with a further more detailed focus on engineering and geotechnical analysis occurring immediately in the New Year.

The new facility will be situated on approximately seven-hectare (70,000 square metres) of land adjoining the south side of the group's existing facility at the Australian Marine Complex in Henderson, and when operating at capacity is expected to provide additional jobs for up to 1,000 workers, as well as up to 100 additional apprenticeships and graduate.

Premier Colin Barnett congratulated Civmec on its investment. "The significant capital investment by Civmec to develop these facilities is an example of the confidence local industry has in Western Australia's future," Mr. Barnett said. "The Liberal National Government is supporting WA businesses to secure defence industry work and is committed to further growing the industry and securing local jobs for decades to come."

Civmec's Chief Executive Officer, Mr Patrick Tallon, said, "The planning for the development of further significant facilities is all about strategically positioning the company to participate in the upcoming Naval acquisition program, the largest of its kind in Australian history, and in turn will play a major role in the company's long-term future. We feel a standalone facility, operated by Forgacs Marine and Defence, is required to ensure there is absolutely no adverse effect to our present valuable clients that we deliver for in our other operating sectors."

"This diversification is a natural extension of our core capabilities. The new shipbuilding and maintenance facility in Henderson will be a significant piece of industrial infrastructure, adding a new resource to the Australian maritime landscape," he added.

Civmec's Executive Chairman, Mr James Fitzgerald, said, "Henderson has already been identified by the Commonwealth as one of two suitable locations for the continuous build of Naval ships. This is cause for great optimism and reflects highly on Western Australia's industrial capability and capacity, to which this planned facility will be a significant addition."

Mr. Mike Deeks CSC a former Royal Australian Navy Commodore has been appointed the Managing Director of Forgacs Marine and Defence Pty Ltd. Mike has been with the company since September 2015.

**The Hon Christopher Pyne, Minister for Defence Industry; Leader of the House; Federal Member for Sturt, Speech Western Australia Defence Conference 2016 8 December 2016*

*******End of Release*******



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About Civmec Limited

Civmec is an integrated, multi-disciplinary construction and engineering services provider to the oil and gas, metals and minerals, infrastructure and defence sectors. Headquartered in Henderson, Western Australia, Civmec has regional offices in Broome (Western Australia), Darwin (Northern Territory, Australia), Newcastle and Sydney (New South Wales, Australia), and Gladstone (Queensland, Australia). It also has a presence in Singapore where it has been listed since 2012. Its core capabilities include heavy engineering, modularisation, SMP (structural, mechanical, piping), EIC (electrical, instrumentation and control), precast concrete, site civil works, industrial insulation, maintenance, offshore logistics, refractory, access solutions and training.

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

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