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**ACQUISITION OF RAPLEY WILKINSON GROUP**

**January 2008**

# Summary of the acquisition

- Nomad Building Solutions Limited has entered into an agreement to acquire Rapley Wilkinson's construction, modular building and property management businesses ("Rapley Wilkinson") for \$40.0m:
  - Scrip component of \$14.0m
  - Cash component of \$26.0m
- Rapley Wilkinson has operated in WA for around 30 years and specialises in remote housing, non-metro commercial construction, resort and lifestyle construction, property and project management services, and, modular building
- The acquisition is EPS accretive – with an FY2009 NPAT contribution of \$7 to \$8 million (post amortisation of contracts)
- Nomad will maintain a conservative gearing ratio of approximately 28% post acquisition and placement

- Rapley Wilkinson is a building company that has been successfully engaged in a variety of construction projects and property management projects for over 30 years.
- Alan Thomas, Managing Director, is a registered builder and joined Rapley Wilkinson in 1980. Alan has managed significant projects for all of the company's clients and was appointed Managing Director in 1995.
- Rapley Wilkinson has built a strong reputation among a wide range of clients for quality construction projects including remote in situ housing. Major clients have included Rio Tinto, BHP Billiton and Woodside Petroleum. The company has also carried out many commercial projects including the internationally famous Cable Beach Club Resort in Broome, as well as commercial construction projects throughout WA such as: apartments, police and fire stations, prisons, hospitals, offices, cinemas, resorts and up-market complexes.
- Rapley Wilkinson has also been active in property management, including a 700 lot subdivision in Karratha and several resorts in Broome.
- In mid-2007 the modular building company Blue Ridge Pty Ltd was added to the group.
- Today, the Rapley Wilkinson Group has three distinct areas of operation: Construction, Property Management and Modular Building.
- The company employs approximately 40 permanent staff, plus utilises a preferred long-term subcontracting relationship for the company's projects.

# Acquisition overview

Strategic  
acquisition for  
Nomad

- The acquisition of Rapley Wilkinson is a strong strategic fit for Nomad:
  - Utilise a proven resort designer and manager to provide a higher level of accommodation solutions to the resources sector
  - Increased presence within the non-metro WA housing markets
  - Enhanced skill base in design, project management, project planning services and remote on-site construction
  - Strong pipeline of future work, strengthening and diversifying Nomad's order book
  - Use Rapley Wilkinson as the platform to launch Nomad's build, own and operate model to the construction and resources sector
  - Expansion into other resources-based site infrastructure works such as site buildings, administration buildings, warehouses, workshops, laboratories and the like.
  - Increased modular building capacity

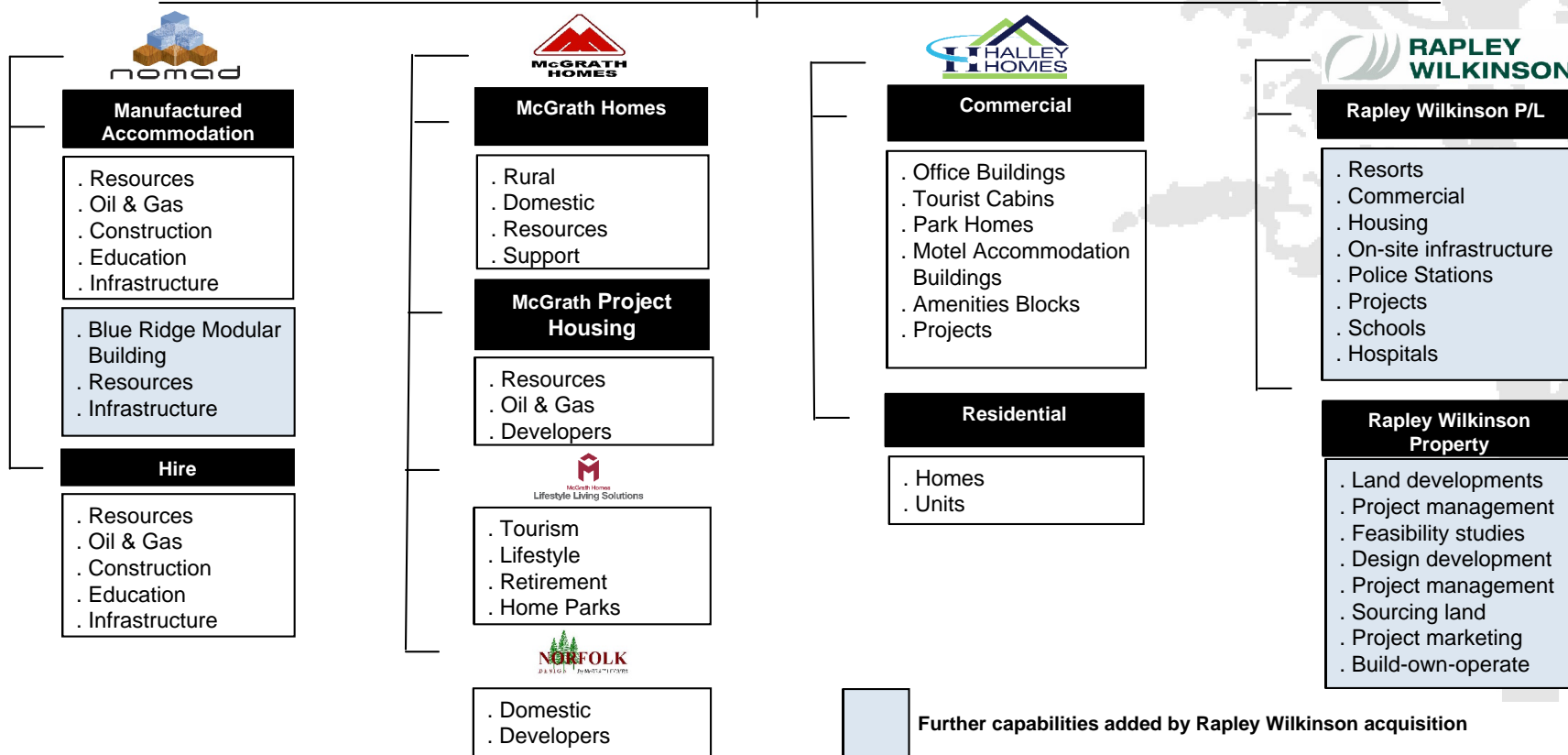


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# Integration into the Nomad Group

- The acquisition of Rapley Wilkinson is a key strategic initiative to develop Nomad's business by providing diversity to the existing offerings
- Initial emphasis will be to effect a smooth transition of the business. This will be assisted by the retention of Alan Thomas (Managing Director of Rapley Wilkinson) and other key personnel.
- The modular building division of Rapley Wilkinson, Blue Ridge, is likely to be managed under Nomad Manufactured Accommodation



- 100% of FY2008 budgeted revenue has been booked and c. 75% of FY2009 has been booked.
- The current order book has a total value exceeding c. \$100 million. Selected examples of projects in the order book are:

Project	Description	Company	Location
Tropicana Resort	Resort	Tropicana Enterprises P/L	Broome (WA)
Kevcor – 16 houses	In situ remote housing	Various individual clients	Broome (WA)
Repcor showroom	Commercial	Fredrick St Property Trust	Broome (WA)
Hopetoun – 54 chalets	In situ remote housing	Ravensthorpe Nickel Operations	Hopetoun (WA)
Hopetoun – 20 houses	In situ remote housing	Ravensthorpe Nickel Operations	Hopetoun (WA)
Hopetoun – 52 houses	In situ remote housing	BHP Billiton	Hopetoun (WA)
Preston Beach Developments	Property Development	Kingpoint Holdings P/L	Preston Beach (WA)
Tambrey – 14 houses	In situ remote housing	Various individual clients	Karratha (WA)
Nichol West – 10 houses	In situ remote housing	Various individual clients	Karratha (WA)
Mixed use commercial	Commercial	Ravensthorpe Nickel Operations	Hopetoun (WA)
Footprints Resort	Property Management	Pearlby Enterprises P/L	Binningup (WA)
The Ranges development	Property Management	Greenvalley Asset Property Trust	Karratha (WA)
Yunderup JV	Property management	Thomas Rapley Developments P/L	Mandurah (WA)
68 park homes	Modular building	Kintail Investments	Karratha (WA)
50 man camp	Modular building	Henry Walker Eltin	Newman (WA)
100 man camp	Modular building	Laing O'Rourke	Kununurra (WA)
Office and block	Modular building	SPG	Karratha (WA)

- Rapley Wilkinson also has a strong pipeline of potential projects with a value exceeding \$300 million.

100% of FY2008  
is booked; 75%  
of FY2009 is  
booked

Further potential  
projects valued  
at \$300m+

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Acquisition is earnings accretive

- The acquisition is earnings accretive. On a pro forma basis (incl. Rapley Wilkinson), it is 10.2% - 12.6% EPS accretive in FY08.
- Further growth opportunities for Rapley Wilkinson include:
  - Competing for larger projects by utilising Nomad's resource capability and project management expertise
  - Utilising Rapley Wilkinson's modular building capacity
  - Offering Rapley Wilkinson's "resort style" products to Nomad's resource based customers
  - Investing in the Rapley Wilkinson business (ie. investment in resources, systems and office space) to accelerate growth
- Nomad group targeting 15% profit growth in FY09 (over pro forma FY08 which includes Rapley Wilkinson on a full-year basis).

## Rapley Wilkinson – Standalone basis

	FY07A*	FY08F***
Revenue	63.1	96.6
EBITDA	4.5	9.5
NPAT	3.0	6.5
Revenue Growth	35.3%**	53.1%
EBITDA margin	7.1%	9.8%
NPAT margin	4.7%	6.7%

\* Based on unaudited financials

\*\* Excludes Blue Ridge Pty Ltd FY07A

\*\*\* Prior to customer contract amortisation

FY08	Low	High
Nomad NPAT Guidance*	22.4	24.1
Outstanding shares on issue	117.6	117.6
EPS (pre-acquisition)	\$0.190	\$0.205
Pro forma NPAT (incl. R-W)**	28.9	30.6
Issued shares (post-raising)***	135.5	135.5
Pro forma EPS	\$0.213	\$0.226
EPS accretion (cents/share)	2.3c	2.1c
EPS accretion (%)	12.1%	10.2%

\* As per guidance in Investor Presentation on 16 August 2007 and excludes cost of employee options

\*\* Prior to customer contract amortisation

\*\*\* Assumes c. 17.9 million shares are issued in the placement, SPP and acquisition scrip consideration

# Selected current and completed projects

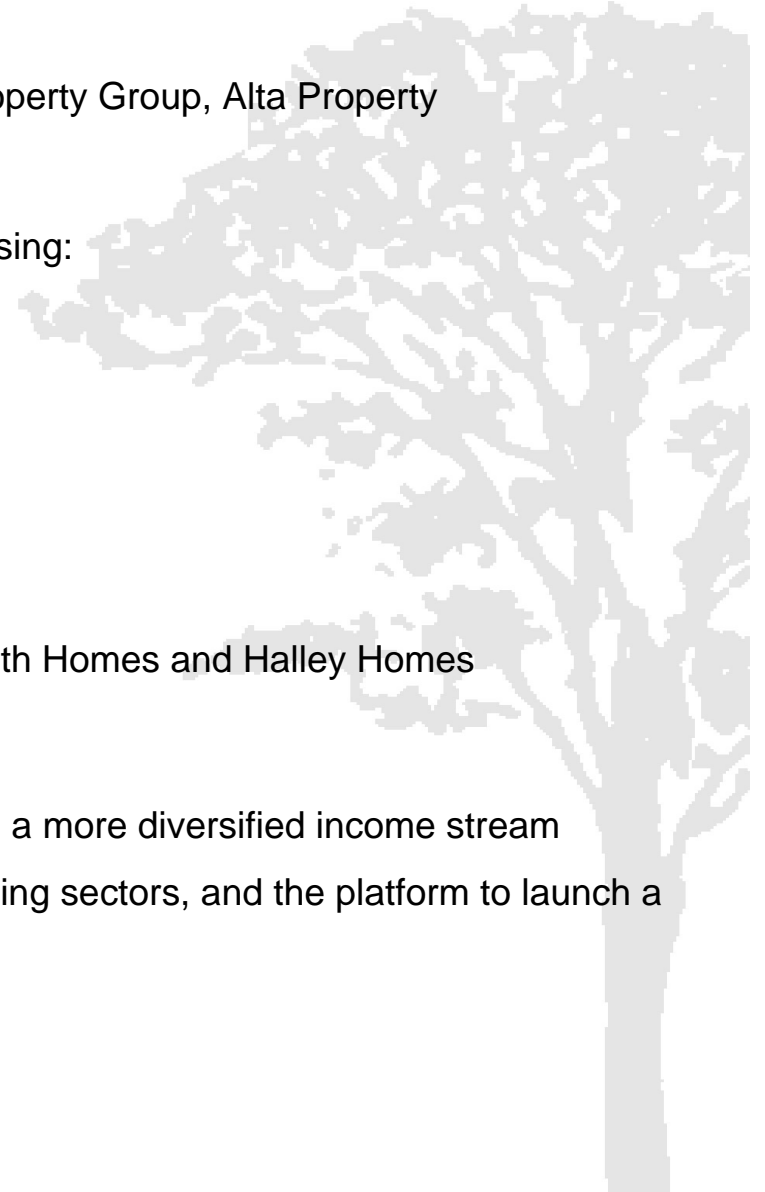
Description	Client/Customer
54 Houses, Hopetoun	Ravensthorpe Nickel Operations
Land Development, North Yunderup	Rapley Wilkinson Property
52 Houses, Hopetoun	BHP Billiton
Footprints Resort, Binningup	Rapley Wilkinson Property
The Oaks, Broome	Tropicana Enterprises
Office, Herdsman Business Park	Rapley Wilkinson Property
Swanbourne Primary School	Department of Education WA
Footprints Resort, Preston Beach	Kingpoint Holdings Pty Ltd/James Christou and Partners
80 Houses, Karratha	Various
Eco Village, Hopetoun	Ravensthorpe Nickel Operations/Jones Coulter Young
Frangipani Resort, Broome	Westchance Holdings Pty Ltd/CMP Architects
Rendezvous Cable Beach Sanctuary, Broome	Forest Creek Pty Ltd/Rothe Lowman
Cable Beach Club, Broome	Hawaiian Management Group/CMP Architects
Seashells Resort, Mandurah	Seashells Hospitality Group/CMP Architects
40 Houses, Karratha	Karratha Housing Pty Ltd
Ravensthorpe District Hospital	Department of Housing and Works
Marlston Quay Apartments, Bunbury	TRG Property Pty Ltd/Spowers Delfs
Kensington Police Station	Department of Housing and Works
Land subdivisions, Karratha	Rapley Clough JV



# Acquisition terms

- Acquisition of 100% of the shares in Rapley Wilkinson for consideration of \$40.0m
  - Scrip component of \$14 million
  - Cash component of \$26 million (funded through this placement)
- Associated costs of the acquisition and capital raising are c. \$3.5 million
- The existing Rapley Wilkinson shareholders have entered into escrow agreements for the scrip consideration
  - 50% for 12 months
  - 50% for 24 months
- Rapley Wilkinson is owned by entities associated with Alan Thomas, Daryl Rapley and Darren Staunton. Alan and Darren have entered into employment contracts for a period of 3 years (Daryl has not been actively involved in the management of Rapley Wilkinson for several years).
- Alan Thomas will be joining the board of Nomad
- Other key executives of Rapley Wilkinson have also entered into employment contracts.

- A growing and diversifying quality client base (eg. Aspen Property Group, Alta Property Developments)
- Effectively implemented key growth strategies in project housing:
  - Lifestyle Living Solutions
  - McGrath Project Housing
  - Significant expansion capacity
- Continued success in winning major new contracts
- Track record of successfully integrating acquisitions - McGrath Homes and Halley Homes
- Interim dividend expected to be paid mid-April 2008
- Following the Rapley Wilkinson acquisition, Nomad will have a more diversified income stream including strong exposure to the resort and commercial building sectors, and the platform to launch a build, own, operate business model.



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## Appendix



## Examples of completed projects



### **Rendezvous Sanctuary Resort – Cable Beach, Broome**

- Rapley Wilkinson was a member of an Australia-wide syndicate formed to develop this resort. The resort consists of 167 rooms made up of fully furnished and equipped studio rooms, 1 and 2 bedroom self contained apartments and 3 bedroom villas.
- Completing the resort will be 3 pools, restaurant, retail outlet, and day spa.
- The resort was developed over three stages with the final stage being completed in July 2007.



### **Marlston Quay Apartments - Bunbury**

- Three storey construction consisting of 38 apartments and six commercial units in four individual buildings with their own unique configurations. External walls are brick with painted render sections.
- There is undercover parking and centrally located common areas with a lap pool. Top floor apartments include loft areas.
- Rapley Wilkinson also took responsibility for the design of all services for this Guaranteed Maximum Price project.



### **Cable Beach Club – Broome**

- The success of a minor refurbishment in 2003 led to Rapley Wilkinson being invited to work with the owners and architects to plan and undertake a more significant upgrade of the resort before the start of the 2004 tourist season.
- The scope of work involved refurbishing 85 studio apartments, plus an upgrade of the celebrated Lord Mac's Restaurant to include a cocktail bar and Pizzeria, an upgraded kitchen and extension of decks

## Examples of completed projects



### 5 residential Estates – Karratha

- A strategic alliance with Clough Property was formed to create the Rapley Clough Joint Venture. Since 2001 this partnership has created 628 residential lots, including 111 group housing lots in 5 land estates throughout Karratha.
- The last of the lots was sold in August 2006.



### Police Station – Kensington

- New Police complex including cell block, video interview room, charge room and general offices. The building was constructed with structural steel on a concrete slab.
- Internal brickwork is finished with hard wall plaster while external walls are brick and Colorbond sheeting. The Colorbond roof is in two levels.
- Site works included approximately 6,600 cubic metres of fill and modifications to the street frontage to allow access to the new complex.



### Cable Beach Tea Rooms, Broome

- Public restaurant consisting of two dining rooms, one tea room, take away kiosk and commercial kitchens. Building constructed in concrete blockwork and custom-orb roof.
- Heavy duty aluminium bifold doors wrap around 60% of the perimeter of the building giving views to the popular Cable Beach.



## Examples of current and future projects



### 54 houses - Hopetoun

- The performance of Rapley Wilkinson during the first two contracts with Ravensthorpe Nickel Operations led to the company being awarded a third contract to construct 54 houses similar to those already developed.
- Housing designs, construction materials and finished colours provided many different permutations that ensured streetscapes were typically suburban.
- Construction period is May 2007 – July 2008.



### Footprints Resort – Binningup

- The second Footprints resort is to be developed at Binningup 25 km north of Bunbury.
- When fully developed, Footprints at Binningup Beach would comprise 32 beach shacks and 39 larger two storey townhouses.
- Other resort features include a central reception building, large heated swimming pool with a large dining pavilion, children's playground area, games room and parking areas for boats.
- Completion by 2010



### Footprint Resort – Preston Beach

- Footprints at Preston Beach is a Rapley Wilkinson Development.
- The \$50 million beach shack resort development is on a 4 hectare site close to the beach at Preston Beach - a 35-minute drive south of Mandurah.
- When fully developed, the resort will comprise 102 beach shacks and 28 larger two-storey townhouses in a similar style. Amenities will include a restaurant, two heated swimming pools, BBQ areas, tennis court, children's playground and parking areas for boats and bikes.