

ASX RELEASE

21 December 2012

ASX Market Announcements
20 Bridge Street
SYDNEY NSW 2000

Dear Sir / Madam

National Project Update

In accordance with Listing Rule 3.1, please find attached a National Project Update for the Watpac Limited Group.

Yours sincerely,
WATPAC LIMITED



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WATPAC NATIONAL PROJECT UPDATE

DECEMBER 2012



Watpac is pleased to provide the following update on our key projects.

Construction

Darwin International Airport, Darwin NT - \$40M

Watpac has been contracted to design and construct the \$40 million expansion of Darwin International Airport, Watpac's first in the Northern Territory. The project will enhance the airport's capacity and facilitate improved passenger amenities. Construction on site is scheduled to commence in April 2013 following the design development phase, currently underway.

Port Macquarie Base Hospital Expansion Project, Port Macquarie NSW - \$65M

Watpac has entered into a 50/50 Joint Venture with National Buildplan Group to deliver the \$65 million Port Macquarie Base Hospital Expansion Project. The project will provide

increased capacity and a greater range of services and improved facilities for patients including cardiology and emergency department admissions. The expansion will also house new hospital departments including ICU, paediatrics and emergency, and include new operating theatres, ambulance forecourt and main entry, and inpatient ward. Works on the project have commenced and are scheduled for completion in mid-2014.

The Mayfair Hotel, Adelaide SA - \$32M

Watpac has been contracted by Adabco Properties for the \$32 million redevelopment of Adelaide's historic Colonial Mutual Life building into a 4.5 star boutique hotel. The Mayfair Hotel will comprise 170 luxury suites, entertainment spaces and high-end retail. Early works on the building are underway with construction scheduled for completion in December 2013.



Adelaide's Colonial Mutual Life building is being redeveloped into The Mayfair Hotel



An artist's impression of the redeveloped Port Macquarie Base Hospital



An artist's impression of the new Cardinia Shire Offices

Cardinia Shire Offices, Officer VIC - \$25M

Watpac will design and build Cardinia Shire Council's new administration building in Officer, Victoria, including the integrated fitout, as part of a new \$25 million contract. The building is the first to be constructed as part of Officer's new town centre. It will be designed and built to achieve 5-Star Green Star and 4.5 Star NABERS ratings. Construction is scheduled to be completed in late 2013.

Blacktown Hospital Car Park, Blacktown NSW - \$10M

Watpac has been selected as the preferred contractor to build Blacktown Hospital's new multi-level car park. The \$10 million design and construct contract forms part of the new \$24 million facility which will create more than 600 new car parking spaces over six levels for hospital employees, patients and visitors.

Bankstown Library and Knowledge Centre, Bankstown NSW - \$19M

Watpac was successful in tendering for Bankstown's new state-of-the-art library and knowledge centre. The \$19 million facility will form an important part of the

renewal of Bankstown CBD as a major centre within Sydney. The project involves constructing a 5,000sqm building to house a library, community meeting rooms and a 300-seat theatre.



An artist's impression of the new Bankstown Library and Knowledge Centre

Dandenong Municipal Building, City of Greater Dandenong VIC - \$52M

Watpac has started constructing the new \$52 million Municipal Building for the City of Greater Dandenong. The five-storey building will house the city's new administration offices, a public library, a council chamber, community meeting rooms and a variety of retail stores. The project includes constructing a new civic square to accommodate up to 2,500 people and will be designed and constructed to achieve 5-Star Green Star and 4.5 Star NABERS ratings. It is scheduled for completion in December 2013.

Rue de Chapel, Prahran VIC - \$30M

Watpac's landmark property development in Melbourne, Rue de Chapel, was completed by Watpac Construction in early November with the first tranche of residential apartment sales settling recently. The eight-storey building is located in the heart of the Chapel Street shopping precinct and has been designed with space, light, sustainability and style in mind. The property features retail space, which is currently the subject of a leasing and sales campaign.

Single Living Environment and Accommodation Precinct Phase 2 (LEAP2), Townsville QLD - \$117M

Watpac recently completed Stage 1 of the Single LEAP2 project at Townsville's Lavarack Barracks. The campus provides an additional 272 residential units for Australian Defence Force personnel as well as recreation pavilions, BBQ areas and a car workshop/wash bay facility. During the construction phase, the workforce peaked to in excess of 400 workers – a record for Watpac's Townsville business.

La Trobe Institute for Molecular Science, Melbourne VIC - \$68M

Watpac recently completed building La Trobe University's new world-class facility for molecular science, biotechnology and nanotechnology research at its Bundoora campus in Melbourne. The cutting-edge building includes new teaching and research laboratories over six levels and was designed to achieve a 5 Star Green Star rating. The building incorporates a complex façade of timber cladding, aluminium sunshades, brighton lite concrete and hexagonal aluminium and glass panels. Cantilevered 'pod' meeting rooms project outwards from the northern façade. Internally, users and visitors have been provided with a high level of transparency to view into the teaching and research spaces.



The City of Greater Dandenong's new Municipal Building will incorporate a 2,500 person civic square, much like Melbourne's renowned Federation Square



Watpac Property's landmark residential building in Melbourne, Rue de Chapel



Watpac has recently completed the La Trobe Institute for Molecular Science



The first stage of the Translational Research Institute was completed on time and handed over to the client in November 2012. Photo courtesy of the Translational Research Institute (Wilson Architects and Donovan Hill)

Translational Research Institute, Brisbane QLD - \$227M

Brisbane's new Translational Research Institute is progressing to schedule. Watpac is involved in building three separable portions of the project. The first portion, to build the Institute's main facility and Biopharmaceutical Building, was completed in November 2012. The second portion involves refurbishing two floors in the R wing of the adjacent Princess Alexandra Hospital, which is due to commence in January 2013. The third and final portion is the fitout of the Biopharmaceutical Building, which is currently undergoing a three-month commissioning period. The fitout is due to obtain operational status mid next year.

Melbourne Park Redevelopment, Melbourne VIC - \$114M

Watpac has recently completed construction works at Eastern Plaza, Stage 1 of the \$363 million Melbourne Park redevelopment. Works have included constructing a new public plaza, eight indoor and 13 outdoor courts, state-of-the-art lounge areas, change rooms and coaching facilities, the refurbishment of and new entry to Hisense Arena, and additional parking. Works also involved the construction of Edwin Flack Bridge, which links the Melbourne Cricket Ground to AAMI Park. The walkway features the original Olympic rings used during the 1956 Olympic Games in Melbourne. The project has achieved an internationally recognised 'Leadership in Energy and Environmental Design' gold rating for ecologically sustainable development.

One Central Park and Park Lane, Sydney NSW - \$597M

Works on Watpac's largest ever residential building project are progressing to schedule. On One Central Park, preparation works for the installation of the rooftop heliostat mirrors has commenced and the fitout of the West Tower is scheduled for completion early in 2013. Planting on the West Tower's horizontal planters and vertical green walls is approximately 50 per cent complete. Construction involves the installation of 2,700 planter boxes on the 110 metre-tall building, in which approximately 100,000 plants will grow. Installation of the Sky Garden cantilever, which will be affixed to the side of the East tower, is scheduled prior to Christmas 2012. On Park Lane, construction is



Construction progress on One Central Park's east tower

progressing well with one of the buildings now nearing completion and the other two buildings are approximately 60 per cent complete.

Adelaide Airport Landside Infrastructure Project, Adelaide SA - \$75M

The third and final stage of the \$75M Adelaide Airport Landside Infrastructure Project is nearing completion, with most civil and in-ground works now completed. Final works include installing the feature curved canopy, and laying 12,000m² granite paving and coloured concrete between the main terminal and car park building. All works are scheduled for completion in early 2013.



The redeveloped Melbourne Park, looking from AAMI Stadium

Civil and Mining

Cockatoo Island Iron Ore Project, Cockatoo Island WA - \$90M

Watpac has been engaged by Pluton Resources as their preferred contractor to mine iron ore at Cockatoo Island. On conversion of the \$90 million mining services contract, Watpac will deliver drill and blast, loading, haulage and processing of ore for direct shipping, and managing island infrastructure and supporting operational services. The challenging project includes mining high-grade iron ore from behind a sea wall, with mining to progress to below sea level. The team has recently completed the commissioning of a new crushing and screening facility and loaded the first shipment.



Watpac recently loaded the first shipment of iron ore from the Cockatoo Island project

Tropicana Gold Mine, near Kalgoorlie WA - \$24M

On successful completion of the bulk earthworks and air strip construction at Tropicana Gold Mine last year, the company has been awarded a \$24 million contract to construct a tailings storage facility and undertake additional bore field work at the mine. Works are expected to be completed over an eight-month period, with commissioning scheduled for mid-2013.

Pajingo Gold Mine, Charters Towers QLD - \$15M

Watpac has been awarded a \$15 million contract to operate the 'Venue Pit' at the Pajingo Gold Mine near Charters Towers. The project follows an \$11.5 million contract to operate the 'Janet A' pit for the company, which was successfully completed in June 2012. The project involves extracting 2.3M BCM of gold bearing ore and waste. Mining has commenced and is proceeding ahead of schedule with two fleets working 24 hours per day.

Samson Brook Dam, Perth WA - \$11M

Watpac has been awarded an \$11 million contract by the Water Corporation of Western Australia to undertake the Samson Brook Dam Remedial Works Project. Works have commenced to reconstruct the dam, which was originally built in the 1930s. The reconstruction primarily involves building two new filter zones and rockfill to raise the embankment to create a larger flood storage

area. Works involve drill and blast, crushing and screening, bulk earthworks, concrete works and pipe installation. The project is scheduled to be completed in mid-2013.

Nullagine Iron Ore Project, Pilbara WA - \$330M

Watpac has been providing contract mining services at the Nullagine Iron Ore operations for BC Iron located in Western Australia's Pilbara region since late 2010. The team is currently in expansion mode, lifting the production capacity, and upgrading crushing and screening operations to meet new production requirements. The successful addition of Haulmax dump trucks for efficient long-range satellite deposit haulage has also helped increase capacity.

Mt Magnet Gold Mine, WA - \$220M

Watpac continues to exceed production targets on Ramelius Resources' gold mining operations at Mt Magnet. Site crews are now more than 100-strong and are working day/night operations on a two week on, one week off roster, flying in and out of Perth.

Woonack, Rownack and Pirro (WRP), Ouyen VIC - \$130M

Watpac continues to mine mineral sands at the WRP site in Victoria's Murray Basin. Work is progressing to schedule with the 100-person site team continually meeting or exceeding production targets. Scraper and truck fleets on this project operate 24 hours per day.

Tutunup South Mineral Sands, Busselton WA - \$35M

Watpac has been undertaking contract mining services on the Tutunup South Mineral Sands project for Iluka Resources since 2010. The team continues to meet production targets and is now 25 months Lost Time Injury and Medical Treatment Injury free.



Watpac continues to meet production targets on the Tutunup South Mineral Sands Project

Landsborough Highway, South West QLD - \$50M

The project involves upgrading an 88 kilometre, flood damaged stretch of the Landsborough Highway between Morven

and Augathella. Civil construction works have included sourcing and testing more than 265,000 tonnes of road-base gravel, conducting land access agreements and constructing haul roads. Watpac has also

constructed a camp half way between Morven and Augathella to house the 100-person team expected to be in operation at the peak of construction. The project expected to be completed by April 2013.

Specialty Services

Brisbane Girls Grammar School, Brisbane QLD - \$16M

Watpac has been awarded a design and build contract to manage the development of the new, combined Year 7 Research Facility at Brisbane Girls Grammar School. The new building integrates the latest technological development while openly displaying the school's heritage and tradition. The concept design has now been approved by the school's Board of Trustees and the process to gain Development Approval has commenced. Construction is anticipated to commence in late 2013.

Griffith University Library Extension and GUMURRII Centre, Brisbane QLD - \$17M

Works are progressing well on this project, an iconic building in the heart of Griffith University's Gold Coast campus. The first five phases of refurbishment works to the existing library have been completed and handed over to the client. Final refurbishment works will be completed in March 2013. The roof has been installed and construction is underway to finalise the façade, lifts and internal structures. Works are scheduled for completion in April, 2013.

Coates Hire Kingston, Stage 2, Brisbane QLD - \$2.7M

Watpac has been awarded a contract to build new facilities for Coates Hire at the Kingston Industrial Estate. The project involves constructing a purpose-built storage, repair and testing facility for Coates Hire portable products such as steel road barriers, water barriers and roadside signage. Watpac Property sold Kingston Industrial Estate to Charter Hall in September 2012 after negotiating a 20-year lease with Coates Hire on the property.



Works are progressing well on the Griffith University project

Caval Ridge Mine, Bowen Basin QLD - \$3.2M

Works are nearing completion on the 88 kilometre fence at BMA's Caval Ridge mine. The project has involved constructing steel and rural fencing, new rail spur, new stock route and holding yards, regrading roadways and installing fire breaks. This is Watpac Specialty Services' first project in the mining sector.

Hanwood Protein Plant, Hanwood NSW - \$4.6M

Watpac has been engaged by Barter Enterprises to design and build a new protein rendering facility in Hanwood. The facility will comprise a new purpose-built shed with tilt panel walls, steel frame and new services to house rendering equipment. The design process, which is now complete, involved considerable liaison with the equipment manufacturers based in Denmark. Construction is now underway.