

ASX ANNOUNCEMENT

16 December 2019

WestStar business SIMPEC awarded \$6M in Contract Extensions

Highlights

- **WestStar subsidiary SIMPEC has added ~\$6M in extensions to its current contracts across all SMP and E&I disciplines**
- **The contract extensions build on the original awards from SIMPEC's current clients**
- **The contract extensions increase the value of work awarded to the Company in FY2020 to ~\$30M**

WestStar Industrial Limited (Company or WestStar) (ASX: WSI), an Australian industrial services company providing engineering, construction and mining services to the resources, energy and infrastructure sectors, is pleased to advise its engineering contractor business SIMPEC has been awarded an additional ~\$6M in scope extensions to its current contracts in Western Australia.

SIMPEC Managing Director Mark Dimasi noted:

"These scope extensions are in recognition of the team's willingness to deliver to our client's expectations. It is very rewarding to see good relationships and can-do attitudes. Well done to our project teams and we again thank all of our clients for their ongoing support".

Outlook

The contract extensions build on previously announced extensions during FY2020 and brings the total of contracts awarded to the Company since 1 July 2019 to ~\$30M.

WestStar and its subsidiaries continue to tender strongly for new work and expects outcomes from these tendering activities in due course.

With its continued performance and completion of the Alltype Engineering Pty Ltd (Alltype) acquisition early next year, the Company is well positioned for a strong FY2020.

Alltype Acquisition Update

The Company is progressing well towards completion of the Alltype acquisition (the Acquisition).

The Notice of Meeting in relation to the Acquisition was dispatched to shareholders on 22 November 2019 with the Meeting to be held on 24 December 2019.

It is anticipated completion of the Acquisition will occur in early January 2020.

Alltype diversifies and expands WestStar's capability to provide end-to-end project solutions through workshop fabrication, site installation, construction and maintenance services to a broad range of industries, in both the private and public sectors.

With the Acquisition, the Company will immediately have an increased service offering, bringing ongoing contracts and greater exposure to the oil & gas, water and power generation sectors.

Upon completion of this Acquisition, WestStar will update the market on Alltype project awards, further bolstering the order book of WestStar.

Commenting on the progress of the Acquisition, WestStar CEO Robert Spadanuda noted:

“Alltype is a well-established and respected name in the industry and WestStar looks forward to pursuing strategic integration opportunities, along with a greater diversity in disciplines and proven client relationships that Alltype provides. This Acquisition broadens WestStar’s horizons and will significantly accelerate it towards increased revenues and earnings.

We have begun planning to integrate the Alltype business into the WestStar group and are excited by the meaningful opportunities it is delivering across an enlarged customer base. The increased tender book and increased probability of awards will further enhance and deliver on WestStar’s growth strategy.

We continue to deliver sustainable growth with a focus on driving profitability across the group.

We look forward to updating the market upon completion of the Acquisition”.

-Ends-

Approved for release by the Company’s Board of Directors.

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About WestStar

WestStar Industrial Limited (ASX: WSI) is an industrial services company in the resources, energy and infrastructure markets with a focus on mining services and industrial contracting for tier 1 clients.

WestStar, through its subsidiaries delivers high quality Construction and Engineering services with specialisation in Structural Mechanical and Piping (SMP), Electrical and Instrumentation (E&I), Concrete Products and Civil Services.

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