



ASX Announcement

1 December, 2016
NRW Holdings Limited
181 Great Eastern Highway
Belmont, 6104, Western Australia

Australian Securities Exchange
Perth

NRW PROPOSAL TO ACQUIRE HUGH DRILLING'S EAST COAST OPERATIONS

NRW Holdings Ltd (ASX: NWH) is pleased to announce that it has today provided a proposal to the administrators of Hughes Drilling Limited (Administrators Appointed) (**Hughes**) to acquire Hughes' East Coast coal production drilling operations, including contracts with a number of major mine operators and owners. The proposal is part of a larger proposed deed of company arrangement for certain entities of Hughes.

Upon completion the acquisition will further strengthen NRW's existing Action Drill and Blast division which is one of Australia's leading drill and blast companies in the resources and civil construction sectors.

NRW Managing Director Jules Pemberton said, "This proposed acquisition aligns with NRW's strategy to build on its existing drill and blast service offering in Queensland and presents a clear path for earnings growth. In addition, we will grow our geographical service offering due to Hughes' presence in New South Wales".

For the financial year ended 30 June 2016, Hughes' East Coast operations generated revenue (unaudited) of approximately A\$40m.

Completion of the transaction is subject to, amongst other customary conditions, approval at the second meetings of creditors of the relevant Hughes' companies to be held on Thursday 8 December 2016, with the consideration to be funded from existing cash reserves.

Kim Hyman
Company Secretary

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