



CIMIC Group Limited
ABN 57 004 482 982

Level 25, 177 Pacific Highway
North Sydney, NSW 2060 Australia
PO Box 1002
Crows Nest, NSW 1585 Australia
T +61 2 9925 6666
F +61 2 9925 6000
cimic.com.au

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ASX Market Announcements
Australian Securities Exchange Limited
Level 4
20 Bridge Street
SYDNEY NSW 2000

GORGON JETTY – UPDATE ON AUSTRALIAN ARBITRATION

CIMIC Group refers to its previous disclosures relating to the Gorgon LNG Jetty and Marine Structures Project (Gorgon Jetty), which was undertaken by CPB Contractors, a wholly owned subsidiary of CIMIC, together with its consortium partners, Saipem SA and Saipem Portugal Comercio Maritime LDA for Chevron Australia (Chevron).

CIMIC's financial statements as at 30 June 2020 included \$1.15 billion recorded in contract assets in relation to Gorgon Jetty, with no change to this position as at 30 September 2020, and recovery of these contract assets was being pursued by CIMIC through an arbitration process in Australia against Chevron.

This arbitration has now concluded, and the Arbitral Tribunal has issued an award of \$78 million to the Consortium (CPB and Saipem) and counterclaims of \$35 million to Chevron.

The overall financial outcome for CIMIC's profit and loss statement and balance sheet of the one-off impact from this award is expected to be offset by some of the existing \$675 million provision, as well as the one-off pre-tax gain of around \$2.2 billion from the Thiess transaction. The award has no impact on CIMIC's operational business or CIMIC's cash position.

Sincerely,

CIMIC GROUP LIMITED

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Authorised by the CIMIC Group Continuous Disclosure Committee