



ASX Announcement

9th December, 2016
NRW Holdings Limited
181 Great Eastern Highway
Belmont, 6104, Western Australia

Australian Securities Exchange
Perth

ACQUISITION OF HUGHES DRILLING'S EAST COAST OPERATIONS

NRW Holdings Limited (ASX:NWH) (**NRW**) is pleased to announce that following approval at the second meetings of creditors of Hughes Drilling Limited (Administrators Appointed) and 13 related entities (**Hughes**), NRW expects to complete the acquisition of Hughes' East Coast coal production drilling operations later today. The transaction was part of a broader deed of company arrangement for certain entities of Hughes.

Hughes' East Coast operations comprises a fleet of 35 large drill rigs and circa 140 employees providing services under contract to a number of major mine operators and owners in Queensland and New South Wales generating annual revenues of around \$40 million.

The acquisition will be earnings accretive with the purchase consideration of \$11 million (subject to certain completion adjustments) being funded from NRW's existing cash reserves.

The price is fully supported by independent valuations for the drill fleet and ancillary plant/equipment and further positions NRW's existing Action Drill and Blast division, as one of Australia's leading drill and blast companies in the resources and civil construction sectors.

Hughes' East Coast Operations have continued to receive strong contract tender enquiries with a current order book of \$50 million and NRW is confident for the future of the enlarged Action Drill and Blast division.

NRW Managing Director Jules Pemberton said, "This acquisition is very positive for our business and aligns with NRW's strategy to build on our existing presence in Queensland and expands our geographical service offering into New South Wales at a time of improving market sentiment. The intention is to integrate the acquisition as quickly as possible with minimum disruption to staff and clients".

Kim Hyman
Company Secretary

For more information, please contact:

Jules Pemberton
CEO and Managing Director
NRW Holdings Limited
+61 8 9232 4200

Andrew Walsh
Chief Financial Officer
NRW Holdings Limited
+61 8 9232 4200

--ENDS--