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ASX ANNOUNCEMENT

SIMPEC and IronMerge enter Joint Venture Agreement

Highlights

- WestStar subsidiary SIMPEC has formed a Joint Venture with IronMerge Pty Ltd - a Nyamal family business
- IronMerge is SIMPEC's first Indigenous JV Partner
- The JV represents a milestone achievement in SIMPEC's Aboriginal Engagement Strategy
- The IronMerge SIMPEC JV is well positioned as a project and service delivery partner of choice in the Pilbara



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 successfully formed its first Aboriginal Business joint venture, **IronMerge SIMPEC JV** with IronMerge Pty Ltd (**IronMerge**).

JV Partner IronMerge is a Supply Nation Aboriginal-owned mining and civil works service company, delivering local contracting solutions to customers across the Pilbara, driving employment outcomes for Indigenous people and local communities in the Port Hedland region. The company prides itself on being a Nyamal family business and offers direct employment for Nyamal people in the Pilbara.

IronMerge SIMPEC JV, an unincorporated 50/50 joint venture, has been formed to deliver a key component of SIMPEC's Aboriginal engagement strategy and overall commitment to returning benefit to Traditional Owners and communities within its operational footprint. The key objectives of the joint venture are;

- for **SIMPEC** and **IronMerge** to cooperate and support one another in construction and service opportunities in and around the Pilbara, winning work jointly or separately;
- to actively participate and positively contribute to the communities in which the parties operate by continuing to create local employment opportunities and engaging the community interest in everything that is done;
- to be project and service delivery partners of choice through complete alignment with our clients in meeting their goals, obligations and commitments to Traditional Owners and local Aboriginal businesses.

SIMPEC Managing Director Mark Dimasi noted:

"This is a milestone achievement not only for SIMPEC but also Ian Taylor and his IronMerge team. This is a very proud moment for all of us and I sincerely look forward to seeing this JV relationship delivering sustainable outcomes to our businesses and equally to Aboriginal business and communities.

A big thank you to all involved in bringing the first step in our ambitious goal to a reality".

SIMPEC continues to develop and strengthen its relationship with local Traditional Owners and Aboriginal businesses. We believe our overall focus on social responsibility will further enhance SIMPEC's positioning for FY2021 and beyond.

Activities under the JV will commence immediately and continue until the JV agreement is cancelled.

Although the financial impact of this agreement is not determinable at this time, with direct revenue subject to the successful tendering of work in construction and services by the JV, this agreement is anticipated to be material for the Company. This view is based on the cooperation and support gained from the JV further enhancing the Company's ability to win work in the key Pilbara region.

Outlook

Tendering and proposals across the group remains strong, with many new tenders received and being worked on. Several of the submissions were for new clients within the mining and infrastructure, and oil and gas sectors. The results of increased activity and tendering is now delivering positive outcomes for the business.

We look forward to updating the market as these opportunities become successful.

-Ends-

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About WestStar

WestStar Industrial Limited (ASX: WSI) is an industrial, steel fabrication, installation and maintenance services company focussed on the resources, oil and gas, water and infrastructure sectors.

About SIMPEC

SIMPEC 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.

For more information: www.simpec.com.au

About Alltype Engineering

Alltype Engineering leverages off its fabrication capability and provides complete project solutions including SMP and E&I site installation, construction and maintenance services, across almost every industry in Australia. Alltype delivers consistent quality products and services that underpin its commitment to its vision "to be recognised as the preferred partner in delivering integrated fabrication, site and maintenance services with reliable, innovative and cost-effective solutions".

For more information: www.alltypeengineering.com.au

ASX release authorised by the Board of Directors of WestStar Industrial Limited.