

*Well Positioned for Project &
Growth Opportunities Across Key
Industrial Markets*

Investor Presentation

August 2018
(ASX:WSI)



INVESTMENT HIGHLIGHTS: WHY WESTSTAR?

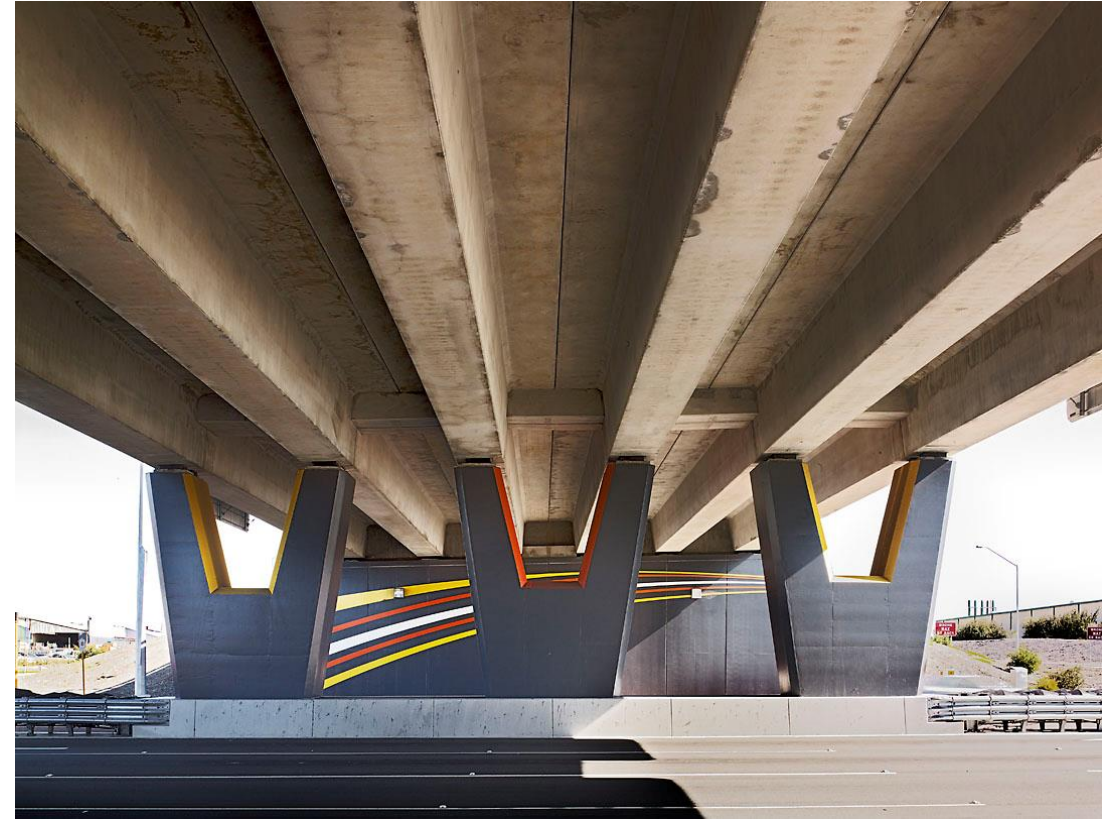
- ✓ **Right sectors:** positioned to exploit any economic upturn in Western Australia
- ✓ Successfully added two new businesses over last 12 months which are generating growing revenue
- ✓ **Significant track record** of repeat work and new contracts with tier 1 client companies
- ✓ **Right people:** Highly-experienced board and management
- ✓ **Robust financial performance** – No debt & strong revenues



YTD Order Book ~ +\$7.9M – 90% of FY18 Order Book Secured In 1st Two Months FY19

WESTSTAR GROUP CAPABILITIES

- ASX-listed (ASX: WSI) industrial conglomerate specialising in construction (infrastructure, mining, oil & gas), concrete fabrication and property development
- Unique multi-disciplinary contracting model, cross referring clients between business units generating further revenue and strong client relationships
- 3 Independent, 100% owned subsidiaries working across multiple disciplines



WESTSTAR'S 3 100% OWNED SUBSIDIARIES



Emerging engineering, construction and mining services company with specialist experience in large resources projects

- Civil, SMP & E&I
- Capital construction project delivery
- Asset Management Services
- Earthworks



Established pre-fabricated concrete construction company with substantial operational office in Kwinana, Western Australia

- Precast Concrete Fabrication
- Feature architectural precast walls
- Supply, Install and Deliver



New property development business leveraging WSI managements and aimed at commercial / mixed use projects

- Mid-size commercial and mixed use property development



WESTSTAR'S UNIQUE BUSINESS MODEL

Infrastructure, Mining, Oil & Gas - Concrete Fabrication – Property Development

- ✓ Diversified construction into complementary sectors
- ✓ Repeat business with major tier 1 companies
- ✓ Focus on niche market: minor capital works \$500k to \$20m
- ✓ Full turnkey construction and contractor service
- ✓ Supply and install of precast concrete and structural steel
- ✓ Low cost to operate and agile with the ability to compete with the likes of Monadelphous, UGL, BGC etc
- ✓ Diversified offering allows multiple tendering within the same project. i.e. SMP, E&I, Civil, precast concrete etc
- ✓ Multi-product offering added into up-and-coming projects tendered

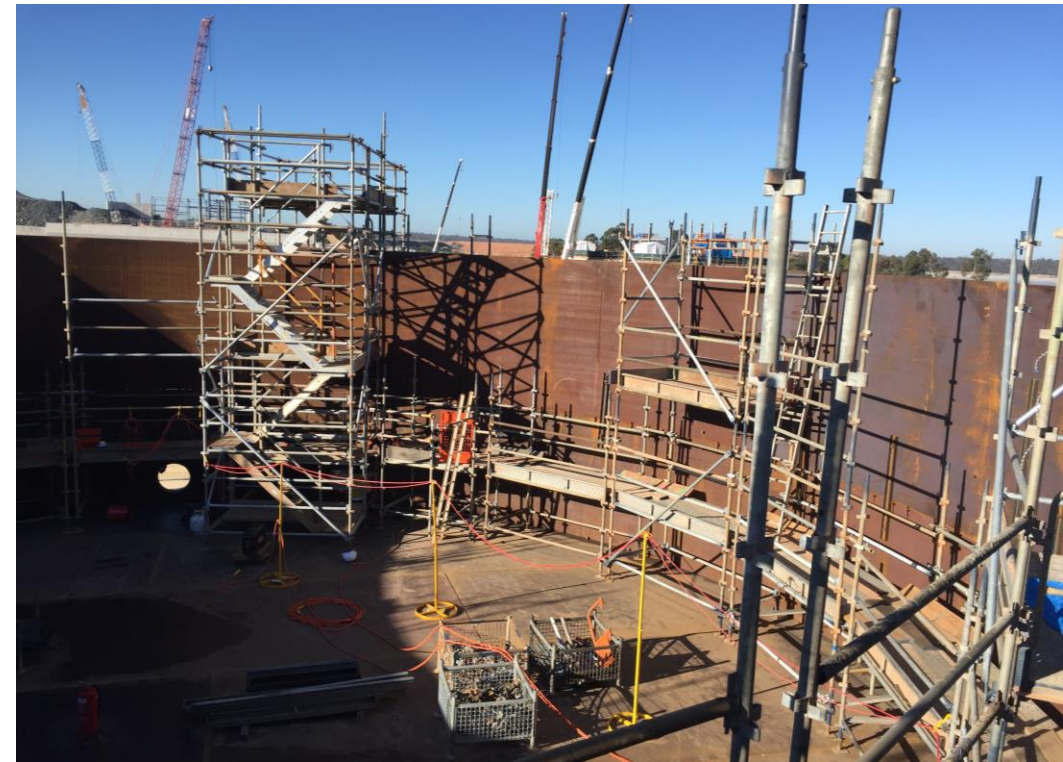


CONSTRUCTION CONTRACTOR

Structural – Instrumentation – Mechanical – Piping – Electrical – Civil

- Fully integrated solution with multi-disciplined experience from design, fabrication, site installation, commissioning and Asset Management Services
- Providing skills to deliver Infrastructure, Mining and Oil and Gas projects in:
 - ✓ Management of Design Engineering in Civil, SMP & E&I;
 - ✓ In situ concrete, grouting and in house leading industry precast
 - ✓ Capital construction project delivery;
 - ✓ Asset Management Services;
 - ✓ Earthworks;
 - ✓ SMP Major Construction; and
 - ✓ E&I Major Construction.

Lead positively, create teams and be like no other



SIMPEC PERFORMANCE

- Newly formed subsidiary commencing trading in August 2017
- Major contracts with tier 1 companies – BHP, Iluka Resources, MSP Engineering (Talisson Mine)
- Major contract extensions demonstrate
 - strong client relationships
 - significant value SIMPEC brings to projects
- Increasing margins through expanded scopes of work



PROJECTS EXAMPLES - SIMPEC

BHP

South Flank Mine

- Project Value: ~\$450,000
- 6 month project – (Commenced Feb 18)
- Expert engineering services contract for ore handling plant



Talison Lithium

Tanks and cable pits



- Combined Project Value: ~\$5m
- Tank package: design, construction, supply and install of process water tanks
- Supply and installation of direct buried high voltage and fibre optic cables and construction of concrete cable pit

Iluka Resources

Cataby Project



- Project Value: ~\$1.5 million
- 10 month project – (Commenced Oct 17)
- Installation of complete electrical and communication system for accommodation facilities
- 30,000m of cable installed incident and injury free





PRECAST
AUSTRALIA

WS WEST STAR
INDUSTRIAL

PRE-FABRICATED CONCRETE CONSTRUCTION

Unique Single Solution Provider

- Supply and install model providing an all-encompassing product range - including feature architectural precast walls - to secure higher revenues on an individual project basis
- This business model does not exist in the Western Australian market and positions Precast Australia as a 'SINGLE SOLUTION PROVIDER'
- By taking manufacturing off site and offering installation services, Precast Australia provides a solution to mitigate the biggest risk to large scale projects – TIME



PRECAST AUSTRALIA PERFORMANCE

- Completed works with: Salini, Jaxon, Cockram, Vaughans, Pindan, Multiplex
- Significant tenders live and pending award for FY19
- Improving economic conditions in the Western Australia and quality of work supporting higher margins



PROJECTS EXAMPLES - PRECAST AUSTRALIA

Multiplex

Mandurah Forum Shopping Centre

- Project Value: ~\$3.5m
- Circa 1,500 wall panels supplied



NRW Salini Impregilio

Perth Airport Link

- Project Value: ~\$1.5m
- Circa 500 panels supplied and retaining walls



Scentre Group

Westfield Carousel Shopping Centre

- Project Value: ~\$1.5m
- Circa 120 wall panels supplied





PROPERTY DEVELOPMENT BUSINESS

- Property development business launched in May 2018
- WestStar's response to reverse inquiry addressing a niche in small to mid-size commercial and mixed-use property projects
- Leverages the expertise of SIMPEC and Precast Australia
- Offering developers alternative financing arrangements

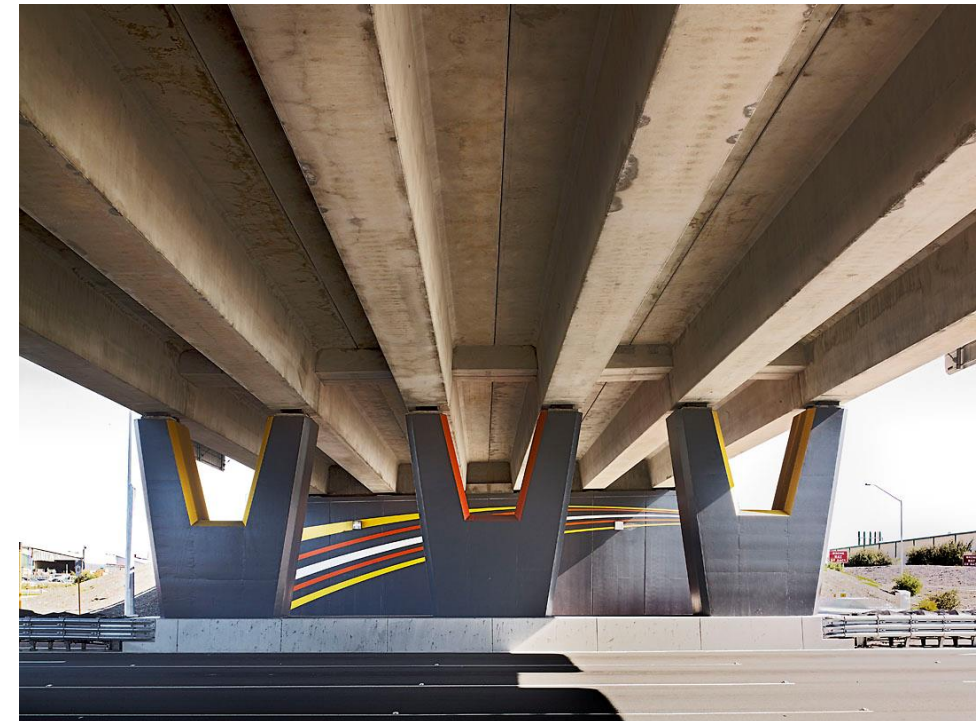
First Contract Award

- Design and manage construction of an inner city mixed-use property development in West Perth with a build cost to the value of ~\$9M
- Will generate at least \$1.26M in revenue for Distinct
- Actively in discussions for a number of projects



Extracting further value from WestStar group contracts

- Synergistic offering of precast concrete, structural steel works, E+I, Civil and project management
- Demonstrated ability to extract further value with Precast contract with RHG Contractors resulting in SIMPEC steel installation award
- SIMPEC's Electrical and Instrumentation capability represents next opportunity on Precast tenders
- Multi-product offering added into up-and-coming projects tendered
- Distinct will soon be awarding building and subcontractor contracts with Precast and SIMPEC in prime position



CURRENT CLIENTS PORTFOLIO

BHP



MULTIPLEX



SCENTRE GROUP
Owner and Operator of *Westfield* in Australia and New Zealand



WBHO



LAING O'ROURKE



**JOHN
HOLLAND**

**WS WEST STAR
INDUSTRIAL**

SIGNIFICANT ACHIEVEMENTS OVER LAST 24 MONTHS

2017

- March: New Board and Management Appointments
- April: \$3m contract win Mandurah Forum (Multiplex)
- May: \$1.5m placement
- June: \$1m Forrestfield Airport Link contract award
- July: \$1m Westfield Carousel (Scentre Group) contract award
- August: SIMPEC acquisition
- November: \$1.5m contract awarded with Iluka at the Cataby mine

2018

- February: Contract win with BHP
- February: 1st contract at Talison Lithium Mine (MSP Engineering)
- May: Distinct Developments launch
- June: First SIMPEC/Precast dual tender win – RHG
- June: Contract win for \$9m mixed-use development
- July: Increased scope at Talison Lithium Mine
- July: Awarded 2nd order for BHP Billiton Iron Ore's South Flank Mine
- August: SIMPEC Awarded \$1M Mechanical Installation Contract

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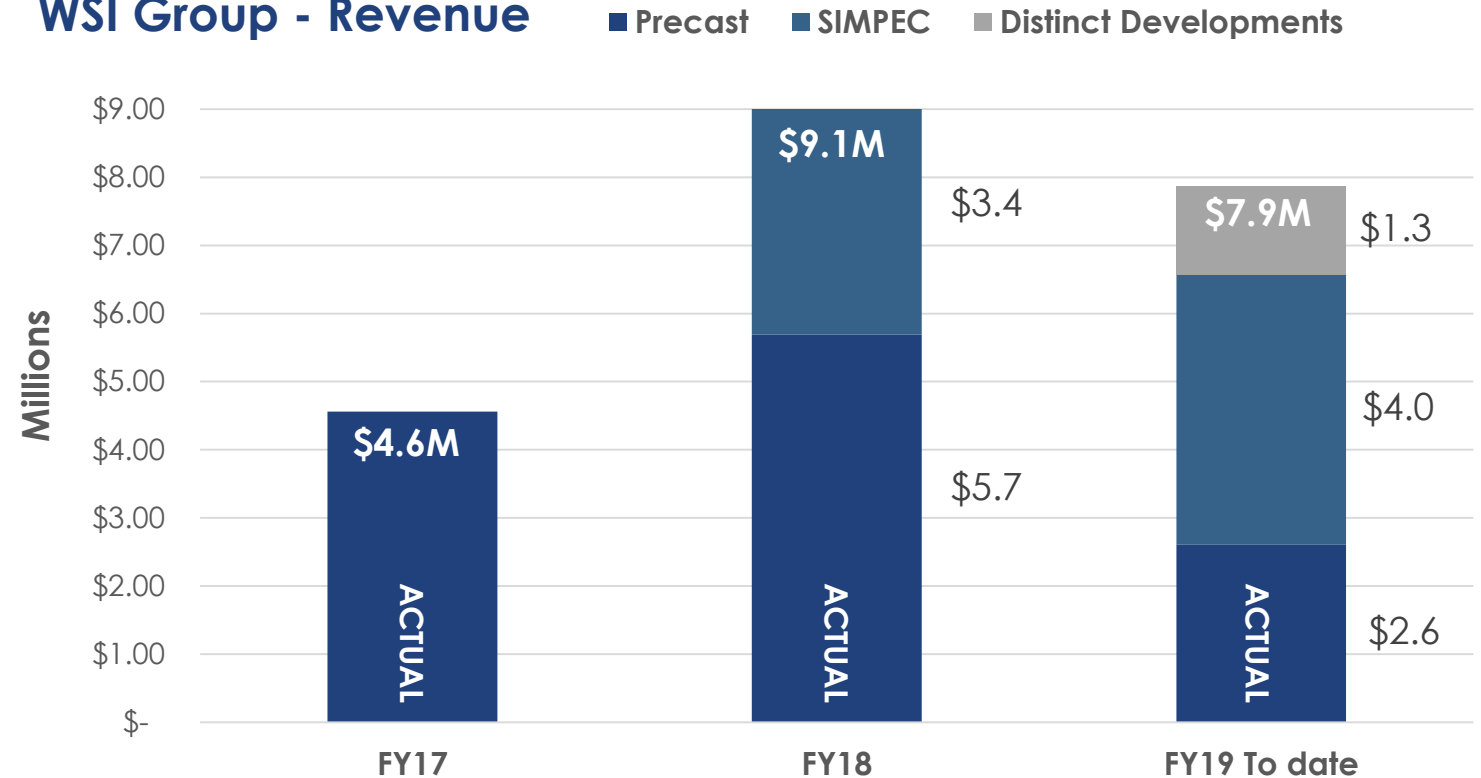
- ✓ **March 2017 THEN** Poor performance: WSI performing poorly, with revenues of \$3M, indebted and with negative underlying results;
Change required to build a successful business
Management and Board restructure: strategic board and management appointments;
- ✓ **August 2017** **Change management initiatives:** renewed focus on contract awards and market positioning;
Additional revenue streams: acquisition of SIMPEC led by highly experienced former UGL management;
- ✓ **May 2018** **Additional revenue streams:** launch of Distinct Development;
- ✓ **August 2018 NOW** **Leveraging WSI's market positioning:** revenue generating, profitable subsidiaries, set to exploit the next economic upturn, in synergetic industries;
Leveraging WSI's management capabilities: highly experienced management team and board who have re-positioned a one revenue stream, loss making company, into a revenue generating, profitable diversified industrial group in under 18 months;
Undervalued proposition: small market cap group, no debt, with demonstrated growth potential.



WSI – FINANCIAL METRICS

**~90% of FY18
Order Book
Secured in First
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WSI Group - Revenue



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CLEAR GROWTH STRATEGY

Maintain & Develop Client Relationships

Continually develop/maintain strong client relationships highlighted by repeat work

Increase Project Scale

Demonstrate quality capabilities to grow market traction and win new and larger contracts

Service Offering Expansion

Increase diversification via new service offerings

Geographical Expansion

Pursue clients and projects nationally in order to expand project pipeline

Targeting projects and possible acquisitions to enter into VIC, NSW and QLD markets



HIGHLY EXPERIENCED MANAGEMENT TEAM



Robert Spadanuda

Group CEO WestStar Industrial Ltd

- Held CEO roles with large scale precast concrete and construction companies over the past 15 years
- In excess of twenty years' experience in large Scale Precast operations



Mark Dimasi

Managing Director SIMPEC

- 22 years' experience in Management positions within the Engineering, Construction and Asset Management Services industry
- Oversaw the construction of major mining, oil and gas projects as Construction / Project Manager and Building Contractor's Licence holder for UGL Limited
- Successfully executed the delivery of major Process and Infrastructure projects for a number of blue-chip clients with exposure across all commodities



David Dimasi

Director SIMPEC

- Experienced Project Manager executing E&I works, as well as stand-alone specialised electrical and instrumentation installations
- Previously Electrical Contractor's Licence holder for UGL Limited
- Extensive experience in both brownfield and greenfield environments



Peter Horvath

Commercial Manager

- 25 years of contract and commercial management experience at top-tier blue chip mining and oil and gas contracting
- Specialist in risk management; procurement; subcontract development; budget preparation and financial cost reporting



Mitesh Raghwani

Group Chief Financial Officer

- International experience in tax, accounting and audit roles across Europe and Australia;
- Chartered Accountant and a Fellow Member of the Association of Chartered Certified Accountants (UK).

WESTSTAR INDUSTRIAL – COMPANY SNAPSHOT

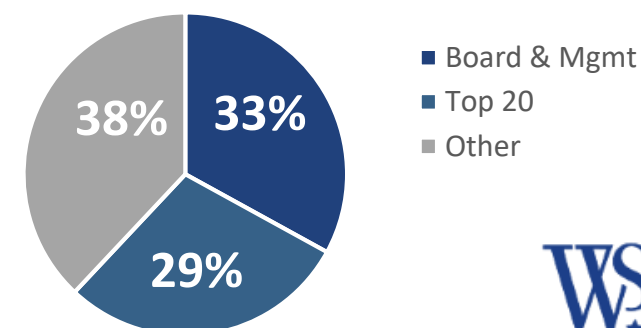
WestStar Industrial	ASX Code: WSI
Share Price (as at 1 August 2018)	1.7 cents
Shares on Issue:	496M
Market Capitalisation:	\$8.4M
Cash on Hand (as at June 30 2018):	\$1.7M
Enterprise Value:	\$6.7M
Options on issue (ex \$0.02 6/12/18)	192M

WestStar Industrial	Board members
Philip Re <i>Non Exec. Director</i>	<ul style="list-style-type: none"> Chartered Accountant and a Member of the Institute of Company Directors 20 years' corporate experience Significant ASX director experience
Bert Mondello <i>Non Exec. Director</i>	<ul style="list-style-type: none"> Strong equities experience in both retail and institutional sectors More than 20 years' experience as a capital markets executive Driven a number of IPOs, RTOs, investor placements and seed raisings
Lay Ann Ong <i>Non Exec. Chairman</i>	<ul style="list-style-type: none"> Held senior executive positions with both public and private companies Director of ISDN Investments, a wholly owned subsidiary of ISDN Holdings Limited, listed on the Singapore exchange (SGX)
Derek Hall <i>Company Secretary</i>	<ul style="list-style-type: none"> Chartered Accountant, Chartered Secretary and fellow of FINSIA Business restructuring and compliance specialist

Share Price Performance



Capital Structure



INDUSTRY SNAPSHOT



Mining, Oil & Gas Industrial Sector

- Total construction projects (building, civil engineering projects, mining, oil & gas) to grow 8.2% FY 2018/19 (BCI Economics)
- Rebound in commodity prices and mining activity witnessing increased construction opportunities
- Commencement of major mining /oil & gas projects in mining-focused states of WA and QLD
- Excess capacity in WA construction industry in recent years is being taken up in 2018/19
- Significant opportunities for WestStar's full Turn Key Minor capital works solution
- More than \$130 billion in major projects underway in WA*

* <https://www.businessnews.com.au/article/130bn-of-major-projects-in-WA>

Precast Concrete Industry

- High growth expected over coming years due to large-scale investments in infrastructure & industrial sectors
- Building method of choice over conventional time-consuming approaches
- Higher margins gain as a result of reduced on-site labour costs
- Numerous applications across multiple industries (construction, mining, oil and gas)
- Marked presence in the market / Precast Australia's profile held highly and respected in Market place

CONTACT DETAILS



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