

WestStar raises \$2.4m to support strong project pipeline

ASX Release

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**WESTSTAR
INDUSTRIAL LIMITED**
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Contact:

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Directors:

Lay Ann Ong
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Secretary:

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Issued Capital:

495,754,616 shares

ASX Symbol:

WSI

Highlights:

- Successful A\$2.4 million placement, with strong support from existing shareholders along with the introduction of new high-quality domestic and international institutional and professional investors
- Placement funds will enable continued pursuit of WestStar's significant opportunities in the improving resources, building and infrastructure sectors including WestStar's ~A\$33 million YTD FY19 contract order book

WestStar Industrial Limited ("WestStar" or "the Company") is pleased to advise that it has received commitments for a placement of new ordinary shares to domestic and international institutional and professional investors to raise A\$2.4 million.

Following recent contract wins and the identification of a positive upturn in the markets in which its businesses operate, the funds raised will assist WestStar to deliver on both anticipated growth in contracted projects and high confidence project pipeline. Net proceeds from the Placement will be used in the following key areas:

- **SIMPEC Pty Ltd ("SIMPEC"):** delivery and potential scope extensions to contracts with top tier customers including Rio Tinto, MSP Engineering, Talison Lithium and Tianqi Lithium;
- **Precast Australia Pty Ltd ("Precast Australia"):** delivery and potential scope extensions to contracts such as the Salini Impregilo NRW JV Forrestfield Airport Rail Link Project and to capitalise on an improving precast concrete market; and
- **WestStar:** strengthening the balance sheet and general working capital.

WestStar received strong support for the capital raising and the Company is especially pleased to welcome new investors as shareholders of the Company to supplement the ongoing commitment and investment of long-term supporters. Hartleys Limited was engaged as Lead Broker to the Placement.

WestStar CEO Robert Spadanuda said:

"With WestStar already having accumulated contracts totalling ~\$33M for the current financial year, proceeds from the Placement will be used to further accelerate the growth of the WestStar businesses and strengthen its balance sheet. With general sentiment improving and both Precast Australia and SIMPEC continuing to be very active in tendering, the Placement is considered to be a prudent step in continuing the momentum that has been generated over the past year."

Placement Details

The Placement price of 2.0 cents represented a 13.0% discount to the last closing price of 2.3 cents and an 8.8% discount to the 5-day VWAP (Volume Weighted Average Price).

The Placement was made to investors qualifying under Section 708 of the Corporations Act and the Company has used its existing issue capacity under Listing Rules 7.1 and 7.1A to complete the issue. The Placement will comprise 120 million shares (being 70,424,539 shares under LR 7.1 and 49,575,461 shares under LR 7.1A) with settlement anticipated to occur on Wednesday, 17 April 2019.

For further information please contact:

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About WestStar

WestStar Industrial Limited (ASX: WSI) is an Australian industrial conglomerate with a unique offering comprised of three specialist operating businesses: Precast Australia Pty Ltd (concrete fabrication) SIMPEC Pty Ltd (construction contractor) and Distinct Developments (property developer).