

ASX Release

13 May 2019

**WESTSTAR
INDUSTRIAL LIMITED**
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Issued Capital:

615,754,616 shares

ASX Symbol:

WSI

WestStar Trading Update

WestStar Industrial Limited ("WestStar" or "the Company") is pleased to provide an updated breakdown of its impressive year to date order list. The Company boasts a blue-chip client list consisting of:

Year to Date Orders FY2019:

 	\$10M at FMG's Eliwana Mine via ATCO	\$10.0M
	\$5M in Scope extensions across existing contracts	\$5.0M
	\$4.5M at Cape Lambert (Direct), \$4M at West Angelas via ATCO	\$8.5M
	\$1.7M at Cataby (Direct), \$0.3M at Cataby via Grounded	\$2.0M
	\$8M at Tianqi Lithium, \$6M over 3 awards at Talison Lithium	\$14.0M
	\$0.5M at South Flank	\$0.5M
	\$1M at Forrestfield Airport Rail link	\$1.0M
Other contracts including <i>PACT</i> , <i>Vaughan</i> , <i>Lendlease</i> , <i>ADCO</i> and <i>Ertech</i>		\$7.0M

Total \$48.0M

The Company is firmly focussed on continuing the recent success of engineering contractor business SIMPEC Pty Ltd ("SIMPEC"). In May 2019 alone, the Company announced significant contract wins for SIMPEC in the form of \$5 million of scope extensions on current contracts and a \$10 million contract awarded by ATCO to supply and install the Electrical, Communications and Dry fire systems for an 800-room Mine camp at Fortescue Metals Group's Eliwana mine site in the Pilbara, Western Australia.

The Company's other core business Precast Australia Pty Ltd ("Precast Australia") is also beginning to benefit from improved market conditions in the construction and resources industries. Both SIMPEC and Precast Australia have been tendering strongly for new works.

Distinct Developments ("Distinct")

The Company has today been advised by the owner of the 24 Prowse Street property ("Property"), which is the subject of a development contract ("Contract") with Distinct – that the Property has been put on the market for sale. The Company understands that the owner is testing the market and if these efforts are successful, the owner may or may not proceed with its current plans.

The Company previously advised that it would generate a minimum of \$1.26 million in revenue from the Contract consisting of a project management fee; minimum interest of \$150,000 on a loan of \$750,000 advanced to the owner; and a \$750,000 development bonus (ASX: 12 June 2018).

In terms of the Company, there is no change to report at this time – the Company continues to act for the owner under the Contract. Should an acceptable offer be received and accepted by the owner, this would potentially impact only the Contract's development bonus component – assuming the prospective new owner does not engage Distinct.

There has been no change in the status of the loan advanced by the Company to the owner. The Company retains security over the Property ensuring its minimum project management fee (\$15,000 for a minimum of 24 months) and minimum interest payments will be received on what (given recent contract wins) is now a minor contract for the Group.

Outlook

WestStar is focussed on growing the SIMPEC business sustainably and profitably. Together the WestStar companies SIMPEC and Precast have been awarded ~\$48M of contracts during YTD FY19. Although the Distinct business has not contributed to this total, it continues to contribute to the overall capabilities of the Group.

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).