

ASX ANNOUNCEMENT

18th June 2020

ACN: 118 300 217

181 Great Eastern Highway, Belmont Western Australia 6104
PO Box 592 Welshpool, Western Australia 6986

Tel +61 (0)8 9232 4200 Web nrw.com.au

Update in Relation to Gascoyne Resources Limited

NRW Holdings Limited (ASX:NWH) ("NRW" or "the Company") notes the announcement by FTI Consulting as Voluntary Administrators to Gascoyne Resources Limited (ASX: GCY) and its related entities ("Gascoyne").

The announcement relates to a proposed recapitalisation plan to be voted on at a meeting of Gascoyne creditors on 25th June 2020 involving:

- i. an equity raising from new and existing shareholders in the order of \$70-\$80 million¹; and
- ii. reaching separate arrangements with key stakeholders being the Senior Secured Lenders, NRW, and unsecured creditors for the repayment of pre appointment debts.

Gascoyne owed \$32.7 million ("amount owed") to NRW at the time of the appointment of Voluntary Administrators. The amount owed representing a loan provided to Gascoyne and trading debts for work performed was fully impaired by NRW in the 2019 financial accounts.

The proposed recapitalisation plan offers the potential for a 100% return of the amount owed to NRW via a combination of:

- An upfront cash payment equal to 5% of the gross proceeds of the equity raising;
- Issue of equity equal to \$12 million at the issue price under the equity raising; and
- A contingent payment amount for the balance linked to ounces produced and the gold price.

NRW has worked closely with FTI Consulting and Gascoyne Resources on the Dalgara project to support operational priorities over the past 12 months. NRW remains focused on performing the Mining Contract and on supporting the recapitalisation plan towards a successful outcome.

NRW notes the timetable for the recapitalisation plan and does not expect any resulting cash flows to impact the current financial year's results.

Kim Hyman
Company Secretary

This ASX Announcement has been approved in accordance with the Company's published continuous disclosure policy and authorised for release by the Board of NRW Holdings Limited.

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

¹ It is anticipated that a prospectus for the offer of new shares will be made available by Gascoyne on or around the end of July 2020.

About NRW Holdings Limited:

NRW is a Leading, diversified provider of contract services to the resources and infrastructure sectors in Australia. With extensive operations in Western Australia, South Australia, New South Wales, Queensland and Victoria. NRW's geographical diversification is complemented by its delivery of a wide range of operations. These encompass civil expertise including bulk earthworks and concrete installation; contract mining and drill and blast. NRW also offers a leading original equipment manufacturing (OEM), specialist maintenance (shutdown services and onsite maintenance), industrial engineering and innovative materials handling design capability with comprehensive additional experience for refurbishment and rebuild service for earthmoving equipment and machinery. NRW has a workforce of around 6,000 people supporting more than one hundred projects around Australia supporting clients across the infrastructure, resources, industrial engineering, maintenance and urban sectors

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