

# ASX MEDIA ANNOUNCEMENT

20<sup>th</sup> November 2014

## STRATEGIC PLACEMENT

- Two tranche \$14m strategic placement ("Placement") to Brookfield Capital Partners III, a private equity fund managed by Brookfield Asset Management Inc. ("Brookfield")
- Placement price at \$0.47, a 6.8% premium to last close and 10.4% premium to one month VWAP
- Funds used from the Placement will be used to reduce debt and provide additional working capital
- Strategic partnership between GCS and Brookfield formed to drive industry consolidation and expand GCS' products and skill set nationally

## DETAILS OF THE PLACEMENT

Global Construction Services Limited (ASX:GCS, "GCS") is pleased to announce that it has agreed to issue 29.8m ordinary shares at \$0.47 per share to Brookfield Capital Partners III, a private equity fund managed by Brookfield, to raise \$14m.

The Placement pricing is at a 6.8% premium to last close and 10.4% premium to one month VWAP.

The Placement will be conducted in two tranches:

- Tranche A: 25.5m ordinary shares will be issued to Brookfield shortly at \$0.47 per share to raise \$12m under GCS' 15% placement capacity pursuant to ASX Listing Rule 7.1; and
- Tranche B: 4.3m ordinary shares will be issued to Brookfield at \$0.47 per share to raise \$2m subject to shareholder approval at a general meeting scheduled to take place mid to late January as well as GCS re-affirming standard representations at time of issue of Tranche B.

Funds used from the Placement will be used to reduce debt and to provide additional working capital. Post Tranche A and B, Brookfield will hold approximately 14.9% of issued capital in GCS.

In addition to the Placement, GCS and Brookfield have signed an Anti-Dilution Deed ("Deed") such that if there is any future offer of ordinary shares in GCS to a third party for cash consideration for the purpose of raising equity, GCS has agreed to offer further ordinary shares to Brookfield on the same terms as they are offered to the third party to allow Brookfield to maintain its percentage shareholding in GCS. This anti-dilution arrangement is subject to the receipt of an ASX waiver and if the waiver is not obtained within six months from the date of the Deed, either GCS or Brookfield may terminate the Deed.

The Placement is part of a strategic partnership between GCS and Brookfield formed to pursue industry consolidation and expand GCS' products and skill set nationally. GCS' East Coast JV, Smartscaff, has significantly exceeded growth expectations and demonstrates the ability of GCS to find the right partners to diversify geographically.



GLOBAL CONSTRUCTION  
SERVICES LIMITED  
ABN 81 104 662 259

ASX CODE  
GCS



On-site Workforce



Scaffold and Access Solutions



Plant and Equipment



Vehicle Fleet Rentals



Formwork and Concreting



Site Accommodation



Specialised Site Services

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The skills, contacts and balance sheet of Brookfield make it an ideal partner for GCS to work with to continue to drive its East Coast expansion, to consolidate a highly fragmented industry and to take advantage of the increasing number of distressed opportunities coming available – particularly in the resources exposed segment of the market.

GCS has been advised by UBS AG, Australia Branch in relation to the Placement.

### ABOUT BROOKFIELD PRIVATE EQUITY

Brookfield Capital Partners III is a private equity fund managed by Brookfield. The private equity team's sectors of expertise include building materials, durable goods, commercial and household fixtures, metals and mining, construction and engineering, oil and gas, forest products, paper and packaging, industrial manufacturing, financial services, and franchise and business services. Brookfield is a global alternative asset manager with approximately US\$200 billion in assets under management. The company has over a 100 year history of owning and operating assets with a focus on property, renewable power, infrastructure and private equity. In Australia, Brookfield has built a significant operating platform with approximately 3,000 employees and assets under management in excess of US\$19 billion. Brookfield is co-listed on the New York, Toronto and Euronext stock exchanges under the symbol BAM, BAM.A and BAMA, respectively. For more information, please visit our website at [www.brookfield.com](http://www.brookfield.com).

### ABOUT GCS

The GCS Group is an Australian construction and maintenance services company that offers a diverse range of integrated products, services, and solutions covering the Infrastructure; Energy; Oil & Gas; Resource & Industrial; Commercial; and Residential sectors. The GCS Group's strategy for growth is to continue to capitalise on opportunities in the sectors it currently services, explore new markets and products, diversify into related industry sectors, and acquire selected new businesses that create value for shareholders.

-ENDS-

#### Further Information:

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