

ASX RELEASE

16 October 2014

ASX Market Announcements
20 Bridge Street
SYDNEY NSW 2000

Dear Sir / Madam

Watpac secures enhanced bank guarantee facility

Watpac Limited ('Watpac' or 'Group') today announced it has secured an increase to its bank guarantee facility to \$100 million.

This additional \$20 million facility represents a 25% increase on Watpac's previous facility limit of \$80 million, with the expanded facility forming part of the Group's syndicated banking arrangements with ANZ, HSBC, BNP Paribas and Bank of Queensland.

A press release is attached.

Yours sincerely,

WATPAC LIMITED



Mark Baker
COMPANY SECRETARY

PRESS RELEASE

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Watpac Managing Director Martin Monro said the increased facility supports the Group's long-term operational plans.

"We have substantial capacity to grow our workbook across all of the Group's business operations and regions, particularly in Contracting, and this enhanced banking arrangement is an endorsement of our efforts to continue to deliver quality outcomes for our clients," Mr Monro said.

"With almost \$2 billion of work in hand across the company's contracting businesses, the facility will allow Watpac to continue to pursue new project opportunities across the country."

Watpac Chief Financial Officer Mark Baker said the Group is well placed with a strong balance sheet in an improving construction market.

"Securing the increased bank guarantee facility provides Watpac with a competitive advantage in the current market, and ensures the Group is able to build on the solid platform we have established over the past few years," Mr Baker said.

"This facility increase amends the existing three year syndicated banking arrangement finalised in May this year, which also includes a \$25 million revolving credit facility.

"Achieving this enhanced limit so soon after reaching financial close on our new syndicated facility is a testament to our keen focus on financial strength and improving shareholder returns."

Nationally, Watpac is delivering a number of major projects including the \$114 million Southpoint Office Tower in Brisbane, Queensland; the \$83 million Nuclear Medicine Molybdenum-99 Facility in Lucas Heights, New South Wales; the \$60 million Leicester Street Student Accommodation Project in Melbourne, Victoria; stage one of the new Mater Private Hospital in Springfield, Queensland, valued at \$47 million; and the \$29 million mining services contract with Hanking Gold Mining at its Cornishman Pit, located at the centre of its Southern Cross operations in Western Australia.

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For further information: Amanda Campbell, Corporate Affairs Manager on 07 3251 6453 or 0402 023 015.

Note to editors: Watpac is a leading, national construction and mining contracting group. We have been listed on the Australian Securities Exchange since 1985 and have offices in Brisbane, Townsville, Sydney, Melbourne, Adelaide and Perth. More information is available at www.watpac.com.au.

WATPAC LIMITED
ABN 98 010 562 562

Level 1, 12 Commercial Road
Newstead QLD 4006
PO Box 2053
Fortitude Valley QLD 4006

Phone 07 3251 6300
Fax 07 3251 6393
Web www.watpac.com.au

