

ASX RELEASE

19 March 2015

ASX Market Announcements
20 Bridge Street
SYDNEY NSW 2000

Dear Sir / Madam

Watpac awarded \$78 million contract to build new hotels and conference centre at Brisbane Airport

In accordance with listing rule 3.1, Watpac Limited ('Watpac' or 'Group') advises that it has been awarded a \$78 million contract by Flynn Property Group and Scott Flynn Properties to construct two hotels and a conference centre at Brisbane Airport.

A press release is attached.

Yours sincerely,

WATPAC LIMITED



Mark Baker
COMPANY SECRETARY

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Thursday 19 March 2015

\$78 MILLION CONSTRUCTION DEAL SEALED FOR BRISBANE AIRPORT HOTELS AND CONFERENCE CENTRE DEVELOPMENT

Brisbane developers Flynn Property Group and Scott Flynn Properties have signed a \$78 million contract with Watpac Limited (Watpac) for the construction of their \$150 million hotels and conference centre development at Brisbane Airport.

The development, which will feature the 5-star Pullman Hotel, 3.5-star Ibis Hotel and the Brisbane Airport Conference Centre, sets a new benchmark as the airport's biggest external development.

Flynn Property Group Managing Director Anthony Flynn said he and joint venture partner Scott Flynn from Scott Flynn Properties were delighted to have Watpac on board to deliver this landmark Brisbane development.

"Not only is this \$150 million development the biggest third party development project ever undertaken at Brisbane Airport, it's arguably the best hotel opportunity on the east coast of Australia," Mr Flynn said.

"It's strategically located at the centre of a bustling airport with exposure to more than 22 million passengers annually and is highly accessible from across Brisbane by road and rail," he said.

Set on 7,826m² of prime airport real estate in the Domestic Terminal Precinct on Dryandra Road with panoramic views, the development will include a mix of 373 suites across both Accor branded hotels, as well as 1,735m² of conference, meeting and event space in the connecting conference centre.

With site preparation and major works due to start in May 2015, construction will continue through to April 2017 and is expected to create an estimated 1,000 jobs during this time.

Watpac Limited Managing Director Martin Monroe said the Group is extremely pleased to be working with Flynn Property Group and Scott Flynn Properties to deliver this development.

"We are proud to be involved in the delivery of this exciting project which will shape what is essentially the gateway to Brisbane," Mr Monroe said.

"This project is a great addition to our workbook and will draw upon Watpac's national experience in delivering luxury, high quality hotel developments."

Positioned for the top-end and executive traveller markets, the 10-level **Pullman Brisbane Airport** will feature 130 rooms including two presidential suites and 10 junior suites, an upscale restaurant and lounge bar, leisure and lap pools, an executive club lounge and business centre. It will be Brisbane Airport's first 5-star hotel and the first purpose-built, branded 5-star hotel built in Brisbane in over a decade.

The adjoining nine-level **Ibis Brisbane Airport** will offer 243 rooms, including 99 superior rooms, alfresco dining and a stylish roof top bar with unbeatable views across the airport to Moreton Bay, the CBD and Brisbane suburbs.

Capping off the two-tower hotel development will be the **Brisbane Airport Conference Centre**. This Centre will be capable of hosting up to 600 delegates across 13 conference and meeting rooms, including a 300 seat pillar-less ballroom, boardrooms, business centre, cloakroom and generous breakout terraces.

The development is the Flynn brothers' second hotel investment at Brisbane Airport. Their first, the 157-room Novotel Brisbane Airport at Skygate, opened in 2009 and has experienced five years of solid trading, including hosting close to 400,000 hotel guests, and has won many industry awards.

"The addition of our internationally recognised Accor-branded 5-star Pullman and 3.5-star Ibis hotels to the existing 4-star Novotel Hotel, will mean Brisbane Airport will have the full spectrum of full-service branded hotel accommodation options covered, from quality affordable to upscale international," Mr Flynn said.

Designed by renowned Australian architect Noel Robinson, the hotels have been designed to reflect their distinctive identities and will be grounded in a lush, landscaped garden setting that responds to Queensland's subtropical climate and transcends into the buildings themselves.

- ENDS -

For further information: please contact Karen Anning on 0418 715 567 or email karenanning@urbannarrative.com.au. Render images are available on request.

About the developers: Anthony and Scott Flynn, of Flynn Property Group and Scott Flynn Properties respectively, are the developers behind Brisbane Airport's biggest third party development. In addition to this \$150 million hotels and conference centre development, the two Brisbane brothers have delivered contemporary hotel and residential apartment developments in Brisbane in excess of \$300 million. More information about these developments can be found at www.flynnpropertygroup.com.au and www.scottflynn.com.au.

About Watpac: Established in 1983, Watpac is a listed national construction and mining services contracting group with operations in all mainland States and Territories. Nationally, Watpac is delivering a number of major tower projects including the \$206 million 180 Brisbane commercial tower and \$114 million Southpoint office tower in Brisbane, the \$80 million STK Apartments residential tower in St Kilda and the \$72 million 333 George Street office tower in the Sydney CBD. More information is available at www.watpac.com.au.