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Media Release

Ausenco and Duro Felguera form Alliance to jointly pursue global EPC projects

Ausenco Limited (ASX: AAX) and Spanish multinational construction company Duro Felguera S.A. (DF) (BMAD: MDF) today signed a Memorandum of Understanding to form a Strategic Alliance to jointly pursue and deliver EPC projects globally and increase market share in their sectors. DF holds a 4.99% shareholding in Ausenco.

Both companies are strategically positioned in key global markets with highly experienced workforces, a comprehensive range of service offerings and little overlap. The Alliance aims to increase the shareholder value of both companies and will combine the collective strengths of Ausenco and DF to bid for and deliver an expanded pool of major EPC project opportunities throughout the world.

Ausenco CEO Zimi Meka said the Alliance will focus primarily on winning and delivering major global EPC projects in key growth regions and industry sectors.

“The Alliance will leverage each party’s extensive geographic footprint and strong track record of engineering expertise and project delivery to create value for our clients and shareholders,” he said.

“Both companies have a history of successful EPC project delivery; currently over 85% of DF’s revenue is generated through EPC. The collective reputation for project delivery, together with well-established systems and controls, will ensure that the Alliance can leverage opportunities to maximise value and manage risks.

“Discussions with existing and prospective clients have indicated a significant shift in the focus of resources sector financiers and project owners towards cost certainty. As the size and complexity of projects continue to grow, there is an increasing demand in most sectors of our market to have projects delivered on an EPC basis,” he said.

Ausenco has a strong presence in the Americas, Africa and Asia, and an established reputation for delivering complex projects innovatively with a focus on capital efficiency. Ausenco’s expertise in mining and oil & gas solutions is complemented by DF’s established construction background, key presence in the energy sector and long history of successful EPC project delivery. Collectively, this will allow the Alliance to pursue a variety of EPC project opportunities.

Ausenco and DF’s combined current EPC project pipelines of over \$14 billion provides a range of near-term global opportunities for the Alliance.

Mr Meka said the company considered DF’s 4.99% shareholding in Ausenco complementary to the Alliance and their longer term working relationship.

DF Chairman and CEO Mr Angel del Valle said there was little overlap of current clients or markets between the two companies, despite their complementary skills.

“DF had been looking for a relationship with a world-class organisation like Ausenco to enable it to expand its own proven track record for global EPC delivery in these sectors,” he said.

“This Alliance provides both companies a real opportunity to grow market share across the mining, infrastructure, oil & gas and energy markets,” he said.

ENDS

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About Ausenco

Ausenco is a global, diversified engineering, construction and project management company providing services in Minerals & Metals, Process Infrastructure, Environment & Sustainability and Oil & Gas. We deliver new and better ways to add value to our clients' projects no matter how demanding and we deliver results in some of the world's most challenging environments. Listed on the ASX in 2006, Ausenco's growth strategy is focused on sector, solution and geographic expansion. We operate from 31 offices in 19 countries

About Duro Felguera S.A.

Duro Felguera (DF) DF is a company specialising in executing turnkey projects for the energy, industrial and oil & gas sectors; it is also well-known as a supplier of specialised services for industries and as an expert manufacturer of capital goods. With over 150 years' experience in industrial activities, DF is currently engaged in carrying out integrated projects for the construction of all kinds of power generation plants, mineral treatment and bulk-handling facilities, fuel storage plants and other facilities and installations for the oil & gas industry.

Listed on the Spanish Bolsa de Madrid, DF with 2014 revenues of €937 million is based in Gijón, Spain and has completed energy and industrial projects in various countries in Latin America, Europe, Asia and Africa. DF has a market capitalisation of approximately A\$0.9 billion as at 30 June, 2015.