



ASX RELEASE

VDM successfully completes Entitlements Offer

Perth, 19 October 2011: VDM Group Ltd (ASX: VMG; VDM or the Company) is pleased to announce it has received applications totalling over \$35 million, exceeding the minimum subscription of \$28 million stipulated in the Entitlements Offer which closed on 18 October.

The Company is now working closely with the appointed lead manager, Patersons Securities, to complete the Entitlements Offer.

VDM Group Managing Director, Andrew Broad, said he was delighted with the solid support the Company had received from existing shareholders, as well as from new shareholders introduced via the shortfall placement.

"We are very pleased that new and existing shareholders have offered such strong support for the capital raising, signalling a very solid vote of confidence in the Company's growth strategy, which will deliver a return to profitability and shareholder returns," Mr Broad said.

"The proceeds will allow VDM Group to fully repay all senior bank debt, while the balance of funds will provide working capital to underpin future business growth.

"The successful capital raising leaves VDM with a strong balance sheet and well positioned to participate in the continued upswing in projects in the resources and energy sectors.

"Our restructuring initiatives are already having a positive impact on VDM's profitability and the completed capital raising, along with new contracts and other restructuring initiatives, will underpin an early return to profitability."

Capital Raising Timetable

Closing date	18 October 2011
ASX notified of under subscriptions	21 October 2011
Anticipated date of allotment and issue of new shares	25 October 2011
Anticipated date for dispatch of Shareholder statements	26 October 2011
Trading recommences	27 October 2011
Bonus option record date	Mid November 2011

–ENDS–

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About VDM Group

VDM Group is a design and construction company that services the mining, oil & gas, infrastructure, civil and transport sectors. VDM's highly skilled engineers develop innovative technical solutions for clients and deliver projects that are cost effective, reliable and sustainable.

VDM's construction projects include mine accommodation, mine upgrades, non-process infrastructure (workshops, support buildings, etc) and lifting the world's largest autogenously grinding mills. Contracting projects include land and marine earthworks, breakwaters, seawalls, mining services such as rock crushing, screening and ore handling, tailings dam construction. Its consulting capabilities offer structural, civil, environmental, master planning and specialised engineering services.