

Investor Presentation

April 2019

(ASX:WSI)

*Well Positioned for Project & Growth Opportunities
Across Key Industrial Markets*

Investment Highlights

Right Sectors

Provider of engineering, construction and mining services, predominantly to the Western Australian resources and infrastructure sectors

Tier 1 Clients

Track record of repeat work with Tier 1 clients, including MSP (at Tianqi and Talison), Rio Tinto, Iluka, Salini Impregilo, BHP

Experienced Board and Management

Technical and project experience, with resource sector relationships to compete with leading players in the sector

Significant Growth Potential

- Successfully demonstrating ability to win and deliver larger projects, with current FY19 order book of ~\$33m
- Positioned for solid growth given current level of tender activity and follow-on work potential as well as opportunities to extend into asset maintenance
- Organic growth initiatives are being complemented by actively targeting sensible, strategic acquisitions of synergistic businesses that will provide further avenues for diversification and growth, as well as opportunities to bolster the Board and management

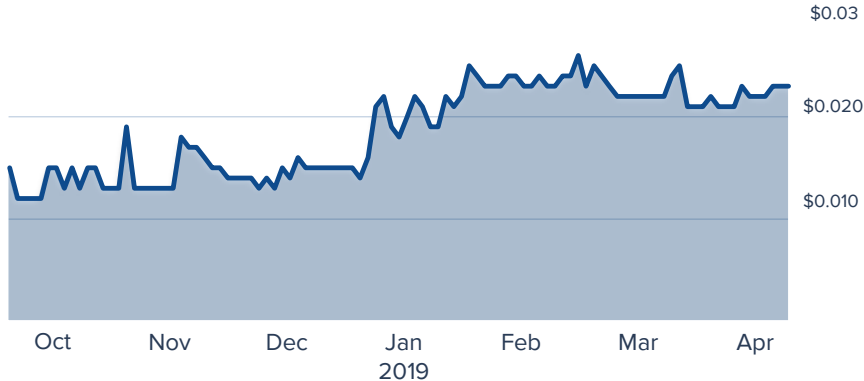


Corporate Snapshot

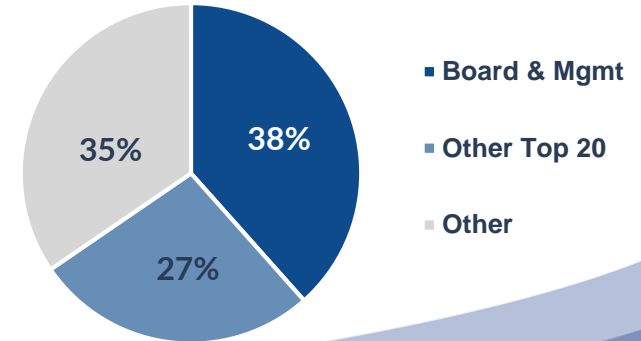
WestStar Industrial	ASX Code: WSI
Share Price (as at 5 April 2019)	2.3 cents
Shares on Issue:	496M
Market Capitalisation:	\$11.4M
Cash on Hand (as at 31 Dec 2018):	\$2.5M
Unsecured Debt (as at 31 Dec 2018):	\$1.2M
Enterprise Value:	\$10.1M

WestStar board members	
Philip Re <i>Non Exec. Director</i>	<ul style="list-style-type: none"> Chartered Accountant and a Member of the Institute of Company Directors 20 years' corporate experience Significant ASX director experience
Bert Mondello <i>Non Exec. Director</i>	<ul style="list-style-type: none"> Strong equities experience in both retail and institutional sectors More than 20 years' experience as a capital markets executive Driven a number of IPOs, RTOs, investor placements and seed raisings
Lay Ann Ong <i>Non Exec. Chairman</i>	<ul style="list-style-type: none"> Held senior executive positions with both public and private companies Director of ISDN Investments, a wholly owned subsidiary of ISDN Holdings Limited, listed on the Singapore exchange (SGX)
Derek Hall <i>Company Secretary</i>	<ul style="list-style-type: none"> Chartered Accountant, Chartered Secretary and fellow of FINSIA Business restructuring and compliance specialist

Share price performance



Capital structure



Two Core Businesses



Rio Tinto



BHP



Emerging engineering, construction and mining services company with specialist experience in large resource and infrastructure projects

- Structural Mechanical & Piping (SMP)
- Electrical & Instrumentation (E&I)
- Civil
- Capital construction project delivery
- Asset Management Services
- Earthworks



Established pre-fabricated concrete construction company

- Precast concrete fabrication
- Feature architectural precast walls
- Supply, Install and Deliver

MULTIPLEX

SCENTRE GROUP

Owner and Operator of *Westfield* in Australia and New Zealand



Highly Experienced Management Team



Robert Spadanuda
CEO, WSI

- Held CEO roles with large scale precast concrete and construction companies over the past 15 years
- In excess of twenty years' experience in large Scale Precast operations



Mark Dimasi
Managing Director, SIMPEC

- 22 years' experience in Management positions within the Engineering, Construction and Asset Management Services industry
- Overseen the construction of major mining, oil and gas projects as Construction / Project Manager and Building Contractor's Licence holder for UGL Limited



David Dimasi
Director, SIMPEC

- Experienced Project Manager executing E&I works, as well as stand-alone specialised electrical and instrumentation installations
- Previously Electrical Contractor's Licence holder for UGL Limited
- Extensive experience in both brownfield and greenfield environments



Peter Horvath
Commercial Manager

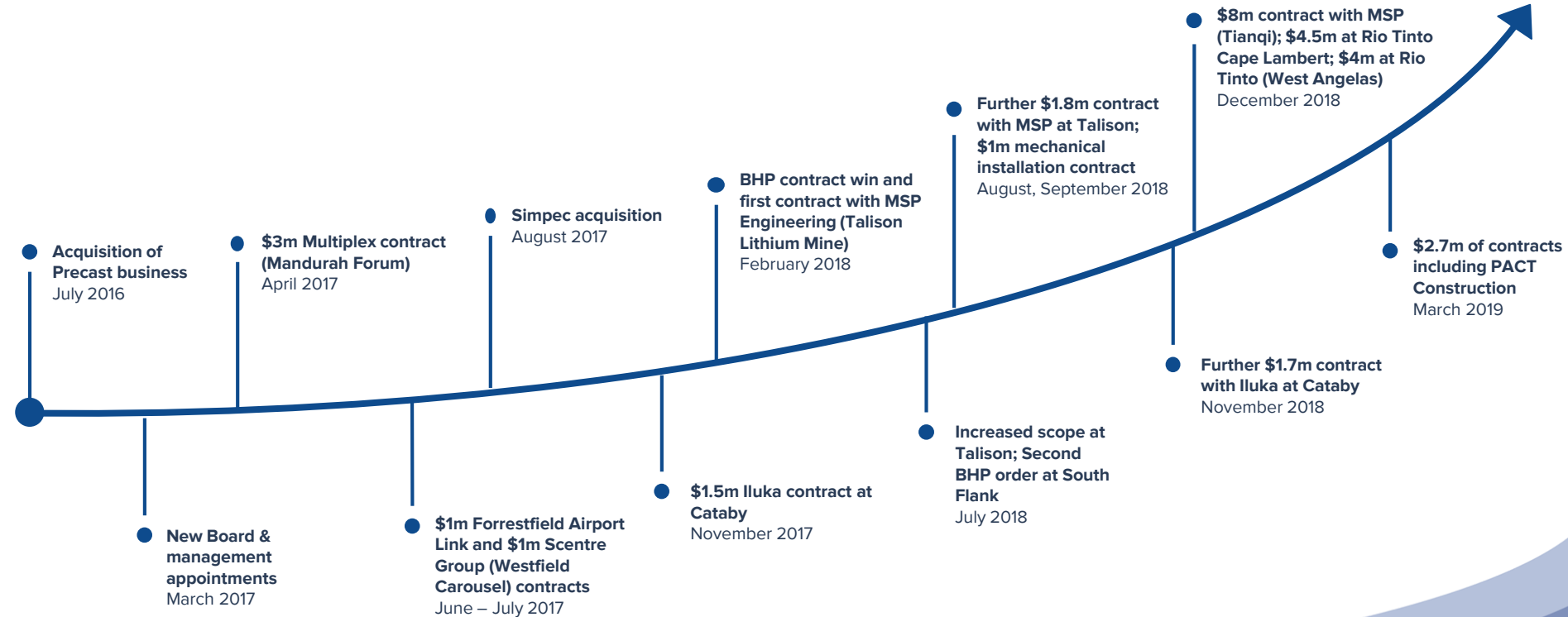
- 25 years of contract and commercial management experience at top-tier blue chip mining and oil and gas contracting
- Specialist in risk management; procurement; subcontract development; budget preparation and financial cost reporting



Derek Hall
Group Chief Financial Officer

- Chartered Accountant, Chartered Secretary and fellow of FINSIA
- Business compliance specialist

Significant Achievements Over Last 24 Months



Current FY19 Order Book

WSI's order book includes contracts for which it has successfully engaged directly with Rio Tinto, BHP and Iluka

	\$8M at Tianqi Lithium, \$6M over 3 awards at Talison Lithium	\$14.0M
	\$4.5M at Cape Lambert (Direct), \$4M at West Angelas via ATCO	\$8.5M
	Other contracts including Vaughan, Lendlease, ADCO and Ertech	\$4.5M
	Various contracts - including significant contracts with PACT and Perkins Builders	\$2.7M
	\$1.7M at Cataby (Direct), \$0.3M at Cataby via Grounded	\$2.0M
	\$0.8M at Forrestfield Airport Rail link – 2nd contract	\$0.8M
	\$0.5M at South Flank (Direct) – 2nd contract	\$0.5M

Current order book (FY2019)

\$33M

Project examples - **SIMPEC**



RIO TINTO

West Angelas Mine site

- Project Value: ~\$4 million
- Supply and installation of the electrical and communication systems for a 600 room construction camp



MSP ENGINEERING

Tianqi Lithium Plant

- Combined Project Value: ~\$8m
- Installation of piping and insulation for the processing plant's Pyromet area

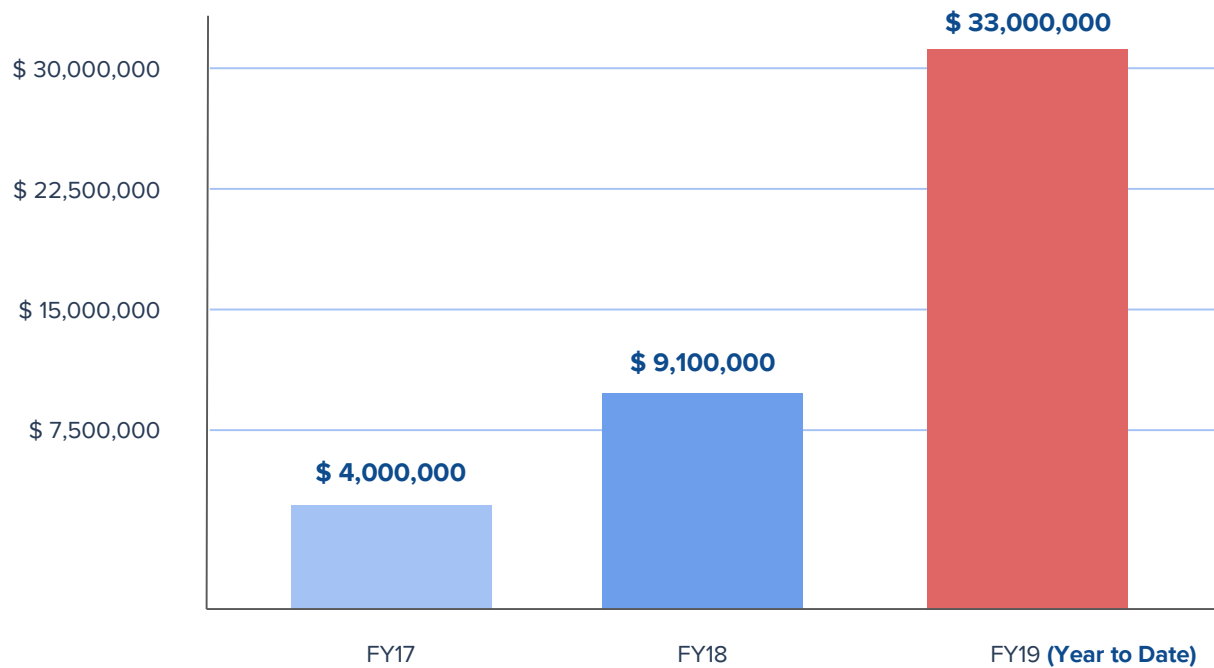


RIO TINTO

Cape Lambert Port Facility

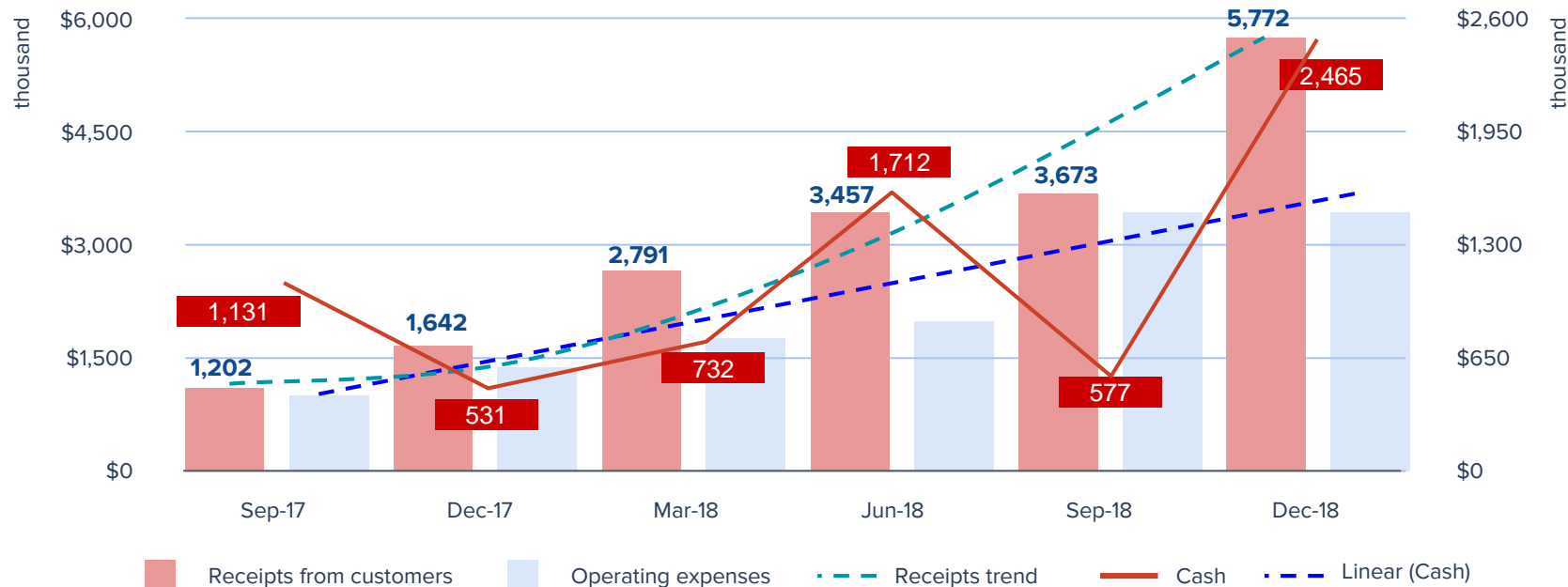
- Project Value: ~\$4.5 million
- Design and construction of a remote draft survey system.

Significant Order Book Growth



Quarterly Reported Cash Flows (A\$'000)

WSI has successfully maintained positive operating cash flows over the last 18 months



Continued Earnings Growth

A\$'000	6 months ended 31 December 2017	6 months ended 30 June 2018	6 months ended 31 December 2018
Revenue	3,055	6,041	10,284
Cost of Sales	(2,689)	(5,195)	(8,338)
Gross Profit	366	846	1,946
EBITDA*	(1,011)	(907)	(281)
EBIT*	(1,078)	(988)	(352)

* Excludes non-cash share based payments expense and doubtful debt expense

- Continued earnings growth is supported by FY19 \$33m order book
- Largely fixed overhead cost base provides leverage to earnings growth

Clear Growth Strategy

Maintain & Develop Client Relationships

Continually develop/maintain strong client relationships to generate repeat work and larger contracts

Increase Project Scale

Demonstrate project delivery capabilities to convert follow-on opportunities, grow market traction and win larger contracts

Service Offering Expansion

Increase diversification via new service offerings, including asset maintenance

Geographical Expansion

Pursue clients and projects nationally in order to expand project pipeline by targeting projects to enter into VIC, NSW and QLD

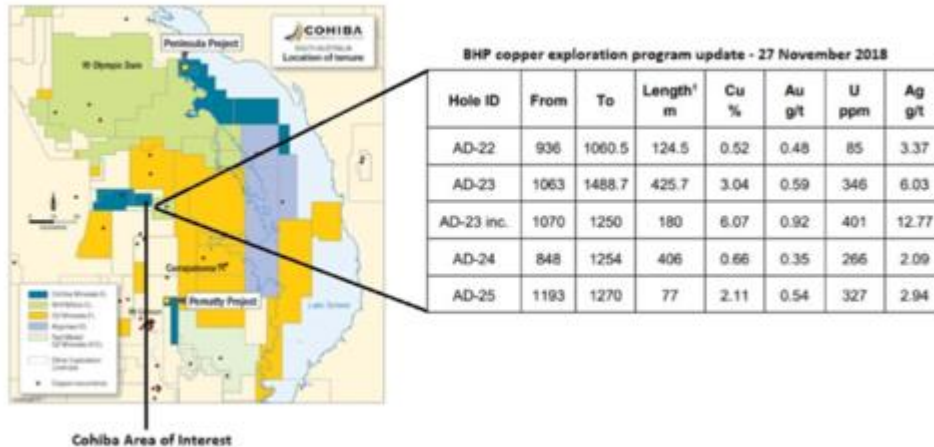
Acquisitive Growth

Organic growth initiatives are being complemented by actively targeting sensible, strategic acquisitions of synergistic businesses that will provide further avenues for diversification and growth, as well as opportunities to bolster the Board and management



Olympic Domain interest

WSI maintains a **17.5% interest** in the Olympic Domain tenements, which are subject to a farm-in joint venture with Cohiba Minerals Ltd (**ASX:CHK**) ¹



¹ Please refer to CHK's ASX announcement dated 27 February (Major milestone achieved on Farm-In Agreement between Cohiba Minerals and Olympic Domain Pty Ltd):

Olympic Domain tenements are situated in South Australia, in the famous Olympic Dam, Roxby Downs and Carrapateena Region.

The three key areas are:

1. **Lake Torrens** (neighbouring **ASX:AIS** and **ASX:ARE**),
2. **Pernatty** (neighbouring **ASX:RDM** and **Oz Minerals**)
3. **Horse Well** (neighbouring **BHP**, where notable drilling results have been achieved)

Contact Details



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