

Tier-1 Company Contracts add \$1.8M to SIMPEC Order Book

ASX Release

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Issued Capital:
458,254,616 shares
158,500,000 options

ASX Symbol:
WSI
WSIO

Highlights:

- WestStar business **SIMPEC Pty Ltd** has obtained a significant contract scope extension from **MSP Engineering** at the **Talison Lithium Mine** in Greenbushes, Western Australia
- SIMPEC's works at Talison to supply high voltage and fibre optic cables have expanded to installation of these cables and further installation of concrete cable pits (value: \$1.5M)
- SIMPEC has demonstrated that once involved, it can competently, safely and cost effectively add substantial value to projects such as:
 - **Iluka Resources' Cataby Mineral Sands Project** with Grounded Construction - the accommodation facilities contract has increased in scope (value: \$300k)
- With these extensions, SIMPEC has added **\$1.8M** to its order book. SIMPEC continues to tender for projects throughout Australia with more than \$150M of work tendered over the past 6 months.

WestStar Industrial Limited ("WestStar" or "the Company") is pleased to advise its engineering contractor business SIMPEC Pty Ltd ("**SIMPEC**") has obtained a significant contract scope extension from **MSP Engineering** ("**MSPE**") for the **Talison Lithium Mine** - the world's biggest lithium mine - at Greenbushes, 90km south-east of the Port of Bunbury, Western Australia.

The expanded contract scope is a key milestone for SIMPEC following on from MSPE engaging SIMPEC to supply high voltage and fibre optic cables to the Chemical Grade Plant 2 Project ("CGP2 Project") (refer to ASX announcement of 8 February 2018). This engagement has been expanded to include the installation of these cables and construction of concrete pits where the cables will be housed. SIMPEC's demonstrated capabilities in its first works with MSPE was key to the award of this subsequent increase in contract scope.

MSPE is the Head Contractor for the design and construction of the CGP2 Project, which will more than double the capacity of the Talison Lithium Mine to 1.34Mtpa lithium concentrate. The CGP2 Project is due for commissioning in the second quarter of 2019.

To be involved in the construction of a key element of this world-class facility is a significant milestone for SIMPEC. SIMPEC has actively tendered several scopes of work with MSPE over the course of the past 6 months for the Talison Lithium Mine site and other MSPE projects in Western Australia. The SIMPEC team is very optimistic that further awards will come from this concerted effort.

Other Works

As a general update on other works, SIMPEC continues to work well with contract principal Grounded Construction Pty Ltd (Grounded) at Iluka Resources' new mineral sands mine development at Cataby, 150km north of Perth, Western Australia ("Cataby Project"). SIMPEC's Mechanical, Electrical and Communications contract in the construction of accommodation facilities for use by Iluka and Tronox Limited at the Cataby Project has been increased in scope resulting in ~\$300k being added to SIMPEC's contract value.

With the expanded scopes of each of its current projects, SIMPEC has added \$1.8 million of work to its order book. For the past six months, SIMPEC has tendered for more than \$150 million of work and will continue to tender for projects throughout Australia.

SIMPEC Managing Director Mark Dimasi noted:

"SIMPEC has been working closely with tier 1 companies to develop solid working relationships. We are quickly building awareness and traction with SIMPEC's unique skillset and professional execution. I am very optimistic that these new works will be the beginning of long-term relationships, potentially resulting in the award of future contracts and, ultimately, increasing value for WestStar investors."

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About WestStar

WestStar Industrial Limited (ASX: WSI) is an Australian industrial conglomerate with a unique offering comprised of three specialist operating businesses: Precast Australia Pty Ltd (concrete fabrication) SIMPEC Pty Ltd (construction contractor) and Distinct Developments (property developer).

About SIMPEC

SIMPEC Pty Ltd is a construction contractor with specialist experience in both Structural, Mechanical and Piping (SMP), and Electrical and Instrumentation (E&I) works. SIMPEC's core capabilities provide clients with a fully integrated solution with its key personnel having multi-disciplined experience from design, fabrication, site installation, commissioning and asset management services, providing skills to deliver projects for all infrastructure, energy, mining, and oil and gas projects.