

ASX RELEASE

7 June 2018

ASX Market Announcements
20 Bridge Street
SYDNEY NSW 2000

Dear Sir / Madam

Shareholders vote against the Scheme of Arrangement

At the Scheme Meeting of Watpac Limited (**Watpac**) (**ASX: WTP**) held in Brisbane today, Watpac's shareholders voted against the resolution relating to the scheme of arrangement proposed by BESIX Group SA (**BESIX**) to acquire 50% of the ordinary shares held by each Watpac shareholder (other than BESIX and its associates), for cash consideration of \$0.92 per share (**Scheme**), (the **Scheme Resolution**).

Voting results

Watpac advises that the Scheme Resolution was not passed by the requisite majorities of Watpac shareholders, with:

- 89.86% of Watpac shareholders present and voting (either in person or by proxy) in favour of the Scheme Resolution; and
- 67.24% of votes cast in favour of the Scheme Resolution.

The poll report submitted by the Returning Officer as appointed by Watpac is attached.

The results of the poll were as follows:

	For	Against	Abstain*	Total Votes Cast	% For
Votes	67,496,629	32,888,370	85,005	100,384,999	67.24%
Holders	939	106	6	1,045	89.86%

*Note that votes relating to a shareholder who abstains from voting are not counted in determining the requisite majorities

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The proxies received were as follows:

	For	Against	Abstain*	Total Votes Cast	% For
Votes	65,226,403	29,636,629	85,005	96,697,995	67.45%

A press release is attached.

– ENDS –

For further information contact:

Investor Relations – Mark Baker, Chief Financial Officer on 07 3251 6442

Media – Amanda Campbell, Corporate Affairs Manager on 07 3251 6453

Watpac is a leading national construction and mining contracting group with operations in all mainland States and Territories. Watpac has been listed on the Australian Securities Exchange since 1985 and have offices in Brisbane, Sydney, Melbourne, Adelaide, Perth, Townsville and Port Macquarie. More information is available at www.watpac.com.au.

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PRESS RELEASE

7 June 2018

Watpac strategy remains on track

Watpac Limited (**Watpac** or **Group**) wishes to advise that the motion put to shareholders today relating to the scheme of arrangement (**Scheme**) proposed by major shareholder BESIX Group SA (**BESIX**) to acquire 50% of the Watpac shares held by each other shareholder was not carried.

While an overwhelming majority of Watpac's shareholders voted for the Scheme, it ultimately failed to achieve the 75% threshold required under the *Corporations Act 2001*.

Commenting on the meeting result, Watpac Chair, Peter Watson, said:

"While today's outcome is disappointing, Watpac remains in a strong position, both financially and operationally, and our fundamental strategies remain unchanged.

The Group has the resources and capabilities in place to continue to execute our plans to drive future growth and success, and value for our shareholders.

The Board is confident with the strategic direction of the Group and in the existing leadership team, and our focus will now return to our immediate objectives, being the completion of the current strategic review of our Mining business and further enhancing our Construction workbook with new high-quality projects.

Over the past 18 months Watpac has been awarded numerous new and highly significant projects in our targeted sectors, and we plan to add to this while also focussing on the successful execution of our existing project portfolio.

Work on the strategic review of our Mining business is progressing well and we are evaluating all options to maximise shareholder value.

Watpac shares a natural alignment with BESIX and the Independent Board Committee was supportive of the Scheme and the benefits it may have delivered. The terms of the BESIX proposal allowed us to take the proposal to shareholders and let them decide if the Scheme would proceed, and I think the closeness of the vote endorses this decision.

BESIX retains a 28.1% shareholding in Watpac with two representatives currently on the Board, and while it will be business as usual for the Group, we will investigate how the two organisations will continue to work successfully together."

Watpac has built a strong reputation for excellence in the Health and Sciences, Education, Defence and Secure Environments and Stadiums sectors with the Group currently delivering a number of world-class projects including the Herston Quarter Redevelopment, Queensland Schools PPP, Rheinmetall Defence Australia Military Vehicle Centre of Excellence and North Queensland Stadium in Queensland; the Forensic Pathology and Coroner's Court, Arthur Phillip High and Parramatta Public School, and Mid North Coast Correctional Centre in New South Wales and the Casey Hospital Expansion and Albert Road Retirement Village in Victoria.

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7th June 2018

The Chairman of the Scheme Meeting
 Watpac Limited
 Level 1
 12 Commercial Road
 Newstead QLD 4006

**Poll Report
 Scheme Meeting**

I, Christopher Buttery, of Computershare Investor Services Pty Limited being the Returning Officer appointed by you in connection with voting by poll upon the resolution set out below at the Scheme Meeting of Shareholders of Watpac Limited (other than Excluded Shareholders) held at Watpac Limited Head Office, Level 1, 12 Commercial Road, Newstead QLD 4006 on Thursday 7th June 2018 at 10.00 am (Brisbane time) report as follows:

Resolution

"That, pursuant to and in accordance with the provisions of section 411 of the Corporations Act 2001 (Cth), the scheme of arrangement proposed between Watpac Limited and the holders of its ordinary shares (other than certain excluded shareholders), as contained in and more particularly described in the scheme booklet of which the notice convening this meeting forms part, is agreed to, with or without alterations or conditions as approved by the Federal Court of Australia to which Watpac Limited and BESIX Group SA agree."

Resolution – votes cast

Number of votes cast by holders 'FOR' the resolution	67,496,629
Number of votes cast by holders 'AGAINST' the resolution	32,888,370
The total number of votes cast on the resolution	100,384,999
Votes 'FOR' the resolution as a percentage of the total number of votes cast on the resolution	67.24%
The number of 'ABSTAIN' votes on the resolution	32.76%

Resolution - number of shareholders voting

Number of shareholders voting 'FOR' the resolution	939
Number of shareholders voting 'AGAINST' the resolution	106
Total number of shareholders voting on the resolution	1,045
Number of shareholders voting 'FOR' the resolution as a percentage of the total number of shareholders voting on the resolution	89.86%

The total number of shareholders who voted both "FOR" and "AGAINST" the resolution and not included in the above "shareholders voting FOR" and "shareholders voting AGAINST" figures	4
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The resolution was not carried by a majority in number of Watpac Shareholders (other than Excluded Shareholders) present and voting, and a majority representing in aggregate at least 75% of the total number of votes cast.



Christopher Buttery
 Returning Officer
 Computershare Investor Services Pty Limited