

23 June 2017

## AGREEMENT ON NEW FUNDING FACILITY

Diversified contractor Brierty Limited (ASX: BYL) is pleased to announce it has signed a new banking facility with Bankwest, that will provide the Company with an improved capital structure to deliver on its turnaround strategy.

Under the new facility, Brierty will receive an additional \$6 million in funding and restructure its debt by establishing a new, long-term debt facility:

	Previous	New
<b>Overdraft facility</b>	\$25m	\$10m
<b>Bank guarantees</b>	\$10m	\$10m
<b>Additional facility</b>	–	\$6m
<b>Long-term debt facility</b>	–	\$15m
<b>Total</b>	<b>\$35m</b>	<b>\$41m</b>

The long-term debt facility, which expires in May 2020, has a lower interest rate than the existing overdraft facility and interest-only payments through to 30 October 2017. The additional \$6 million funding is also at a lower interest rate than the existing overdraft facility and will remain in place until 31 December 2017.

Brierty will retain \$10 million in bank guarantees, which provides flexibility for the Company as it wins new work.

Drawdown of the additional \$6 million facility is conditional upon Brierty receiving confirmation from Rio Tinto that the Company's rectification plan at the Western Turner Syncline Stage 2 Project is satisfactory and that Rio Tinto has received adequate assurance that the matters subject of the default notice will be rectified by Brierty.

The Brierty Board has continued to closely review the Company's financial position, including cashflow forecasts, during the period since 19 April 2017 when trading in its securities was suspended. The Board has had, and continues to have, an expectation, based upon reasonable grounds, that the Company will be able to meet its debts as and when they arise. The finalization of the new bank facility with Bankwest will ensure Brierty has a much improved working capital position. As announced on 21 June 2017, the Company is confident it can provide the necessary assurances to Rio Tinto to resume mining operations at the Western Turner Syncline project and thereby satisfy the condition required to draw down under the bank facility.

Brierty Chairman Dalton Gooding said the new banking facility would place Brierty on a much stronger financial footing.

"The additional funds and establishment of a long-term debt facility will ensure Brierty has a much improved working capital position that better enables us to execute on our secured order book and pursue additional work opportunities," Mr Gooding said.

"It also provides Brierty with lower ongoing interest costs, which will enhance our cash generation and profitability.

“It has taken time to get the right debt structure for Brierty and we appreciate the bank’s ongoing support as Brierty continues to deliver on its turnaround strategy.”

Brierty currently holds a \$145 million order book across a range of civil, mining, and land development projects, with the Company currently tendering for a number of additional opportunities with new and existing clients valued at \$952 million.

“The new capital structure will give clients with upcoming work greater confidence to award to Brierty,” said Brierty CEO Ray Bushnell.

“Our focus is on structuring a return to operations at Western Turner Syncline Stage 2 as soon as possible and Brierty is currently working with Rio Tinto to address their concerns.”

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## CONTACT

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## ABOUT BRIERTY

Brierty provides civil construction and mining services to government and private industry through its civil and mining lines of business, which include:

### Civil

- Construction of city and town infrastructure including land developments, roads and car parks.
- Highway and road construction, bulk earthworks, railways, airport runways, site-works, concrete and pavement works.

### Mining

- Contract mining and mine maintenance.

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