

9 March 2021

Duratec executes LOI for \$63m major façade refurbishment

Duratec Limited (Duratec or the Company) (ASX: DUR), is pleased to announce it has executed a letter of intent (**LOI**) (valid up to and including 30 April 2021, unless extended) to commence Preliminary Works on the specialist façade enhancement and re-cladding of a significant Perth CBD high-rise building. Duratec will commence initial works under the LOI immediately with the entire works construction period expected to be up to 165 weeks, subject to final contract documentation. The value of the final contract is expected to be approximately \$63m (exclusive of GST).

Duratec is in final contract negotiations with Perron Investments Pty Ltd and APF Management Pty Ltd c/- Frasers Logistics & Commercial Asset Management Pte Ltd, (the building owners), and expects final documentation to be executed before 30 April 2021. Duratec will be responsible for providing the project management team, including design, fabrication and installation of the façade works using its own skilled work force.

Proceeding from the LOI to the final contract is conditional only on:

- Issuing of a Certified Building Permit; and
- Final negotiation of remaining contractual terms and conditions.

The commencement of this project follows an extensive early contractor involvement (ECI) period. This collaborative ECI phase involved investigations, conceptual design, detailing and submission of a commercial proposal including project scheduling for the building façade upgrade.

In the unlikely event final contract documentation is not agreed, Duratec will be remunerated for work performed under the LOI, as assessed by the Quantity Surveyor, at the tendered rates.

Phil Harcourt, Managing Director of Duratec, commented: “This is a significant announcement for Duratec as we continue to execute on our national specialist façade strategy. I want to congratulate the Company’s dedicated Building and Façade Team on its highly professional approach throughout the ECI phase, demonstrating considerable in-house skills, technical knowledge and capabilities which instilled confidence in the client and their stakeholders. This is an excellent example of the success of Duratec’s ECI business model meeting the needs and expectations of clients via transparency, consultation and provision of budget and programme certainty. We look forward to delivery of this project safely, on-time and to an outstanding standard of finish.

To date Duratec has successfully completed replacement of combustible cladding on buildings in NSW, Victoria and WA and we see this market sector is undergoing considerable growth, of which, we are well placed to capture a significant market share. Duratec is currently involved in a high level of ECI phase and tendering activity nationally in relation to specialist building façade refurbishment as owners look to upgrade, improve and extend the life of their assets.”

Further updates in relation to the project will be provided in due course.

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Dennis Wilkins
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Capital structure:
237,444,801 ordinary shares

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About Duratec Limited

Duratec Limited (ASX: DUR) is a leading Australian contractor providing assessment, protection, remediation, and refurbishment services to a broad range of assets and infrastructure. The Company's multi-disciplined capabilities combine engineering experience with project delivery expertise and use a range of in-house assessment technologies, including 3D capture and modelling technology with predictive analysis tools. Headquartered in Wangara, Western Australia, Duratec has fifteen branches around the country in capital cities and regional centres, delivering services across multiple sectors including Defence, Commercial Buildings & Facades, Infrastructure (Water, Transport & Marine), Mining & Industrial, Power and Energy.

Please visit www.duratec.com.au for further information.