



Engineering Success

Civmec and NVL enter into Heads of Agreement for Ownership Transfer of Luerssen Australia.

Civmec Limited (Civmec) (ASX:CVL, SGX: P9D) and NVL B.V. & Co. KG (Naval Vessels Lürssen) of Bremen, Germany have entered into a non-binding Heads of Agreement detailing the framework for the transfer of ownership of Luerssen Australia Pty Ltd to Civmec Limited.

Luerssen Australia's sole business is the building of six Arafura Class Offshore Patrol vessels for the Royal Australian Navy under the existing SEA1180 contract with the Australian Department of Defence. Upon completion of the potential transaction, NVL will transfer all its shareholding in Luerssen Australia Pty Ltd to Civmec Limited, including all assets, employees, and licences. This ensures the uninterrupted design and build of the Arafura Class Offshore Patrol Vessels at the Osborne South shipyard in South Australia and the Civmec-owned facility in Henderson, Western Australia.

The proposed change of ownership and control of Luerssen Australia is subject to the Commonwealth granting its consent. In order to obtain such consent as soon as is possible, Luerssen Australia and Civmec will immediately begin engaging with the Commonwealth in the required administrative approval process, with the parties working towards a target date of 31 December 2024.

The non-binding Heads of Agreement is subject to satisfactory due diligence and meeting Conditions Precedent. In parallel with the Commonwealth consent process, an Effective Date in the coming months will allow the parties to conduct necessary due diligence and detailed planning. The immediate priority is to agree on a framework for the interim period in which Luerssen Australia and Civmec will closely cooperate in managing the SEA1180 project, ensuring that Defence, the Royal Australian Navy and industry all benefit from the efficiencies and advantages of the agreement.

Civmec's Executive Chairman, Mr Jim Fitzgerald, said *"the acquisition of Luerssen Australia is a natural step for Civmec as a sovereign Australian shipbuilder with world class shipbuilding facilities and an experienced shipbuilding workforce. Having worked on the project since 2018 we're confident in our ability to execute the remaining work scope and ensure a smooth transition for all stakeholders."*

Luerssen Australia's Chairman (and CEO of NVL), Mr Tim Wagner said *"we're very confident in Civmec's ability to finish the remaining works on the SEA1180 project and NVL will ensure they are supported by us until Civmec's successful completion of the project. We appreciate there are many details to work through and we look forward to engaging with all stakeholders, including the Commonwealth, Luerssen Australia employees and suppliers to ensure a smooth and successful transition."*

This announcement was authorised for release to the ASX and SGX by the Board.

*****End of Release*****

CIVMEC LIMITED

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About Civmec Limited

Civmec is an integrated, multi-disciplinary construction and engineering services provider to the Energy, Resources, Infrastructure and Marine & Defence sectors. Headquartered in Henderson, Western Australia, Civmec has regional offices in Newcastle (New South Wales, Australia), Gladstone (Queensland, Australia), and Port Hedland (Western Australia). The company is listed on the SGX (Singapore SGX:P9D) and the ASX (Australia ASX:CVL). Its core capabilities include heavy engineering, shipbuilding, modularisation, SMP (structural, mechanical, piping), EIC (electrical, instrumentation and control), precast concrete, site civil works, industrial insulation, maintenance, surface treatment, refractory and access solutions.

For more information, please visit our website at www.civmec.com.au

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