

ASX ANNOUNCEMENT

14 May 2025

NRW Response to Proposed SA Government Whyalla Legislation

NRW Holdings Limited (ASX: NWH) (NRW or Company) advised in its ASX announcement on 25 February 2025 that it had obtained, through its wholly subsidiary Golding Contractors Pty Ltd (Golding), a guarantee and indemnity from both Liberty Primary Metals Australia Pty Ltd (LPMA) and Whyalla Ports Pty Ltd (Whyalla Ports) as well as a first-ranking security over the assets and shares of Whyalla Ports in respect of money owed by OneSteel Manufacturing Pty Ltd (OneSteel) to Golding.

Golding's security interest attaches to both Whyalla Ports' assets and its contractual rights, including Whyalla Port's rights under a lease with OneSteel. A number of Whyalla Ports' key assets with substantial value (which are the subject of Golding's security) are located on the leased Port premises. That security was granted to secure OneSteel's indebtedness to Golding arising from Golding providing mining services to OneSteel under a Mining Services Agreement (MSA). Golding is owed approximately \$113.3 million under the MSA for the period prior to the 19 February 2025 appointment of KordaMentha as Administrator of OneSteel.

The appointment of KordaMentha as Administrators of One Steel occurred immediately after the South Australian Government passed special purpose legislation that had the effect of giving the Government security rights for the first time in respect of OneSteel. On 2 April 2025, the Administrators of OneSteel subsequently commenced Federal Court proceedings VID 420 of 2025 against Whyalla Ports seeking relief that the lease be declared void, unenforceable and of no legal effect. If granted such relief would seriously undermine Golding's security in respect of Whyalla Ports as Golding may not be able to enforce Whyalla Ports' rights under the lease, including its rights to use the assets of Whyalla Ports and to remove those assets located on the leased premises. Given the implications for Golding, Golding was granted leave by the Federal Court to be joined as a party to the proceeding so that it could participate in an expedited trial, which has been set down for 2 June 2025.

On 13 May 2025, South Australian Premier Peter Malinauskas issued a Ministerial Statement advising that his Government had drafted a new piece of legislation called the *Whyalla Steel Works (Port of Whyalla) Amendment Bill 2025* (Proposed Bill). The Ministerial Statement says the Proposed Bill has been drafted to clarify the status of the land that is the subject of the Whyalla Ports lease. The likely effect of the Proposed Bill is to cause the lease agreement granted by OneSteel to Whyalla Ports to have never had legal effect from the beginning. The Ministerial Statement also states the Proposed Bill will clarify that the creation of an interest in certain infrastructure constructed on the port facilities is void and that the infrastructure forms part of the land and is not personal property. This will likely mean that the Proposed Bill will cause ownership of the infrastructure constructed and paid for by Whyalla Ports on the port facilities to now be owned by OneSteel (although it is noted that at the time of the release of this announcement, the legislation has not yet been passed nor is it available for public review).

As at 14 May 2025 Golding retains first ranking security interest over the assets of Whyalla Ports as personal property. The Ministerial Statement makes it clear the Proposed Bill will enable OneSteel to usurp that personal property by declaring it void and part of the land, with ownership vesting to OneSteel without any mention of compensation to Whyalla Ports.

NRW is extremely disappointed and concerned that the proposed and unprecedented intervention by the South Australian government will seriously impair and undermine Golding's security over Whyalla Ports. Further, the South Australian Government's sudden intervention will in effect determine certain issues that are before the Federal Court for determination at a trial due to commence in less than three weeks' time. Since the administration of OneSteel began on 19 February 2025, NRW and Golding have supported the OneSteel business through the continued execution of the MSA.

NRW was confident of a successful outcome for Golding in the Federal Court trial based on, but not limited to, the following facts:

- NRW notes that Whyalla Ports was incorporated and operated as its own entity and business for approximately six years prior to ownership by GFG Alliance.
- Whyalla Ports was incorporated on 14 September 2011.
- On 29 August 2016, KordaMentha, when appointed as Administrators of Arrium, filed a Report as to the Affairs in relation to Whyalla Ports, which listed and valued the plant and equipment owned by Whyalla Ports Pty Ltd at \$199,386,602.91.
- On 31 August 2017, KordaMentha sold the shares in OneSteel and Whyalla Ports from Arrium to the GFG Alliance.
- To the extent the South Australian Government purports to say it was unaware of the lease, specifically from at least 9 July 2021, the State of South Australia has been on notice about the lease between Whyalla Ports and OneSteel.

If the Proposed Bill is passed by the South Australian Parliament in the form described in the Ministerial Statement, NRW is concerned that any recovery of the outstanding indebtedness via Golding's first-ranking security in respect of Whyalla Ports assets will be seriously impaired. In this event, and in line with the relevant accounting standards, NRW will take a prudent position and raise an impairment provision for the amount of \$113.3M as a non-recurring item in our financial results for the period ending 30 June 2025.

NRW's CEO and Managing Director, Jules Pemberton, commented: "As we have consistently said, NRW has had various options regarding the enforcement of our security over the assets and shares of Whyalla Ports. This has included constructive discussion with all parties involved with the OneSteel administration process to ensure the best and fairest possible outcome for all stakeholders. We have actively supported the continued operations of OneSteel and Whyalla Ports and the continued employment of the workforce, of which 355 are currently direct employees of Golding.

Golding has directly employed more than 1000 people in South Australia since assuming the mining services contract in 2019 following NRW's acquisition of BGC Contracting. In addition, countless more local suppliers, contractors and labour hire from the Whyalla community have benefitted from providing services to our mining operations. We continued to support the Whyalla operations prior to the appointment of KordaMentha as Administrators, despite the challenges faced by the GFG Alliance, by providing mining services and protecting the employment of hundreds of workers in regional South Australia. This support was provided on the basis of the Standstill Agreement signed in December 2024, which included the security held over the Whyalla Port assets and shares, the LPMA payment guarantee and - as referenced in the NRW half-year accounts in February - a payment of \$70 million that was committed to by OneSteel, which would have significantly reduced the size of the receivable.

NRW, via Golding, will continue to pursue all recovery options available to it and reserves all of its rights.

NRW Holdings Limited (ASX:NWH)

This ASX Announcement has been approved in accordance with the Company's published continuous disclosure policy and authorised for release by the Chief Executive Officer of NRW Holdings Limited.

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About NRW Holdings Limited:

NRW is a leading provider of diversified contract services to the resources and infrastructure sectors in Australia. With extensive operations in all Australian States except Tasmania and offices in Canada and the United States, NRW's geographical diversification is complemented by its ability to deliver a wide range of services. These encompass civil construction including bulk earthworks, road and rail construction and concrete installation, together with contract mining and drill and blast services through NRW Civil & Mining, Golding Contractors and Action Drill & Blast. NRW also offers a comprehensive OEM capability through Action Mining Services providing refurbishment and rebuild services for earthmoving equipment and machinery. NRW's MET Division comprising RCR Mining Technologies, DIAB Engineering and Primero offers tailored mine to market solution, specialist maintenance (shutdown services and onsite maintenance), Non- Process Infrastructure, innovative materials handling capability and complete turnkey design, construct & operation of minerals processing and energy projects. NRW has a workforce of around 8,000 people supporting more than one hundred projects around Australia for clients across the resources, infrastructure, industrial engineering, maintenance and urban subdivision sectors.

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