



ASX RELEASE

2nd October 2020

New Contract Awards

Highlights:

- **Significant new contract awards totaling approx. A\$55M**
 - Fortescue Metals Group: Eliwana EPC (*NPI*)
 - Rio Tinto: 3-Year Master Services Agreements (*NPI and Minerals*)
 - Hazer Group: Hydrogen/Graphene Demonstration Plant EPC (*Energy*)
- **Awarded key ECI design works: Covalent Lithium JV Mt Holland Project (*Minerals*)**
- **Likely acceleration of Piedmont Lithium Project post Tesla lithium sales agreement, with Primero preferred EPC and operations contractor for the planned spodumene concentrator**
- **FY21 contracted order book now approx. A\$285M**

Primero Group Limited (ASX:PGX) (**Primero** or **the Company**) is pleased to advise of recent significant contract awards.

New contract awards

Fortescue Metals Group Limited: Eliwana Project (*NPI*)

Primero has been awarded the Engineering, Procurement and Construction (**EPC**) contract for the Non-Process Infrastructure at Fortescue Metals Group's Eliwana Mine and Rail Project. Works commenced in late July based on a limited notice to proceed, with the full contract now awarded to Primero following a successful Early Contractor Involvement (**ECI**) process. The contract includes the complete engineering design, procurement and construction of heavy vehicle workshops and washdown and refueling infrastructure required for the new Eliwana mine. Works are expected to be completed in FY21.

Rio Tinto Limited: Master Service Agreements (*MSAs*) (*NPI and Minerals*)

Primero has been awarded two multi-year MSAs for NPI & Structural, Mechanical, Piping (**SMP**) services across Rio Tinto's Pilbara operational and project locations. The two contracts have an initial term of 3 years, with an option for a 2-year extension. They cover sustaining capital and maintenance projects required over that period across all Rio Tinto Iron Ore Pilbara sites. The services cover design, procurement and construction activities for engagement under negotiated commercial terms in a 'panel style agreement'.



Hazer Group Limited: Hydrogen/Graphene Demonstration Plant (*Energy*)

Primero has been awarded the EPC contract for Hazer Group's Hydrogen/Graphene Commercial Demonstration Plant situated in Western Australia at the Woodman Point Water Treatment Facility. The full project award has followed a successful ECI process that has extended over the past 12 months. This process was targeted at developing the technology engineering to the point where a commercial contract could be executed to deliver the project. The project is the first of its kind in the new global renewables energy market and is patented groundbreaking technology in the hydrogen space.

Key ECI design works award

Covalent Lithium JV: Mount Holland Project (*Minerals*)

Primero has been awarded the detailed design contract for a 130km water delivery pipeline and associated pumping stations for the Covalent Lithium Mt Holland Project Feasibility Study.

Preferred EPC status updates

Strandline Resources Limited: Coburn Mineral Sands Project (*Minerals*)

The above contract awards also follow the recently announced award (see Primero ASX release dated 29 September 2020) of preferred EPC process facility contractor by Strandline Resources for its Coburn Minerals Sands Project near Shark Bay in Western Australia (approximately A\$150M total works).

Piedmont Lithium Limited: Piedmont Lithium Project (*Minerals*)

Primero notes that Piedmont Lithium Limited (**Piedmont**) recently announced the execution of a lithium sales agreement with electric vehicle manufacturer, Tesla Inc (see Piedmont ASX release dated 28 September 2020). In June 2020, Primero was appointed preferred EPC and operations contractor for the planned spodumene concentrator to be constructed at the Piedmont Lithium Project in North Carolina, United States (see Piedmont ASX release dated 23 June 2020).

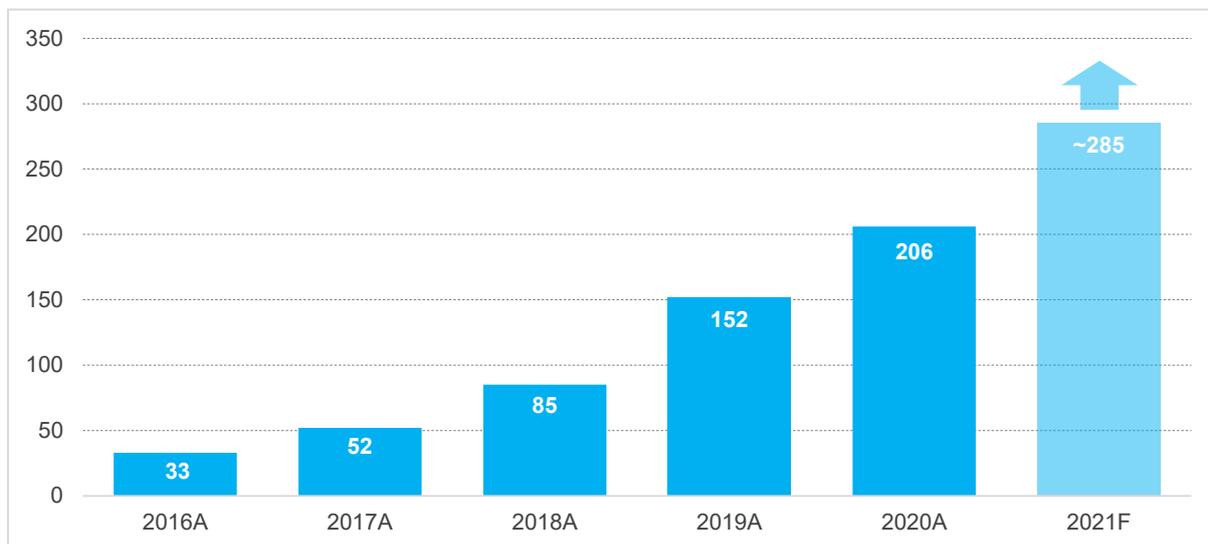
Contracted order book

Primero's committed order book for FY21 now stands at approximately A\$285M. These revenues are expected to be delivered at an underlying FY21 EBITDA margin of approximately 6 - 8%.

In addition, Primero holds preferred EPC contractor status across multiple projects totaling approximately A\$900M (including the Strandline Resources and Piedmont preferred EPC positions).



Figure 1: FY21 contracted order book and reported revenue history (A\$M)



***This ASX release was authorised on behalf of the Primero Board by:
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ABOUT PRIMERO

Primero provides engineering design, construction and operational services to the minerals, energy and infrastructure sectors. Primero has specialist expertise in project implementation and delivery with a complementary service offering comprising civil, structural, mechanical and electrical solutions. Primero provides these services to a diverse client base, ranging from mid-sized companies through to international mining and energy houses.



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