



ASX RELEASE

23 December 2020

Directors Accept NRW Takeover Offer

Highlights

- **Primero Directors have today each accepted NRW's off-market takeover offer of \$0.275 cash and 0.106 NRW shares per Primero share**
- **Primero Directors hold approximately 30.42% of Primero's ordinary shares**
- **Primero Directors continue to unanimously recommend and urge Primero shareholders to now accept NRW's off-market takeover offer**

On 24 November 2020, NRW Holdings Limited (**NRW**) announced a conditional off-market takeover bid to acquire all of the ordinary shares in Primero Group Limited (**Primero**) (**Offer**).

Primero is pleased to announce that all of Primero's Directors, who collectively have a relevant interest in approximately 30.42% of the total number of Primero shares on issue, have now accepted NRW's Offer in respect of all of their shares in Primero. NRW currently has a relevant interest in 18.13% and this additional 30.42% will mean NRW now has a relevant interest in some 48.55% of Primero Shares.

The Primero Directors continue to unanimously recommend and urge that Primero shareholders **ACCEPT** the Offer **NOW** (in the absence of a superior proposal) for the reasons set out below (which reasons are also as set out in more detail in Primero's Target's Statement lodged with ASX on 8 December 2020 (**Target's Statement**)):

1. The Offer is compelling as it values Primero at approximately \$100 million or \$0.55 per Primero share based on NRW's closing share price on 23 November 2020, which represents a premium to Primero's pre-Offer announcement trading prices.
2. The Offer represents an opportunity for Primero shareholders to realise a cash return on their investment in Primero whilst also providing them with the benefits of becoming shareholders in NRW, a financially secure company with diversified revenue streams and growth opportunities.
3. Primero shareholders accepting the Offer will also benefit from the greater relative trading liquidity of NRW shares and the potential to receive dividends.
4. The Offer allows Primero to avoid a potential significantly dilutive capital raising which, in the absence of NRW's Offer, is likely to be required in the short to medium term to fund working capital requirements, Primero's committed contractual order book for FY21/22 and to strengthen its balance sheet.
5. The Offer also avoids the need for Primero to refinance its debt facilities and, if the Offer is unsuccessful, any renewal or extension of Primero's existing debt facilities will likely involve a substantial equity capital raising to cover (amongst others) Primero's additional working capital requirements and bank guarantee facilities and the eventual repayment of the additional debt facility made available to Primero by NRW (refer to the Target's Statement for further details).



6. Accepting the Offer may provide Primero shareholders with the benefit of partial CGT roll-over relief.
7. The trading price of Primero shares may fall if the Offer is unsuccessful.
8. Primero has not received a superior proposal from a third party.
9. If you choose not to accept the Offer and remain a minority shareholder in Primero, there are certain risks in doing so.

Please refer to Primero's Target's Statement and to NRW's Bidder's Statement lodged with ASX on 2 December 2020 (**Bidder's Statement**) for full details of the reasons to accept the Offer and all other information relevant to the Offer.

The Offer is open for acceptance by Primero shareholders at any time up until **7.00 pm (Sydney time)** on **22 January 2021** (unless the Offer Period is extended). To accept the Offer, please follow the instructions in the Bidder's Statement (in particular Section 10.6 of the Bidder's Statement) and the Acceptance Form attached to the Bidder's Statement. If you would like another Acceptance Form, please call the Offer Information Line detailed below.

If Primero shareholders have any questions in relation to the Offer or require any additional assistance, please call the Offer Information Line on **1300 222 378** (from within Australia) or **+61 1300 222 378** (from outside Australia).

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

Cameron Henry, Managing Director and CEO

For further information, please contact:

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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.

