

## ASX Announcement

23 June 2022

### Legacy Project Update – Two of three legacy projects completed by 30 June 2022

- **Project 1. Binding settlement agreement executed. All final claims paid with project completion by 30 June 2022.**
- **Project 2. Acceleration resources assigned, first of two delivery milestones achieved and project on track to be completed by calendar year-end.**
- **Project 3. Closed out, completed.**

As previously advised<sup>1</sup>, Verbrec Limited (**ASX: VBC**) (**Verbrec** or the **Company**), has had three legacy projects which have impacted the financial performance of the Company. The following update is provided in relation to these projects:

**Project 1 – LNG Import Terminal Design:** A binding settlement agreement has been signed which will see the Company paid in a number of tranches up until 30 June 2022 to close out the project.

**Project 2 – Utilities SCADA Upgrade:** Subject to a binding settlement agreement. In alignment with settlement agreement terms, the Company has assigned acceleration resources to the project. The first of two project delivery milestones has been achieved with the Company earning the first of two \$0.7M milestone payments<sup>2</sup>. This project remains on schedule to be concluded by calendar year-end.

**Project 3 – Water SCADA Upgrade:** This project is now complete.

The finalisation of two of the three legacy projects has the Company in a stronger position moving forward, as the executive and management team are well placed to focus on securing new opportunities and executing the Company's record work-in-hand.

**Phillip Campbell, Verbrec's Chairman commented:** "The dedication of Managing Director, Linton Burns, and the entire Verbrec team to see through these legacy projects in what has been a very challenging macro environment, particularly with the added uncertainties brought on by the COVID-19 pandemic and the South East QLD flood event, is a real testament to the drive and determination inherent now in the Company. The engineering team has had to overcome a raft of technical challenges with these legacy projects which were not of their making, and often in an isolated environment not conducive to problem solving. On behalf of the Board, and me personally, I would like to thank everyone involved for their efforts, which now has the Company in a much stronger position moving forward".

- ends -

---

<sup>1</sup> Refer to Business Update announcement made on 29 December 2021.

<sup>2</sup> Monetary values in this section are in Australian Dollars and rounded to the nearest hundred thousand.

Authorised for release by the Board of Directors of Verbrec Limited.

**Further Information**

**Company enquiries**

Phillip Campbell

Chairman

[phillip.campbell@verbrec.com](mailto:phillip.campbell@verbrec.com)

**Investor Relations**

Rod Hinchliffe

Media & Capital Partners

[Rod.hinchcliffe@mcpartners.com.au](mailto:Rod.hinchcliffe@mcpartners.com.au)

+61 412 277 377

**Media enquiries**

Melissa Hamilton

Media & Capital Partners

[Melissa.hamilton@mcpartners.com.au](mailto:Melissa.hamilton@mcpartners.com.au)

+ 61 4 1775 0274

**About Verbrec Ltd**

Verbrec is a leading mid-tier engineering and project services company that supports customers across Australia, New Zealand, PNG and beyond. The Verbrec group of companies serve the energy, infrastructure, and mining industries through their six service lines; asset management, competency training, digital industry, pipelines, power, and process plant, with capabilities that span across the entire life cycle of an asset. Verbrec is an Australian Securities Exchange listed company (ASX:VBC).