

Richard Willcock

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ASX Market Announcements Australian Securities Exchange Limited Level 4 20 Bridge Street SYDNEY NSW 2000

RE: Victorian Desalination achieves key commercial milestone

Please find attached a copy of a media release to be issued today by Leighton Holdings Limited.

Yours faithfully,

R. Willcock Group Company Secretary & General Counsel



Media Release

9 October 2012

Victorian Desalination achieves key commercial milestone

Leighton Holdings Limited announced today that the Victorian Desalination Plant has achieved Preliminary Commercial Acceptance, a key contractual milestone for the soon to be completed project, and successfully passed the preliminary commissioning tests requiring delivery of 150,000 m3/day (50GL per annum).

Hamish Tyrwhitt, Chief Executive Officer of Leighton Holdings, said the event is the result of the successful completion, over the past few weeks, of a number of contractually required tests.

"In the most recent of these tests, the plant was required to operate continuously at one third of its 150 billion litre capacity in a seven day reliability test. The plant and its associated infrastructure have met the stringent requirements of the Victorian Government and are demonstrating their capacity to deliver water into Melbourne's water system," said Mr Tyrwhitt.

"The result showcases Thiess' capacity to construct and commission a world-class piece of infrastructure for the people of Victoria.

"The plant began successfully producing drinking water at industrial scale earlier this month in the first phase of its testing process, highlighting the important engineering achievements that have been realised to design and build Australia's largest desalination plant," he said.

"The plant and its infrastructure had satisfied the required commissioning tests and would now begin to receive service payment for the water being delivered into the system via the Cardinia Reservoir, some 84kms from the plant.

"We have demonstrated an output capacity of 150,000 m3 per day (50GL per annum), which is a key element of Preliminary Commercial Acceptance of the plant. The quantity of water will progressively increase over the next few weeks with the commissioning of the 2nd stream, then to full capacity by the end of the year with the 3 streams, producing 450,000 m3 per day (150 GL per annum)," said Mr Tyrwhitt.

ENDS

Issued by Leighton Holdings Limited ABN 57 004 482 982 <u>www.leighton.com.au</u> **Further information:**

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LEIGHTON HOLDINGS LIMITED, founded in Australia in 1949, is the parent company of the Leighton Group, one of the world's leading international contractors. The Group is also the world's largest contract miner. Listed on the Australian Stock Exchange since 1962, Leighton Holdings is a top 40 company by market capitalisation and has its head office in Sydney, Australia. Leighton Holdings owns and operates through a number of diverse and independent operating companies: Leighton Contractors, Thiess, John Holland, Habtoor Leighton Group, Leighton Africa, Leighton Asia, Leighton Welspun India, Leighton Offshore and Leighton Properties. These operating companies provide development, construction, contract mining, and operation and maintenance services to the infrastructure, resources and property markets. They operate in more than 20 countries throughout Australia, Asia, the Middle East and Africa from headquarters in Australia, Hong Kong and Dubai. These operating companies directly employ more than 54,000 employees and each function autonomously with its own Board and Managing Director.