

Chairman's Address

Ray Horsburgh AM

On behalf of my fellow directors, I would like to welcome you to the first Annual General Meeting of Calibre Group.

This is indeed an historic occasion, having only listed the Company on the Australian Securities Exchange in early August. I would like to take this opportunity to thank you for your support for this exciting new phase in the Company's growth.

There is no doubt we listed in a challenging market, but it was an important, further step in Calibre's growth and diversification strategy, providing our business with new opportunities, by bolstering Calibre's balance sheet, providing access to equity capital markets, and assisting the Company in attracting and retaining high quality personnel needed to take the Company forward.

Whilst we may be new to the investing public, Calibre has been around and established in Western Australia for more than a decade. With our origins in Calibre Global, we have grown rapidly from our establishment in 2002 as a small project delivery business serving clients in the Pilbara region of Western Australia. Today, Calibre is a multi-disciplined and significantly more diversified engineering services and project delivery group undertaking major resources and infrastructure projects for numerous clients in Australia and overseas.

I am delighted to report that the 2012 financial year was another strong performance for the Company with the focus on continued growth and diversification delivering outstanding financial results.

I would like to take you briefly through some of the highlights.

- We reported continued record earnings growth, which exceeded our prospectus forecasts, with revenue up 90% to \$560.9 million, and statutory EBITDA up 104.9% to \$75.2 million;
- We are extremely proud of our financial performance, which maintains a 10 year record of continuous earnings growth, including compound annual growth in revenue and EBITDA of 25.7% and 20.7% respectively, between financial years 2009 and 2012.
- The Company continued its remarkably strong record of safety performance, with zero Lost Time Injuries for the year;
- Calibre acquired Brown Consulting which enabled the Group to extend its capabilities into specialist urban land development, infrastructure and civil engineering, an important step in diversifying our revenue base. Our Managing Director, Rod Baxter, will talk in greater detail about this aspect of our strategy shortly.



Under Rod's leadership, Calibre's management team has established a strong platform for future success through growth and diversification. This strategy builds on the Company's traditional market leading strengths in iron ore, heavy haul rail, infrastructure engineering and project delivery, while progressing the expansion of its markets and products in Australia and overseas. Calibre will continue to build its business organically and through strategic acquisitions and other corporate activity.

Indeed, since the close of the financial year we have made two more important acquisitions, as part of the strategy of further increasing Calibre's exposure to asset management and operational support activities.

Last month we acquired G&S Engineering Services, a Queensland based provider of operations, maintenance and asset management services to the resources sector, as well as Echelon Mining Services, a Queensland based mine engineering and planning group.

Both of these acquisitions have extended our suite of services and Rod will shortly provide more detail on these important growth initiatives.

Calibre would not be where it was today without the exceptional people who make up our workforce.

On behalf of the Board, I would like to acknowledge all of our employees and contractors for their hard work and commitment throughout the year. They are focused on creating real value for our clients by having an intimate understanding of their business needs.

Our people work alongside our clients and concentrate on delivering smart and practical results to help them achieve their strategic and operational objectives. We believe this is the best way to achieve great outcomes and to consolidate our position as a valued long term partner to our clients. We have some of the most professional, highest quality customers in Australia as part of our client base, and are proud to work with them.

Board

During the year there were a number of changes to the Calibre board in the lead up to the public listing to ensure that we had the right experience and skills to account for the step change in becoming a public company.

I was delighted to accept the role of Chairman when I was approached and it is a great honour to serve as your Chairman. I had no hesitation in becoming a part of what I believe will be a tremendously exciting growth story as a publically listed company.

I was joined by two new independent non-executive directors, **Peter Housden** and **Geoff Tomlinson**, who bring new skills and a wealth of public company and corporate governance experience.

I would also like to acknowledge the significant contribution that Calibre's co-founder and former Chairman, **Ray Munro** has made in building this Company, its values



and corporate culture. I look forward to Ray continuing to share his wealth of industry experience and knowledge, as a member of the Calibre Board.

The Board will also benefit from the knowledge and experience of **Brian MacDonald** and **Alex Williams**, who have continued as directors.

I would also like to acknowledge the significant contribution of outgoing Board members **Alex Krueger**, **Anne McIntyre** and **Andrew Boyd** who have been instrumental in guiding the Company's success to date.

The other new board members and I have been impressed not only with the Company's growth trajectory, but also with the determination and talent of the people driving this Australian success story

I look forward to guiding the newly constituted Board of Directors to support management in growing value across the business for clients and fellow shareholders

Your Board remains committed to its dividend payout policy targeting an attractive payout ratio of 55-65% of NPATA. As indicated in the IPO Prospectus, the inaugural dividend, which will be fully franked, is expected to be paid in April 2013 following the interim results.

Diversity and Inclusiveness

At Calibre we believe inclusiveness and diversity drive our ability to attract, retain and develop the best talent, and deliver the highest quality services to our clients. This year we have implemented a number of initiatives that continue to enrich our organisation.

We continue to encourage gender diversity in all our businesses and aim to increase the number of women we employ. I am pleased to report that we have been successful in increasing the number of women in our workforce, now comprising 25% of our personnel and 10% of our management team. However we acknowledge that we have some way to go and this will continue to be an area of active focus for the Board.

Our Indigenous engagement initiatives, which are based on respect and understanding, are delivering sustainable change.

Young Indigenous trainees are gaining experience and mentoring at Calibre, while completing their studies. The program provides support and encouragement for students to realise their full potential within Calibre. The Board and management are encouraged by the results and we have committed to increasing our intake for this program in the future.

Our work with Pilbara Indigenous Communities in the north west of Western Australia is now seeing greater participation in mine and rail related projects in that region.

As we grow nationally and globally, we will carry these values with us.



We are building an increasingly diversified business servicing the resources and infrastructure sectors.

The Company will continue to pursue both organic and corporate opportunities to grow its core businesses, geographic footprint, and market sector presence, and further diversify its products and services.

I firmly believe we have the people, the capacity, and the strategy to achieve our vision of becoming a truly diversified, global provider of engineering, project delivery and asset management services, delivering strong returns to shareholders and quality outcomes and value to our clients.

The talent and dedication of our people and the strength of our client relationships has been central to Calibre's performance. The ongoing resilience and responsiveness of the Company is also a key strength as we continue to navigate the more challenging global economic conditions and associated market volatility that has become a feature of the landscape we operate in, at least for the short-term.

While we anticipate some volatility in revenue streams among group subsidiaries, at this point, I am pleased to be able to confirm overall Group guidance for FY2013. This now includes a combination of both our Prospectus guidance and additionally the expected financial contribution from new group Company, G&S Engineering.

With our strong client relationships, talented people, and a robust business model, I am confident about our future.

I would like to thank you, our shareholders for your support

And I am pleased to now ask Calibre's Managing Director, **Rod Baxter**, to address the meeting. When Rod finishes, we will move to the business of the meeting and address the resolutions in your Notice of Meeting.

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